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Chair

Mr. Pierre-Luc Dusseault

Standing Committee on Access to Information, Privacy and Ethics

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•(1100)

[Translation]

The Chair (Mr. Pierre-Luc Dusseault (Sherbrooke, NDP)): We are going to start in a few minutes. I would first ask the media to leave so that the members of the committee can do their work.

Good morning and welcome, everyone. Thank you for joining us.

Mr. Del Mastro has a point of order.

[English]

Mr. Dean Del Mastro (Peterborough, CPC): Thank you, Mr. Chairman.

Might I ask that the witness be sworn in for this morning's testimony?

[Translation]

The Chair: Since the clerk is usually in charge of this procedure, I would like to ask him to ensure that the witness takes an oath.

Ms. Claude Benoit (President and Chief Executive Officer, Old Port of Montréal Corporation Inc.): I, Claude Benoit, do solemnly, sincerely, and truly affirm and declare the taking of any oath is, according to my religious belief, unlawful. I do also solemnly, sincerely, and truly affirm and declare that the evidence I shall give on this examination shall be the truth, the whole truth, and nothing but the truth.

The Chair: Thank you, Ms. Benoit. Thank you for making this trip today.

Without further delay, I will give you 10 minutes for your presentation. We will then move to the first question and answer period for seven minutes, followed by five-minute periods.

So the floor is yours and you have 10 minutes.

Ms. Claude Benoit: Thank you, Mr. Chair.

Members of Parliament, I would like to begin by thanking you for your invitation, which will allow the Old Port of Montréal Corporation to attest to the rigour and transparency of its management, to set the record straight and dispel any doubts sparked by the recent allegations of the *Journal de Montreal* and QMI Agency, and to attest to the fact that the corporation respects all the rules and regulations to which it is subject, as will be determined in a special examination by the Auditor General's office, an initiative we applaud.

But first, I would like to explain what the Old Port of Montréal Corporation is.

The Old Port of Montréal Corporation is a wholly owned subsidiary created in 1981. It has the status of a parent Crown corporation, but only under certain specific provisions of the Financial Administration Act. As a result, it reports directly to the appropriate minister. It is an agent crown corporation. The Auditor General of Canada is its designated auditor. Its share capital is held by the Canada Lands Company. Its directors are appointed by the CLC. The board of directors appoints the chair of the board and the CEO.

The Old Port is not the Montreal Port Authority, as many people mistakenly assume. We occupy a territory covering 40 hectares, 60% of which is parkland, public space, and access and traffic routes along the Saint Lawrence River, in the southern part of Montreal's historic district.

The Corporation's mandate, since it was created 30 years ago, is to develop and manage assets that are today valued at \$500 million, and administer an annual budget of \$48 million, while respecting the objectives set for us by the government.

The government has the following objectives: to preserve and promote Canada's heritage; to improve urban living conditions and facilitate public access to the shores of the St. Lawrence; to contribute to regional economic development efforts; to maintain some port operations suitable to an urban and historic environment; and to assert the federal presence in a dynamic manner.

The corporation is the custodian of a heritage site of great urban, historical and commercial value. The development of the Old Port was guided by the community, following a major public consultation, which resulted in a report in 1986 that led to the development guidelines, the relevance of which was reiterated at an examination of the corporation's mandate in 2002.

So what are those principles? They are: to maintain free, unrestricted access at all times; to implement a product and service offering that complements the wider downtown area, supported by adjacent sectors and in response to collective needs; to maintain an overall vision for the development of the port, architectural and shoreline heritage by preserving the views; and to remain under the control of public powers by encouraging participation by all levels of government to do so.

In addition, when we invest in major projects we do it in a responsible manner. When choosing projects, we are guided by the following criteria: user safety, environmental protection, direct revenue opportunities for the corporation and economic benefits for the district and the city, and creating value for these assets.

To achieve these objectives, the corporation supports a team of 425 employees in peak season, divided into two business units: the Quays of the Old Port of Montréal and the Montreal Science Centre. Our teams are motivated and committed. We provide high-quality training to ensure optimal delivery of services. Our team is stable, with a turnover rate comparable to that in our industry.

By reorganizing our staff over the past dozen years, we have managed to adapt our teams to deal with various challenges, i.e. increasing our revenues, reducing our expenses, and taking charge of assets of more than \$500 million, since 2009.

Our labour relations are constructive and harmonious. For example, when the collective agreement expired in 2010, a new contract was signed on the same day.

Our corporation manages its budget responsibly, in order to make wise investments in the public interest and also to generate the maximum possible revenues to ensure self-funding.

The corporation therefore operates the Science Centre and the IMAX theatre. We sign and manage annual commercial agreements with more than 45 concessionaires. More than 20 sponsors invest in promoting the destination and its programs. More than 200 companies rent our facilities for events such as product launches, and client and employee meetings. We sign contracts for the production of activities and events with more than 30 creative, innovative firms.

The annual economic impact of all these activities is nearly \$60 million in added value for the region, as well as 900 jobs in all of its activities and those of its partners.

• (1105)

In 30 years, the federal government's investment, coupled with investments by municipal and provincial governments, has contributed to the development of the historic district and resulted in investments of more than \$2.4 billion. An entire district of the city was thus revitalized.

All of our activities are managed scrupulously, in strict compliance with the rules in effect. Our books are open and our management is transparent. All of our management decisions are made on the basis of two main principles: making the best possible use of taxpayers' money, which we receive from the Government of Canada, and developing a product of the highest quality, in keeping with our mission. The corporation respects the management framework and the control required under Canada's Financial Administration Act. Its policies and procedures are based on the Treasury Board's directives and its practices are modelled on best practices in its area of expertise.

Our corporation is responsible and respects its commitments. Since 2007, we have respected the budget allotted to us by the government. The same applies to the increased revenues and lower costs that enabled us to absorb salary increases and new taxes and participate in reducing our country's deficit. Since 2007, we have increased our revenues by an average of 3% with price increases, new sponsorships, new world-class products, and an upward revision of our leases to bring in the highest revenues to which we are entitled for the attendance figures we provide. Since 2007, we have reduced our travel, meal and catering expenses, and maintained salaries at the most acceptable level for our industry.

Our corporation's collaboration with the office of the Auditor General of Canada is one of our obligations, and our relationship with this office is very important to us. The AG's office conducts an annual audit of the corporation's financial statements, after which it systematically issues an unqualified opinion. Our collaboration with the AG's office, which could be described as exemplary, as well as the implementation of its instructions and recommendations, coupled with the regular internal audits, have improved the corporation's business processes over the years.

