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Standing Committee on Public Accounts

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EVIDENCE

Thursday, March 11, 2010

—
Chair

Hon. Shawn Murphy

Standing Committee on Public Accounts

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• (0910)

[English]

The Clerk of the Committee (Ms. Joann Garbig): Honourable members, good morning.

I see a quorum.

We can now proceed to the election of the chair.

Pursuant to Standing Order 106(2), the chair must be a member of the official opposition.

I'm ready to receive motions.

Mr. Derek Lee (Scarborough—Rouge River, Lib.): I nominate Shawn Murphy as chair.

The Clerk: It has been moved by Mr. Lee that Mr. Murphy be elected as chair.

Are there any further motions?

Mr. Derek Lee: I move that nominations be closed.

Some hon. members: Agreed.

The Clerk: Is it the pleasure of the committee to adopt the motion?

(Motion agreed to)

The Clerk: I declare the motion carried and Mr. Murphy duly elected chair of the committee.

Some hon. members: Hear, hear!

The Clerk: I'm now prepared to receive motions for first vice-chair.

Pursuant to Standing Order 106(2), the first vice-chair must be a member of the government party.

[Translation]

Ms. Faille, do you have a motion?

Ms. Meili Faille (Vaudreuil-Soulanges, BQ): I would like to nominate Mr. Kramp.

The Clerk: Moved by Ms. Faille that Mr. Kramp be elected first vice-chair of the committee.

[English]

Are there other motions?

Is it the pleasure of the committee to adopt the motion?

(Motion agreed to)

The Clerk: I declare the motion carried and Mr. Kramp duly elected first vice-chair of the committee.

Some hon. members: Hear, hear!

The Clerk: I'm now prepared to receive motions for second vice-chair.

Pursuant to Standing Order 106(2), the second vice-chair must be a member of an opposition party other than the official opposition.

Is there a motion?

Mr. Andrew Saxton (North Vancouver, CPC): I'd like to nominate David Christopherson.

The Clerk: It has been moved by Mr. Saxton that Mr. Christopherson be elected as second vice-chair of the committee.

Are there other motions?

Is it the pleasure of the committee to adopt the motion?

(Motion agreed to)

The Clerk: I declare the motion carried and Mr. Christopherson duly elected second vice-chair.

I now invite Mr. Murphy to take the chair.

The Chair (Hon. Shawn Murphy (Charlottetown, Lib.)): Thank you very much, Madam Clerk, for conducting the elections.

Thank you to my mover and to everyone else for the support.

I want to welcome everyone to the Standing Committee on Public Accounts. We do have with us nine returning members, including me, but we have three new members.

To the new members—Josée, Stéphane, Earl—I want to welcome you. I think you will find it a rewarding committee. It is different from any other committee in the House of Commons. We concentrate on the expenditure of public money rather than on policy issues. Of course, most other committees spend all their time dealing with government policy—in other words, why things are being done. We concentrate on how things are being done.

There are a couple of items I would like to deal with. As the clerk has indicated, under the motion that was passed in the House, the routine procedures of the committee were deemed to have been enacted as they were prior to prorogation. You've likely seen that on Wednesday, March 3, 2010, the House of Commons made the following order:

That, for all standing committees, routine motions in effect at the time of prorogation of the previous session be deemed to have been adopted in the current session, provided that committees be empowered to alter or rescind such motions as they deem appropriate.

Accordingly, the routine motions that were in effect at the time of prorogation are reinstated. The clerk will reflect the House order in the minutes of the meeting. The committee can, if it chooses, amend any of these motions.

Finally, for information purposes, the clerk has distributed a copy of the motions to you. I believe the clerk has already done so.

Is that correct, Madam Clerk?

The Clerk: Yes.

The Chair: Thank you.

Is there anything further on that?

On the next item of business, I want to give a little bit of background. When the prorogation took place back in December, we had a full agenda ahead of us.

Just for the benefit of the new members, the way the committee generally operates is that the agenda is discussed at the steering committee, which generally meets once a week. The steering committee comes forward with a draft agenda, which is then ratified by the committee as a whole.

Prior to prorogation, the committee had approved four chapters from the fall report of the Auditor General of Canada. We'll circulate the document right now, before we go any further. That will be easier. Unfortunately, the rules of the committee prohibit the circulation of these documents prior to the committee being constituted. I know it is a little cumbersome.

Just so that it flows in chronological order, I'll do it a little differently. The document that you have before you talks about the status of public accounts committee reports. Instead of doing the possible future chapters, I'll go to page 1.

When we hear a report, we generally have a hearing. We spend some time writing a report. The report is then tabled in Parliament. The government then has 120 days to respond to any recommendations we make in the report.