The Old Port Corporation of 2012 is a far cry from what it was in 2004. We must therefore see our corporation's management as an example of ongoing improvement with a view to the accountable management of public funds.

Today, in addition to being the city's only vantage point on the river, the Old Port of Montréal is also the most popular recreational and popular tourist site in Quebec. With 6.6 million visitors in 2011, the Old Port is indeed a major tourist attraction. In 2010, the Old Port of Montréal joined the list of the world's 15 most beautiful waterfronts. If the Old Port is today as popular with the public, it is because, over the years, it has been able to develop its individuality, its uniqueness and its brand. It is unquestionably the Government of Canada's pride and joy in Montreal and Quebec.

Unfortunately, the reputation of this major institution has now been unfairly tarnished by misleading allegations made out of context, put together in an attempt to malign the corporation and spark outrage.

Following these allegations, the corporation's books were opened to the AG's office for the purposes of a special audit requested by our minister. We welcome this initiative, which will confirm the scrupulous management of the Old Port of Montréal, just as we welcome any recommendations from the Office of the Auditor General that could improve our management and our practices so they reflect the best standards of the federal government.

I thank you for your attention and am ready to answer your questions.

• (1110)

The Chair: Thank you, Ms. Benoit.

Without further delay, I will give the floor to Mr. Boulerice, who has seven minutes.

Mr. Alexandre Boulerice (Rosemont—La Petite-Patrie, NDP): Thank you, Mr. Chair.

Thank you, for your presentation and for joining us, Ms. Benoit. I would like to thank you for responding to the request that I made before this committee.

As you might suspect, we are going to have some tough questions, but before getting to the meat of the matter, I would still like to give you a pat on the back. As a Montrealer and a father, I would like to congratulate you on the Science Centre in Montreal. It is a great place. It is always a treat to go there with my children. You have great exhibits.

But in terms of how your budget is managed, without wanting to get anyone upset, we have some serious questions to ask you. There are thousands of paid lunches with duck confit on the menu. We have heard about luxury retreats to Mont-Tremblant. Over two years, they have cost \$13,842 for eight people, or roughly \$7,000 per meeting. You also receive a car allowance of \$20,000, though you live about three blocks away from your office.

How do you justify those financial anomalies and what seems to be a waste of public funds?

Ms. Claude Benoit: Thank you for your question.

First, I would like to clarify something. You were told that the catering costs were astronomical. I have to tell you that, over the past three years, since 2009, a total of 2,530 meals and snacks were served at 175 business meetings, for an average cost of \$15 per person. Those meals and snacks were served at business meetings with two to 150 people, such as volunteer teachers and science researchers, volunteer members on the science and programming committees, and at biennial meetings for the Old Port of Montréal Corporation employees. Although the meals were delivered at the Old Port, they were not delivered or served at my office, as the QMI Agency alleges. As you said, all those meals and snacks amounted to \$11,300 per year, and they were justified.

As for annual meetings outside the office, it is normal for our managers to be able to get away once a year so that they can focus on our objectives and the business plan, which we are responsible for and which we submit to the government every year. We are managing a budget of \$48 million and we have \$500 million in assets. That is the common practice both in the private and the public sectors. Those two meetings are always with nine people and they last three days. In my view, they were justified. I would also like to point out that, in 2011, given the cuts that we made to help reduce the government's debt, we decided to hold the meeting with our employees somewhere in Montreal.

Mr. Alexandre Boulerice: Okay.

But Ms. Benoit, you get a car allowance of \$20,000 when you live on McGill Street and the Old Port is about three or four blocks away from there. You almost have the same lifestyle as a Conservative minister with a limo. How do you justify this car allowance?

Ms. Claude Benoit: The car allowance is a taxable benefit for the chief executive, which has historically been included in the compensation. I use this car to travel on behalf of the Old Port of Montréal Corporation, not on my personal behalf. Since it is a benefit that comes with my pay, it is part of the compensation package. It has been the same for 12 years, and it has nothing to do with where I live. It does not cover my trips from home. It has nothing to do with that. It is a taxable benefit that has been historically included in the compensation package of the chief executive.

• (1115)

Mr. Alexandre Boulerice: The clock is ticking, so I am going to move to another topic, Ms. Benoit.

It is a bit odd for someone to get paid for 10 days of work to go on a trip to Australia, where a nine-page PowerPoint presentation was made. It is all well and good to have a pretty PowerPoint

presentation with a lot of pictures, but, from the point of view of average people or taxpayers, it is a bit strange to have 10 days of work paid in Australia to do a PowerPoint presentation.

Ms. Claude Benoit: Mr. Chair, this 10-day mission was duly approved and it included two days of travel. The mission consisted of a visit to the sites and facilities of interest to the Old Port of Montréal Corporation. In terms of the planning of international ferry terminals, we have a project with the Port of Montréal. In terms of recreational boating, we were in the process of replacing our facilities.

We went to the Powerhouse Museum, in Sydney, to see the Star Wars exhibit from the Boston museum that was there and to be able to assess the other proposals made to us. The Star Wars exhibit, not the same one, is now in Montreal. We also visited a big observation wheel, the Southern Star, in Melbourne, because we had a similar project on the table for the Old Port.

Unfortunately, Mr. Boulerice, you were misinformed. Seven reports for a total of 100 pages and 275 photographs were produced, distributed to managers and shared with our networks. A number of observations have led to solutions, encouraged ideas and helped the corporation make more informed choices, including opting for "blockbuster" exhibits at the science centre.

So it is not accurate to claim that those reports are summed up in a nine-page PowerPoint presentation with a lot of pictures and very little text, and to label them all as "useless report". Unfortunately, there is a mix-up with the report dealing with the ferris wheel alone, the only request made by the QMI Agency. To keep track of the expenses for my mission, I made sure I separated my travel and vacation expenses.

Mr. Alexandre Boulerice: But taxpayers still paid for half of your trip. When public service is being cut, when 19,000 public servants who provide services directly to the public are losing their jobs, everyone else is expected to tighten their belts. We get the feeling that the Old Port of Montréal is throwing money out the window. Your average Joe and Josephine won't be travelling to New Zealand and Australia. In addition, when you talk about 10 days of work to help the Old Port of Montréal Corporation make informed choices, I don't buy that.

Ms. Claude Benoit: The expenses and travel costs are in compliance with the Treasury Board guidelines. We often receive missions like that at the Old Port of Montréal Corporation. We share a great deal of our expertise, we welcome people and we provide them with information about our site. It is quite normal and crucial for a president and CEO to be able to go see other facilities, to do some research, to draw on what is being done elsewhere in order to be able to share ideas and expertise, and to create networks, so that we have the most popular site in Canada and in the greater Montreal area.

Mr. Alexandre Boulerice: It might have been a better idea for the people in New Zealand and Australia to send you a nine-page PowerPoint document showing you how they work. That would have been cheaper for taxpayers.

Do I still have time, Mr. Chair?

The Chair: You have a few seconds left.

Mr. Alexandre Boulerice: Let me go back to the car allowance. What do you use the \$20,000 for? If you don't use it to go to the office, what do you use it for?

Ms. Claude Benoit: Mr. Chair, let me clarify that the amount is \$12,000 per year, or \$1,000 per month. As you know, it is taxable at the maximum rate, and the allowance is to cover my car costs when I travel on behalf of the Old Port of Montréal Corporation.

The Chair: Thank you, Ms. Benoit.

Your time is up, Mr. Boulerice.

I will now give the floor to Mr. Del Mastro.

[English]

Mr. Dean Del Mastro: Thank you very much, Mr. Chairman.

Madame Benoit, thank you for appearing today.

How long have you been serving in your capacity with the Old Port of Montreal? What year did you start?

[Translation]

Ms. Claude Benoit: In November 2000.

[English]

Mr. Dean Del Mastro: It was November of 2009. Okay.

[Translation]

Ms. Claude Benoit: No, it was in 2000.

[English]

Mr. Dean Del Mastro: It was 2000. Thank you very much.

Whose decision was it to hire Mr. Richard Tardif as your chief financial officer?

• (1120)

[Translation]

Ms. Claude Benoit: That falls under my duties. I am responsible for conducting interviews and selecting candidates. I then submit the nominations to our audit committee for approval and, obviously, also to our board of directors.

[English]

Mr. Dean Del Mastro: Okay. Very good.

So Mr. Richard Tardif was hired as vice-president of finance, and I understand he signed off on your audited statements every year between 2006 and 2011. He was subsequently charged in September 2011 with practising illegally as a chartered accountant and was fined \$15,000.

Why didn't you undertake some due diligence to actually ensure that your chartered accountant was in fact licensed?

[Translation]

Ms. Claude Benoit: When we hired him, we looked at the results of Richard Tardif in similar positions. We were convinced he was the best candidate. After all, Richard Tardif had worked as an accountant for the Office of the Auditor General of Canada, for Telefilm Canada, which is a major Canadian crown corporation, and for the Société de la Place des Arts, which is a major Quebec crown corporation. So we did not feel we needed to verify his accounting designations.

[English]

Mr. Dean Del Mastro: Well, if I were operating a delivery company, I'd probably want to make sure people driving my cars had a driver's licence. If I were operating a crown corporation with some \$44 million in expenditures, I'd probably want to make sure that my accountant had a licence to operate as an accountant, because I had specific reporting responsibilities to the Government of Canada and to the people of Canada.

We had an individual signing off on audited financial statements who was not licensed to do so. Do you feel that's a problem? Frankly, it speaks to the validity of your reporting.

[Translation]

Ms. Claude Benoit: Our accounts and our financial statements are audited by the Auditor General of Canada. The role of our accountant, or financial officer, has to do with management. The executive provides the statements in the annual reports. From that point of view, I agree that it is important to check accounting titles. We have renewed this practice and we are constantly renewing it. In this case, unfortunately, we relied on the candidate's good reputation and the references we received. We relied on his good will and we trusted him.

[English]

Mr. Dean Del Mastro: Thank you.

To me it seems a little sloppy. I think to most people it would seem sloppy, and it may be, frankly, an example of a recurring pattern.

You indicated that management has been an example of ongoing improvement since 2004, that you budget responsibly, and that you try to stay as economically independent as possible. But when I look at your operating statements, frankly, I see an operation that, for every dollar it brings in, spends \$2.50. That's not very independent.

We have an organization, deemed to be a crown corporation—and I think this is what really bothers Canadians and this is why this is a story—that reports to the government and has an accountant who is not licensed, who has signed off on a month-long trip to Australia for its chief executive officer, and that is spending \$2.50 for every dollar it takes in. The taxpayers are paying for this operation.

To be clear, you went to the board first with a plan and said, "I want to go to Australia to have a look at how their ports are doing business." Is that correct?

[Translation]

Ms. Claude Benoit: The purpose of the trip was to go see the development of similar ferry terminals, because we are working on a ferry terminal project. I was also going to see urban spaces and landscaping, as well as recreational boating facilities, because we had a project to renew our facilities. We also wanted to see interpretation facilities that house the port heritage, as well as an exhibit that we were planning to bring home. In addition, we wanted to look at signage projects and a ferris wheel, because we were studying the possibility of a project like that. It really was a justified trip.

It is normal for someone in a position such as mine to be able to go see other facilities, to see how those facilities are organized and to bring lessons back to their own company.

• (1125)

[English]

Mr. Dean Del Mastro: Okay. I would assume—it is rumoured—that after you spent a month in Australia, you put together a 100-page report that you presented to the executive board of the port. Unfortunately, nobody else has seen that. I know the minister has requested it, but it has not been provided. I would like to request that you provide—how quickly could you provide that report to this committee? Could we have it tomorrow? I would assume if it has already been completed, it would just be a matter of sending it. I'd like to see if any work of any value was done.

I didn't know the Government of Canada was looking at building a ferris wheel. Did you know, Mr. Boulerice, we were thinking of building a ferris wheel? I didn't know we were looking at that.

Could I have the report?

[Translation]

Ms. Claude Benoit: First, I would like to make it clear that we submit a business plan to the government every year, in which all the projects that we plan to develop or implement are listed and described. So the government is aware of all our projects, through our business plan.

Second, seven reports, not just one, were produced as a result of this mission. Those seven reports were presented to my entire team to inspire the designers and the people responsible for the construction and planning. They were also shared with the Montreal Port Authority so that they could take a look at similar facilities. It is not the Old Port of Montréal Corporation, but the authority that manages the ferry terminal. I have already sent the reports to the office of the assistant deputy minister and I would be happy to forward them to the committee if you think it is appropriate. They know about them. They have read them and had time to become familiar with them.