● (0915)

When Parliament was prorogued, we had 12 reports at various stages of completion. Those reports are all listed on page 1. You can see that the first four were actually done and completed. They were adopted in full by this committee; however, there was not sufficient time for them to be translated and tabled in the House of Commons.

The next two were actually before the committee and revised. They were deliberated upon and there were some revisions made by the analysts.

The next six were ready for committee review. The committee had held the hearing, but did not have the actual time to do the report. You can see that there are different stages of the review.

What I would recommend is to deal with these reports separately. I would recommend that the committee bring them back before the

committee in the form they were in prior to prorogation, as if prorogation didn't exist, and we would have all 12 before us to deal with as soon as possible.

● (0920)

Mr. Derek Lee: I so move.

The Chair: It is so moved. Is there any discussion on that? All in favour?

(Motion agreed to)

The Chair: The motion has passed unanimously.

The clerk has just pointed out a technical issue, but I think we can handle it at the next meeting.

The motion that we've passed brought them all back before the committee. The first four you see on that list have actually been adopted by the committee, but what I propose to do at the first meeting of the committee, which should only take 10 seconds, is adopt them, and then they will be tabled in the House at the first possible date.

The next issue, if you want to thumb over to page 2, is "Possible Future Studies". You will see paragraph A, "Fall 2009 Report". That was tabled in the fall and ratified by the general committee. The steering committee agreed to have hearings on chapters 1, 2, 3, and 5. The clerk was in the process of arranging hearings. In fact, the first one would have been on January 26.

I would recommend to the committee that the same decision, made by the steering committee and ratified by the committee, be adopted by this committee so that the clerk can immediately start work on having a hearing by the committee. She can't do anything until this motion is passed.

Given the time constraints, there obviously will not be one next Tuesday, which of course will be devoted to drafting reports. It could be possibly a week from today. If not, hopefully by the following Tuesday, certainly, we would be dealing with one of these chapters.

I should point out that we do not do them in any particular order. We leave that to the clerk, based on the availability of witnesses from the department. Generally speaking, it's not an issue with the Office of the Auditor General. Sometimes we have to change things around to accommodate schedules for the accounting officers from the department or agency.

Is someone prepared to make the motion that we deal with those four chapters, 1, 2, 3 and 5, as are listed on that page?

Mr. Kramp.

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Mr. Chair, I have no difficulty in doing that. I think that's great. I just have a question. If we still have to finish page 1, how long is it going to take us to get through that before we get into the next one? Are we able to commit to that time period right now? I would suggest that we maybe go through a meeting or two to see if we can get through this and get rid of the ones that have been sitting there, and then just lead right into these.

But as for going ahead and booking new witnesses now, if they come in for these evaluations, are we then going to sideline the other ones that were there before? I don't know. I just ask for thoughts from the committee.

The Chair: Do you mean the reports that haven't been written yet? Is that what you're talking about?

Mr. Daryl Kramp: That's correct. If we're reviewing these reports, how long will it take us to review these? Do we have a solid date on that?

I'd like to see us move into one or two, and then, if we're just going through them, by all means just have the clerk go ahead and prepare to move on to the next studies.

The Chair: I don't think anyone can answer that, Mr. Kramp. I've seen us do a report in 15 minutes. I've also seen us take two hours to do one line.

Mr. Daryl Kramp: Yes. That's my point.

The Chair: It's very difficult to know, but generally we've always tried to do a hearing and then a report in a week.

Again, we can see how we get along. It is nice to get going with at least one hearing. I would think the first two meetings would certainly be devoted to drafting reports.

Mr. Lee, you had a comment.

Mr. Derek Lee: I'm on the same issue. As I look at the inventory of the work in progress, as I look at the fall 2009 report, and as I look at what may be coming up this spring, we have stuff in the inventory going back to 2007. You can call it a backlog, but I'm concerned about the inventory. I don't suppose it ever gets stale on this committee, but it's really getting long in the tooth. In terms of the currency of our work, I just get a sense that we're always going to be working on backlogged stuff going back two or three years.

Perhaps this should go to steering committee. I'd like to recommend, or encourage the committee, that we try to get the backlog brought up a bit closer to current, to 2010.

Those are my thoughts. Perhaps I'll take that up at steering committee, or the chair will ensure that it is.

Thank you.

The Chair: Mr. Kramp.

Mr. Daryl Kramp: I understand the chair's and I think the committee's desire to move on to new work. I think that's fair ball. We all recognize that a lot of this stuff is dated. I really think that you would find a very serious willingness in this committee to, hopefully, expedite. We're not going to sit and drag out a report for three meetings. Let's just try to really get through them as quickly as possible.

Quite honestly, some of the reports aren't even relevant now. Let's just get at it, clean them up, and get on. Then we can get back to our serious work.