[English]

Mr. Dean Del Mastro: A point of order, Mr. Chairman.

[Translation]

The Chair: Mr. Del Mastro on a point of order.

[English]

Mr. Dean Del Mastro: Could you please make a request that we receive these seven reports as soon as possible? My understanding is that the minister's office is not in possession of these reports, but I'm sure everyone would like to be inspired by them.

[Translation]

The Chair: I understand your request and I hope to be able to obtain the reports through the clerk. We will then be able to send them to the members of the committee as soon as possible.

I will now give the floor to Mr. Coderre for seven minutes.

Hon. Denis Coderre (Bourassa, Lib.): If the assistant deputy minister has those reports, he will have to speak to his minister. If

they already have them, there is no reason to start tarnishing reputations for nothing.

Ms. Benoit, do you think that those mind-boggling expenses have made you vulnerable to criticism? If you had to do it all over again, perhaps the retreats should have been done differently. Instead of going to see the ferris wheel in New Zealand, you could have crossed the river and go see Terres des Hommes or La Ronde. Do you think that you sort of set yourself up for criticism?

Ms. Claude Benoit: I feel that it is crucial for me and my colleagues to look for inspiration elsewhere and to establish connections and networks. That is how we have managed to sell exhibits to other Canadian institutions.

Hon. Denis Coderre: Ms. Benoit, I understand that. But I don't have much time and, as you can see, I am the only one here from my party. I might be worth two or three members, but I am alone. I only have seven minutes.

Do you think you set yourself up for criticism with that, yes or no? I will ask other questions afterwards.

Ms. Claude Benoit: I reported the expenses to our board of directors and the expenses were signed off by my chairs. Mr. Coderre, I will concede that we have been going through a period of major restraint since 2010.

Hon. Denis Coderre: So it seems.

Ms. Claude Benoit: This mission took place in 2008-2009. Since 2010, the government has asked us to keep our budget in check. So we have cut our expenses significantly and we have restructured our staff considerably. In fact, we have reduced our staff by 10%. We have taken responsible action in order to be able to balance our budget, given the government subsidy.

I would also like to clarify that the subsidy from the Canadian government essentially goes towards maintaining free access to our site of 40 hectares. Actually, 60% of the 40 hectares are public parks, green spaces, open spaces with access to the shore.

Hon. Denis Coderre: Okay. I understand that, Ms. Benoit.

I also understand that all the expenses you incurred were approved by the board of directors either beforehand or afterwards. Everything you did was approved by Gerry Weiner, former Conservative minister, friend of Leo Housakos and the current chairman of your board. Is that correct?

• (1130)

Ms. Claude Benoit: From 2007 to 2009, I submitted my travel and mission projects to Bernard Roy, who was the chairman of the board at the time.

Hon. Denis Coderre: Bernard Roy is the other one who keeps complaining because he was squeezed out.

Ms. Claude Benoit: Bernard Roy had the authority to approve my expenses. The Hon. Gerry Weiner has approved them since 2009. The board of directors does not see my expenses. In terms of managing travel expenses, our policy is based on good practices and it follows the standards of the Treasury Board. We are actively putting this policy into practice.

Hon. Denis Coderre: So everything was approved?

Ms. Claude Benoit: Yes.

Hon. Denis Coderre: When does your mandate come to an end, Ms. Benoit?

Ms. Claude Benoit: Once my annual evaluation report is submitted, my mandate is renewed every year during the annual general meeting by the audit committee and by the chair.

Hon. Denis Coderre: Do you feel that you are doing a tough job at the moment?

Ms. Claude Benoit: Absolutely, sir.

Hon. Denis Coderre: Is it possible that the Conservative government has its eyes on the Old Port of Montréal Corporation and that, ultimately, it wants to transfer all the responsibility to the Canada Lands Company?

Ms. Claude Benoit: I cannot speak to any studies or reports done by the government or the minister. We are unfortunately not informed of any projects at that level. We are going to let the department do its studies and we will follow the direction that we will be asked to follow.

Hon. Denis Coderre: From what I understand, it is a jewel. It is worth \$500 million.

Ms. Claude Benoit: A jewel indeed.

Hon. Denis Coderre: You are telling me that it all has to do with a simple signature. We could build condos there.

Ms. Claude Benoit: I think that, when the Old Port of Montréal was first set up in 1981, there were between four and six development plans, including a massive plan for condos and office towers. It would have looked like Toronto's waterfront. Thanks to the people and public consultation...

Hon. Denis Coderre: They prevented that from happening.

Ms. Claude Benoit: ...we managed to use this site for tourism and recreation, as well as cultural purposes. And it has been supported by the government since then, despite all the business plans.

Hon. Denis Coderre: The chair was replaced very quickly. Mr. Roy is quite upset. He was very competent, but he was replaced by another Conservative. Is it possible that the current government intends to transfer the whole responsibility of the Old Port of Montréal Corporation to the Canada Lands Company?

Ms. Claude Benoit: Unfortunately, I am not in a position to answer that question. I have no information about that. The changing of the chair falls under CLC decisions...

Hon. Denis Coderre: What is the current status of your relationships with the board of directors, with Mr. Weiner and company?

Ms. Claude Benoit: My relationship is very good and they have been supportive with this smear and mud-slinging campaign going on.

Hon. Denis Coderre: So you currently have everyone's support?

Ms. Claude Benoit: Yes.

Hon. Denis Coderre: Everything is fine. Okay.

Have you noticed that, even though you are an entity, there are people who want one last signature because they want to get their hands on the Old Port of Montréal Corporation land to build condo projects?

Ms. Claude Benoit: We haven't received any offers from developers so far because what we have been saying for over 30 years now is that it is a tourist and cultural destination

Hon. Denis Coderre: Personally, I think the Old Port of Montréal Corporation should be a matter for the City of Montreal, not Ottawa. To keep things like this, we should protect historic Montreal and ensure that this is more consistent. Do you think that would be a good idea?

Ms. Claude Benoit: Regardless of the government's decision, we are talking about assets worth \$500 million. The infrastructures are worn out. The assets require a lot of maintenance work. It doesn't matter who is responsible for the site, \$55 million needs to be invested over the next five years. The quays are vibrant, they move and they need to be repaired.

Hon. Denis Coderre: Do you have the impression that the government is not giving you enough funding and that that is having an impact on the infrastructures?

Ms. Claude Benoit: It delays the projects.

The Chair: You have a few seconds left.

Ms. Claude Benoit: The funding we receive comes from Canadian taxpayers. We understand that. With the money we are given, we do as much as we can, but it isn't enough. More should be invested in maintaining assets.

Hon. Denis Coderre: Thank you.

● (1135)

The Chair: Your time is up, Mr. Coderre.

Mr. Carmichael, you have seven minutes.

[English]

Mr. John Carmichael (Don Valley West, CPC): Thank you, Chair.

Thank you to the witnesses for appearing today.

Let me begin by correcting the record from the previous questioner. You're here today on an opposition motion. It was a motion moved by the NDP, not the Conservatives.

I want to ask you about your organization. Clearly it's a significant organization. You talk about the scale of the land holdings and the asset value. I understand that. But it sounds to me as if you position yourself more in the entertainment business than in the management of resources and assets. Would that be correct?

[Translation]

Ms. Claude Benoit: Historically, we were responsible for developing and improving assets that were entrusted to us. There are several ways of doing it. During public consultations in 1986, residents gathered and decided that the site should remain a tourist and cultural site, that we should protect the location, keep the site free and accessible at all times and develop based on the residents' needs.

That's why in 2000, with the help of the Canadian government, we created the Montreal Science Centre. The federal government invested \$20 million in it. We found \$12 million in the private sector. So we were able to give the city a science centre, the second largest in Canada.

[English]

Mr. John Carmichael: Thank you.

How many members are on the board of directors for the Old Port?

[Translation]

Ms. Claude Benoit: Our board has five members.

[English]

Mr. John Carmichael: Is that board directly responsible for your operation?

[Translation]

Ms. Claude Benoit: Yes. I report on activities to the board. The board approves the business plan and the annual report. It is involved in the strategic plan, the corporation's direction and in the main governance activities.

[English]

Mr. John Carmichael: Okay. So your budgets, your salary, your HR processes, etc., are all under the jurisdiction of your board of directors at the Old Port.

Do you report directly to that board?

[Translation]

Ms. Claude Benoit: That's right. We also submit to the minister our annual report and business plan, which she presents to Cabinet and to the Treasury Board for approval.

[English]

Mr. John Carmichael: How often do you meet with your own board of directors?

[Translation]

Ms. Claude Benoit: There are eight to 10 meetings a year, not including the meetings of the human resources and audit committees. The audit committee meets five or six times, and the human resources committee meets two or three times.

[English]

Mr. John Carmichael: Does the HR committee manage your personal compensation package?

[Translation]

Ms. Claude Benoit: Actually, my contract was signed in 2000. It has been renewed since then. Normally, the human resources committee receives my self-evaluation. Then, the chair testifies to the conversation that was had about my evaluation and my objectives. I leave the room, and the human resources committee deliberates in private. Then, a decision is made about the value of my compensation and my performance bonus, based on my objectives and how well those objectives were attained.

[English]

Mr. John Carmichael: Was your trip to Australia pre-approved by your board?

[Translation]

Ms. Claude Benoit: No, the board does not approve the trips. The trip had been discussed and approved by the board chair at the time.

[English]

Mr. John Carmichael: But this wasn't just at your personal discretion.

[Translation]

Ms. Claude Benoit: No, my trips must be approved by the chair. Trips of over 1,000 km must be approved by the chair.

[English]

Mr. John Carmichael: So the board had an expectation of what you were going to bring back from Australia and New Zealand. You were going to bring back a whole bunch of new ideas to rejuvenate the old port. Is that correct?

[Translation]

Ms. Claude Benoit: Yes.

[English]

Mr. John Carmichael: Go ahead.

[Translation]

Ms. Claude Benoit: The board chair approved my trips because he thought that my mission was in the interest of the corporation. In fact, following that trip, I was able to report to my teams and my professionals on examples of practices in other countries in the world.

• (1140)

[English]

Mr. John Carmichael: We're going to receive those reports, and I'll leave that as previously discussed.

[Translation]

Ms. Claude Benoit: Yes.

[English]

Mr. John Carmichael: With regard to your expenses from the trip, you determined that a portion of that trip—a 29-day trip to New Zealand and Australia—was business, and part of that trip was done on a cruise ship that you took a business expense from. Correct?

You charged part of your trip as a business expense, and part of that business expense was actually on a cruise ship.

[Translation]

Ms. Claude Benoit: The mission took place over 10 days, but spread out over 29 days of travel. Yes, I combined the mission with a vacation. One part of my vacation took place on a cruise ship, but during that cruise, I visited Auckland and Wellington, two cities in New Zealand. In that context, I took two days to visit some sites, including some very interesting ethnological and historical museums in Wellington, in New Zealand. I took those days for the mission because I had the opportunity to travel and go from one place to another. That is how it happened, and I claimed the equivalent of what it would have cost to fly there.

[English]

Mr. John Carmichael: So those museums had value in the report...when you submitted that report?

[Translation]

Ms. Claude Benoit: Yes, absolutely.

[English]

Mr. John Carmichael: How is my time?

[Translation]

The Chair: You have 15 seconds left.

[English]

Mr. John Carmichael: Fifteen seconds. Thank you.

[Translation]

The Chair: We are now moving into the five-minute round of questions. We'll start with Mr. Angus.

[English]

Mr. Charlie Angus (Timmins—James Bay, NDP): Thank you, Mr. Chair.

Welcome, Madame Benoit...for your trip to our committee.

To be frank, I guess Canadian taxpayers are frustrated. I think it would be fair to say there have been numerous allegations about mismanagement at the port and about lack of spending controls. So when we hear about duck confit for lunch and visits to Mont Tremblant, certainly people are wondering.

I'd like to ask about the idea of a South Seas cruise as part of fact finding. I've never heard that. Is that a common way to travel, in a South Seas ocean liner? I've never done that. I don't even think cabinet ministers do that.

Was that your idea?

[Translation]

Ms. Claude Benoit: The cruise was part of my vacation. I took advantage of two days of my vacation to go to places we don't regularly visit and to see comparable sites. We learned some very interesting things there. In New Zealand, for example, we see that ship passengers frequent hotels that are right beside the port of Auckland. These are very interesting sources of inspiration for the development...