The Chair: Mr. Christopherson.

Mr. David Christopherson (Hamilton Centre, NDP): Thanks, Chair.

I haven't heard anything I disagree with.

For the benefit of new members, I would just point out that in terms of the backlog, we've seen a lot worse. I've seen us stacked up so far that you couldn't even see yesterday. In the past, while we were playing catch-up, we tried not to allow ourselves to fall behind with something new. Where possible, as I recall, we would try to do a new one, an old one, and then, as Mr. Kramp and others have suggested, we'd try to expedite the report writing on two or three. That kind of exercise usually, if we got a good, sustained run for a couple of months, allowed us to catch right back up.

So while we're on the brink of being in trouble, I just want to say to members that from my experience on this committee it can be a lot worse. The thing is to jump on it now, and we'll be okay.

The Chair: Madam Faille.

[*Translation*]

Ms. Meili Faille: What I wanted to say is that, as Mr. Christopherson mentioned, the committee has gone through much more difficult times in terms of catching up. We have two reports from 2007, but the other reports are from April or May 2009. Given the committee's experience, we are not that far behind. As Mr. Christopherson mentioned, we could start a new one and work quietly on reducing the backlog by doing an old one and a new one as the work of the committee continues. If we spend next week studying the reports we have in front of us... I do not think any of them are big issues. After two work sessions, we might be surprised to see that we have done a good job catching up with the reports.

● (0925)

[*English*]

The Chair: Mr. Kramp.

Mr. Daryl Kramp: Actually, I don't think we're into a heavy dispute here. We can work this way forward.

I actually like Mr. Lee's thought of just taking it to steering committee, working it through, and doing it. It's really not a problem; whether we go two to one, one to one, three to one, we'll find a way to make this thing happen.

The Chair: As I indicated, I fully expect that the first two will most likely be drafting of reports, for the reason that it would be impossible to schedule witnesses.

So the motion required would be that chapters 1, 2, 3, and 5 be taken back by the committee to be dealt with as soon as possible in this session. It is so moved by Madam Faille. All in favour?

(Motion agreed to)

The Chair: The motion passes unanimously.

Next we have a couple of other items. Sometime during April or May, as we do each and every year, we will be devoting a hearing to dealing with estimates. With one exception, this committee does not deal with estimates in any form, and that is the estimates arising from the Office of the Auditor General.

So we will have a meeting sometime between now and the end of May dealing with the estimates from that office, but at that same meeting we will also deal with the departmental reports on plans and priorities and the departmental performance reports from that particular office. That will be scheduled at some time by the clerk. I just point that out. That's in the mix that we do each and every year. Of course, it has to be approved by the steering committee, but that's a pretty standard meeting of the committee.

For the next one that will require a motion, this has been in the works for about a year and a half. Because there has been much discussion about the quality of the departmental performance reports, we decided we would take two departmental performance reports and have a hearing on the departmental performance reports. We decided to do that, we waited until they were filed, and we chose two departments from a hat, the Department of Transport and the Department of Industry, and that was actually going to be scheduled in February of this year.

Of course, it was delayed because of prorogation, so I would recommend that this hearing or issue be brought back before this committee with the same two departments and that we do this subject to availability and at the clerk's discretion in scheduling.

So moved by Mr. Christopherson. Are there any questions?

Mr. Derek Lee: Are you saying that we're going to dedicate a meeting or a series of meetings to this line of inquiry?

The Chair: It's one meeting.

Mr. Derek Lee: For both departments? And that meeting would be scheduled between now and June?

The Chair: Yes, hopefully.

● (0930)

Mr. Derek Lee: Shouldn't we fold this into our discussion of all of the other business, including the 2007 stuff and the stuff from a year ago? Shouldn't the steering committee take that up? Unless, if members want to bite the bullet on this one...?

The Chair: The steering committee could always come back with a recommendation that we take it off.

Mr. Derek Lee: All right. Thank you, Mr. Chair.

The Chair: Another issue that I just want to....

Oh, that wasn't voted on. All in favour of that motion?

(Motion agreed to)

The Chair: The other issue that I will point out is just for informational purposes. The Office of the Auditor General is in the process of undergoing an international peer review, which is done every six or seven years by a number of international audit departments. It's being led by the Australian audit department.

The two members of that audit department were before the committee for one hour back in November, I think it was, just to set

out the terms of reference or the frame of reference of the international peer review. The auditor indicates that she thinks this will be available sometime in June.

I think it behooves us to have another hearing on it, with a report on the actual peer review, but that will probably be a September issue by the time it gets done. Then we will have a hearing devoted to the international peer review. It's an audit of the audit department.