[English]

Mr. Charlie Angus: I understand it was your vacation, but you charged the taxpayer for things you visited. I think that's the question. I mean, I go on vacation a few times a year, but I don't think it's necessarily up to the taxpayer to pay, even if I am finding out wonderful things. I think that's part of a vacation.

I'd like to ask you about this larger lack of management. I understand that under your watch eight vice-presidents at the Old Port of Montreal have been fired or quit. There have been hundreds of thousands of dollars of costs to the taxpayers.

Is that true that we've lost eight so far?

[Translation]

Ms. Claude Benoit: Since I have been managing our corporation, so since 2000, there has been a team of six vice-presidents. In 12 years, there have been six vice-presidents. The vice-presidents we hire are people of quality and are very well trained. There have been four departures.

[English]

Mr. Charlie Angus: Is it true that a ninth is about to leave?

[Translation]

Ms. Claude Benoit: There have been four voluntary departures out of the eight that you mentioned, so three were let go, and one was dismissed with just cause. Of those eight, one had been employed by the corporation for 13 years and another for 9 years. It's normal. The life cycle of executives in these situations is about four or five years, and the turnover rate is quite comparable with that of other, similar undertakings.

[English]

Mr. Charlie Angus: I guess it is normal for people to come in and go out, but what's not normal is for the Auditor General to be investigating.

We have seen in media reports that there are questions of abuse of power, psychological harassment of one former senior staffer who left, and questions about financial controls.

We understand—and I really want to clarify this—that the man you hired to sign off on the financial controls had no authority to do this.

Was this a case of fraud? How is it that a man who has no academic qualifications to do the job gets hired to sign off on the finances of a crown corporation?

● (1145)

[Translation]

Ms. Claude Benoit: To answer your question, I'll say that we hired one person we had confidence in. We acted on the basis of that confidence. I repeat that that person had a very impressive CV with respect to the service provided at the Office of the Auditor General of Canada, at Telefilm Canada and at the Société de la Place des Arts de Montréal. These are three very credible, very well-managed Crown corporations. This person's CV showed adequate training for the two titles, CA and CMA. This person had already held two positions as a CA and CMA.

[English]

Mr. Charlie Angus: The issue here is if you're going to be very trusting—and we're dealing with a budget of over \$29 million—you could get taken to the cleaners. No offence, but this could happen. And I'm seeing other deals of \$100,000 with a businessman who, according to the media, was close to Mr. Vito Rizzuto. That deal went south. There were financial dealings with Fabien Morissette; there were questions of sexual exploitation, I understand, and the Port of Montreal lost \$175,000.

It goes back to your sense of trust in these operators. There was Mr. Tardif, who you trusted and he didn't have the qualifications.

Do you think it is going to help the taxpayers to have the Auditor General investigate these questions about a complete lack of financial controls at the Port of Montreal?

[Translation]

The Chair: Your time is up, Mr. Angus.

However, I will let Ms. Benoit answer your question.

Ms. Claude Benoit: Could you please ask me a specific question?

The Chair: Mr. Angus, do you have a specific question?
[English]

Mr. Charlie Angus: The question is, does she believe that given all these questions and dubious practices it will help us to have the Auditor General go in and find out if you do have proper financial controls in place?

[Translation]

Ms. Claude Benoit: The Auditor General has audited our financial statements every year. There was a special audit in 2004. We received excellent recommendations from the Auditor General of Canada that helped us improve our practices and to develop.

We are currently undergoing a special audit by the Auditor General of Canada. We told him, and I repeat, our books are open. I presume there will be specific reviews of the issues that have been alleged. We are ready to shed light on the false allegations, on the lies that have been told and on the exaggerations that have been made of the situation of a corporation that has given the government a balanced budget in all the years it has existed, that has made the site what it is, with 6.6 million visitors, and that has helped with downtown Montreal and with the creation of the historic area of the city of Montreal.

People can't say that we are inadequately managed.

The Chair: Thank you, Ms. Benoit.

Mr. Mayes, you have the floor for five minutes.

[English]

Mr. Colin Mayes (Okanagan—Shuswap, CPC): Thank you, Mr. Chair.

Madame Benoit, your title is president and chief executive officer. With that title, as a business person, you have responsibilities. You said earlier that you sort of operate and then you get the AG report and then you react to the AG report.

Your responsibility, actually, is to run the corporation so that when the AG comes along you've done some good things.

The one question I have is on your inspirational trips to Australia and New Zealand. Did you ever look at the business models that are operating there, such as the administrative costs to percent of revenue, or the operational costs to the cost of administration? Is there anything in your report that says anything about an analysis of how they operate and how cost-effective their operations are? To me, as a chief executive officer, that would be an important thing.

• (1150)

[Translation]

Ms. Claude Benoit: My reports do not include any systematic studies of particular files. As you will see, they contain reports that comment on all the observations I made. However, once I got back to Montreal, my teams contacted the institutions that, for instance, toured the "Star Wars" exhibit. They asked how it had been organized and how it had been set up. They contacted the managers and the professionals that were responsible for that institution, for example.

The people of the Old Port of Montreal with whom I shared the part on international maritime war facilities contacted the people and

researched the matter. The mission involved facility and site visits, and reconnaissance. Then, our teams took over the subjects.

[English]

Mr. Colin Mayes: Could I ask if you have specific dates when you visited the sites during the cruise, and also who you visited on those dates at the sites that you did visit?

[Translation]

Ms. Claude Benoit: Yes, it's in the report. I didn't meet with anyone on site.

[English]

Mr. Colin Mayes: Could I ask for that?

[Translation]

Ms. Claude Benoit: It will be in the report that you'll receive.

[English]

Mr. Colin Mayes: You never met with anybody.

[Translation]

Ms. Claude Benoit: No.

[English]

Mr. Colin Mayes: So you stopped and just looked at the site.

[Translation]

Ms. Claude Benoit: I took photos and went to...

[English]

Mr. Colin Mayes: But you never talked to anybody about the operation.

Have you ever sent a memo to your senior staff saying, "Gee, we're in restraint. Could you please look at your cost of operation, your various departments?" Do you have any memos you sent out as the chief executive officer that said you were looking at cutting the costs of the operation, that you had to cut back and maybe look at being more efficient in what you did because of a restraint in finances?

You do operate a corporation that has operational revenues of \$15,463,000, but your spending for salaries and employee benefits is \$16,463,000. Obviously, if I were the chief executive officer, I would send out a memo to suggest looking at how we could save money to get this more into balance. Have you ever sent a memo like that?

[Translation]

Ms. Claude Benoit: I will reply to your question in two ways, Mr. Mayes. First of all, parliamentarians can see the results of our work in the corporation's business plan for 2012-2013. We submitted a plan to the government that shows a 5% reduction in the government's financial contribution to our budget. That gives you very concrete proof of our efforts. This 5% reduction is in addition to the absorption of the parking tax that the City of Montreal has been billing us for since 2010, that we are also absorbing our own costs while these are asset-related expenses that should come under payments in the stead of taxes. This represents \$900,000 and is a cut equal to 6.6% of the contribution to maintaining assets. This very year, in 2012-2013, we are cutting the equivalent of the balanced budget contribution by 11%. We are making an effort with respect to cuts.

Now, I would like to correct a perception. The Old Port of Montréal Corporation has a budget of \$48 million, including \$11 million for maintaining assets. In our expenditures, 60% of our sites are spaces that the public has free access to and that we have to maintain and control. Simply because access to the site is free, we are in a situation where it is going to cost taxpayers money to maintain the site. All the activities that people pay for and that draw people to the area and to the old port itself are self-funding because of the revenue generated by parking, ticket sales, sponsorships, and so on. We are doing an extraordinary job.

[English]

Mr. Colin Mayes: Did you authorize—

[Translation]

The Chair: Mr. Mayes, your time is up, unfortunately.

[English]

Mr. Colin Mayes: Did you authorize an analysis of your operational expense? Whether it's a 5%, 10%, or 15% reduction, did you ever get hold of your department heads to suggest looking at how you could cut costs, how much you could do, and get a report?

[Translation]

The Chair: I'll give Ms. Benoit a few seconds to answer.

Ms. Claude Benoit: We hold retreats every year to examine each of the departments. We look at the plan for the workforce and the expenditures, and we try to rationalize our expenditures. This year, we reduced the payroll by 9% to stay within our budget, our funding. We are making considerable efforts.

• (1155)

The Chair: Thank you, Ms. Benoit.

Ms. Borg will have the floor for two minutes, and she is going to split her time with Mr. Del Mastro.

Ms. Charmaine Borg (Terrebonne—Blainville, NDP): Thank you, Mr. Chair.

Ms. Benoit, I want to come back to your management. As my colleague, Mr. Angus, said, it's a bit worrisome to see how many people have left their positions. And there are rumours to the effect that a ninth person may also leave. There are allegations of psychological harassment. Perhaps there is a problem worth investigating, given all these expenses. Beyond what is reasonable,

when we are talking about the money of Canadian and Quebec taxpayers, I would really like you to provide more of an explanation of your management method. Why are so many people leaving their positions? Is it true that a ninth person is going to leave?

Ms. Claude Benoit: To put things back into context, I hired an extraordinary young woman last year who had worked for the City of Montreal for 20 years as vice-president of planning and maintenance. Now that the City of Montreal has a new director general, she was offered her dream job as the City of Montreal's head of urban planning, an opportunity she could not pass up. To my great sadness, she is going back to work for the City of Montreal. Yes, a ninth person is leaving. As for voluntary departures, some people had given the corporation nine or twelve years of good and loyal service. It was normal that they would want to move on to something else. I have people who left because, after two or two and a half years, they couldn't do it anymore. It was a very difficult job. The people who were fired because...

Ms. Charmaine Borg: What I understand is that they could not put up with the psychological harassment anymore. Could you talk about that a little more?

Ms. Claude Benoit: I cannot talk about that. It is new and we were not aware of that situation. I do not want to comment on that allegation. I am not aware of what happened with the Office of the Auditor General. I cannot comment on the allegation.

If we dismiss people, it is because our corporation has new challenges. In 2009, the government entrusted \$500 million in assets to us and we have to hire qualified and responsible people. When the government asks us to cut our budget, positions have to be eliminated and I eliminated one vice-president position. We have to make difficult choices, but they are necessary.

The Chair: Thank you, Ms. Benoit. We have two minutes left and we have agreed that Mr. Del Mastro would be the one to end this period of questions.

[English]

Mr. Dean Del Mastro: Madame Benoit, your annual salary would be public record. How much is it?

[Translation]

Ms. Claude Benoit: My salary is not public information, sir.

[English]

Mr. Dean Del Mastro: Your salary is not public information?

[Translation]

Ms. Claude Benoit: No, I am not appointed by the governor in council. I am appointed by the board of the Old Port of Montréal Corporation. The information is not public.

[English]

Mr. Dean Del Mastro: And you don't want to share it with us. All right, that's fine.

I would suggest that you're probably well paid for what you do. We've heard about how you booked conference meetings at Mont Tremblant, despite the fact that you've got wonderful conference facilities right where you are, and charged that to the taxpayers. We know that you have a vehicle benefit that's roughly \$1,000 a month. A lot of Canadians don't have that. I don't have that. I think that's a pretty good benefit.

We've heard about your trip. I'm particularly disturbed to hear that you toured these facilities. These weren't set meetings. This wasn't official business. This was a vacation.

For example, in 2006 I did a cruise as well. I went around Italy. I saw the Vatican; I saw the Leaning Tower of Pisa, which has a beautiful church right beside it that you never see in the pictures. I saw all kinds of things. I could have put it on Twitter, although Mr. Angus might not like that, and I'm not much of a tweeter, to be honest with you. That might have inspired some people, but I paid for that myself.

My message to you is quite simple. Millions of Canadian taxpayers will look at a 29-day trip to Australia, and I would argue it was an excuse to put through on the taxpayers a significant portion of the expenses for a personal trip—there was no justifiable cause for it. I think you're well paid, and in the future, pay for your own vacations.

I have nothing further, Mr. Chair.

[Translation]

The Chair: Do you wish to respond?

• (1200)

Ms. Claude Benoit: I would not like to leave you as parliamentarians with the impression that I took 29 vacation days at government expense. That is not true. I was out of the country working for 10 days, as approved by the chairman of the board. Then I wrote reports that served to further the interests of our organization.

The Chair: Ms. Benoit, my sincere thanks for coming to testify before the committee and for being so open.

That concludes the first hour. We will suspend for a few minutes to let Mr. Weiner come in. Then he will make a presentation too.