That's just for information purposes. It will come back before the steering committee.

The Chair: The clerk has asked for a little more clarification. On the future agenda of the committee, we seem to have it all laid out and we'll be meeting next Tuesday at our normal time of nine o'clock. It would be very difficult to envisage having a hearing on that date, because today is Thursday and it would be next Tuesday. So I would suggest—and if anyone disagrees, please speak up—that next Tuesday, March 16, be devoted to drafting reports. And after that, given that we do have a number of reports and because of the tightness of time, perhaps we could also designate the meeting on Thursday, March 18, for the drafting of reports. And then we would ask the clerk to try to schedule a hearing for the following Tuesday, which would be March 23. Agreed?

Some hon. members: Agreed.

Mr. David Christopherson: What would be the date and time of the steering committee meeting?

The Chair: I was going to deal with that next.

Mr. David Christopherson: You're going to deal with that. Okay, fine.

The Chair: Those are instructions from the committee to the clerk, and she will go ahead and do that.

Now, the next item that Mr. Christopherson brought up is that the steering committee, as I indicated, meets once a week. We have met Monday at noon and we have met Tuesday at noon. Don't forget that the time of the committee has changed. We're now meeting from nine to eleven. And I should point out that meetings will be over at eleven, because in normal circumstances there's another committee coming in for another meeting at eleven o'clock in the room that we have. So there'll be no 11:15 or 11:30 ending of the meeting.

I take it that the way the routine motions are is that the steering committee is comprised of the chairperson and one representative of all parties. So it doesn't make any difference who the representatives are. They are chosen by the parties.

Why don't you just let the clerk know who your representative is and we will try our very best to have a meeting of the steering committee next week. And perhaps if you know your representative, ask that person to stay here after the meeting and we can chat among ourselves and get everyone's schedule and come forward with a time that suits everyone.

Mr. David Christopherson: Chair, again, Monday at noon worked the best, but I understand that Madame Faillie had a problem last year, so we went with Tuesday. I don't know whether the Monday problem still exists for Madame Faillie or not. It does? So by default I guess it's going to have to be Tuesday. Even though it's not ideal, we made it work last year.

The Chair: It's irrelevant to me.

Mr. Kramp, you're the representative on the steering committee?

Mr. Daryl Kramp: What's convenient for my colleagues, I'll work with.

Mr. David Christopherson: If we do it on Tuesday, though, we're here for two hours and then there's an hour break and then we're back again.

Mr. Daryl Kramp: In and done and over with, then.

Mr. David Christopherson: Unless there's another room we can meet in right at 11:15—adjourn here and then go to a steering committee right on the heels of it, Chair?

Mr. Daryl Kramp: That would be great.

The Chair: Why don't we leave it in the clerk's hands and she will try to schedule it for 11:15 next Tuesday. We can always change it among ourselves if we find it's not suitable. At 11:15 next Tuesday we will have a steering committee meeting and the clerk will notify you as to the room and there will be a notice sent out.

Perhaps I should have done this at the start of the meeting. I assume everyone knows them, but for the benefit of the new members I want to introduce everyone to our very qualified staff.

The way the committee operates, we have a clerk, Joann Garbig. Joann does a tremendous job for me. We also have Alex Smith and Maria Edwards. Actually, Alex has been with the committee for many years but Maria is just joining us. So I want to welcome Maria aboard, and we look forward to working with you. You'll find us very agreeable.

Some hon. members: Hear, hear!

The Chair: Is there any other business to come before the meeting?

Mr. Christopherson.

• (0935)

Mr. David Christopherson: Just a quick one, Chair, a heads-up. Have a date and location for the annual public accounts conference been set?

The Chair: I'll ask the clerk.

Mr. David Christopherson: I believe that happens in the late spring.

The Chair: It happens in the summer. It's in Quebec City, but I don't know the date.

For the benefit of new members, each and every year there is a meeting. It's called the Canadian Council of Public Accounts Committees, and at the same time they meet with the Canadian Council of Legislative Auditors. This year the meeting is in Quebec City, from August 29 to 31.

The committee goes to the liaison committee and usually gets approval for travel, accommodations, and incidentals to be paid for by the House of Commons. An invitation is extended to each and every member of this committee to attend that conference. It's valuable. We never get full attendance, but we usually get three or four, depending on the location. Last year it was in Edmonton, I believe. Bev and I were the only ones there, but the House was sitting at the time, too. It wasn't easy even for us to get there.

This year it will be August 29 to 31. You can put that on your calendar. You'll be getting a lot more information later, but that's in Quebec City.

Mr. David Christopherson: Thank you.

The Chair: Is there anything further?

If there's no further business, the meeting is adjourned. We will see you next Tuesday morning at nine o'clock.

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