• (1200)

(Pause)

• (1200)

The Chair: We now resume the session. My thanks to the Honourable Gerry Weiner for joining us today. We will proceed as we did with Ms. Benoit. There will be 10 minutes for the presentation and then a question and answer period.

Without further delay, I give the floor to Mr. Weiner.

Hon. Gerry Weiner (Chairman of the Board, Old Port of Montréal Corporation Inc.): Thank you, Mr. Chair.

Distinguished colleagues or former colleagues, it is a real pleasure to be back on the Hill.

[English]

The adrenalin starts to flow.

[Translation]

I spent about nine years in this room and in caucus meetings every Wednesday morning.

[English]

It wasn't always easy to caucus here, but I'm deeply appreciative of the opportunity to be here with my former colleagues. I have probably visited many of your ridings, and I will continue to wish you well in the important task you have, because I believe that Parliament is at the centre of our citizenship.

Je vous remercie. I thank you for what you do.

Like the president and chief executive officer of the Old Port of Montreal, Madame Claude Benoit, I would also like to thank the committee for its invitation so we can set the record straight and attest to the sound management of the Old Port.

It is worth pointing out that the Old Port of Montreal is a government corporation, a wholly owned subsidiary of Canada Lands Company. In accordance with its incorporating act, statutes, and regulations, the board of directors of the Old Port of Montreal Corporation is appointed by its shareholder, the Canada Lands Company, whereas its senior management, including the chief executive officer and the board's chair, is appointed by the corporation's board of directors.

Moreover, although it is a wholly owned subsidiary of Canada Lands Company, the Old Port of Montreal reports directly to the appropriate minister for its obligations regarding accountability and financial management. Its business plans, budgets, and annual reports, including its financial statements, are audited by the Office of the Auditor General of Canada.

The board's members come from private corporations and the public sector. With their varied profiles and experience, they make a significant contribution to the board and to the organization.

The responsibility for monitoring the business management of a government corporation comprises the following four major aspects: establishing the corporation's strategic direction, protecting resources, controlling results, and being accountable to the government.

The Old Port of Montreal Corporation's board assumes its responsibilities diligently and more specifically performs the following duties.

It participates in developing and approving the corporation's strategic direction and at the end of this exercise approves the business plan.

It protects the corporation's resources, studying and approving all important decisions affecting its assets.

It approves operating budgets and annual investments.

It monitors the corporation's results, and, to this end, periodically receives and examines financial reports prepared by management, internal audit reports, as well as annual reports issued by the Office of the Auditor General of Canada.

It ensures the required information is provided to the appropriate minister, including business plans, annual budgets, and annual reports.

To assist it with these tasks, the board of the Old Port of Montreal also relies on the support of two board committees: the audit committee and the human resource committee.

The board also acts as the custodian of a national heritage site: a praised cultural institution and a major international recreational destination.

We are responsible for following the direction established by the community during the public consultation of 1985-86. The relevance of the development principles that emerged from that process was again confirmed in 2001-02 when we reviewed the corporation and the mandate. These principles include free public access and development that is in line with community needs, supporting the vision for the transformation of our neighbourhood and the city's plans. It is development that preserves the heritage character of the site and its architectural and maritime assets. It is a development vision that remains under public control and encourages participation by levels of government.

The board of the Old Port of Montreal assumes all these responsibilities with rigour and honesty. For this reason, the members of the Old Port of Montreal, the board and I, were outraged by the allegations made by the QMI Agency and published in *le Journal de Montréal*. We're outraged by the relentlessly malicious nature of the attack. We're outraged by the unfairness of the remarks and outraged by the falsehoods, half-truths, and insinuations we read. We vigorously denounce the hatchet job to which the Old Port of Montreal and its CEO were subjected.

The Old Port of Montreal is a model business partner and as such it upholds rigorous business ethics and vigilantly oversees all the business agreements it signs. Our books are open, and our management is transparent, subject to serious scrutiny by serious organizations.

●(1205)

Whether it is a decision concerning concessionaires in breach of contract, or business trips taken by the president to represent or raise the profile of the Old Port of Montreal abroad, or to bring back innovative new practices or business decisions concerning its staff or volunteers, or lastly, the development of the urban beach, an integral part of the Old Port's development vision, we fully support the management and decisions of the Old Port of Montreal, its president and CEO, and her management team.

We have full confidence in our president and her team. Claude Benoit has an impeccable, exemplary record. She has dedicated her life to the Old Port and to her team. She works in their best interests and would never do anything to tarnish their reputation. She has seen the Old Port grow into Canada's second largest recreation and tourist site and the largest in Quebec. Our science centre has become the envy of the country, with blockbuster exhibitions presented every year for the past three years. Ms. Benoit is a highly dedicated, intelligent, and trustworthy officer who has the unanimous support of our board of directors.

The management team has succeeded in asserting the corporation's importance and establishing the Old Port at the top of the list of leading international attractions. This has been possible because of Ms. Benoit's extensive network, which she has developed at conventions, training sessions, and tours of comparable sites and facilities.

To be among the best, you must travel and discover comparable models and inspiration from among the best of what is out there. For 30 years, the Old Port of Montreal Corporation has protected the unique heritage of its site, where much of Canada's and Quebec's history unfolded. The birthplace of Montreal, where aboriginal and European societies first came face to face, gateway to the Lachine Canal, transportation hub, and genesis of Canada's shipping trade, the Old Port borders Old Montreal, one of the most emblematic and best-preserved 19th century historical districts in North America.

The development of the Old Port has had a spectacular impact on the rebirth of Old Montreal and has proven to be a major driver in Montreal's economic development. The \$452 million invested by the federal, provincial, and municipal governments has contributed to generating investments totalling \$2.4 billion in the south sector of downtown Montreal.

In conclusion, on behalf of the Old Port of Montreal, I would like to reiterate the board's confidence in the corporation's management, as well as our pride as directors to be associated with this outstanding institution. If, following the special audit, the Auditor General recommends improvements or solutions for better governance, we will implement them quickly, as we have done in the past. In the meantime, we maintain that our policies and procedures are effective and adequate. They have been implemented over the years at the behest of the Treasury Board, our internal auditors, and the Office of the Auditor General, following numerous reviews.

●(1210)

[Translation]

Distinguished colleagues or former colleagues, I am here to answer your questions.

Thank you very much.

The Chair: Thank you.

The honour of the first seven minutes in the question and answer period goes to Mr. Boulerice.

Please go ahead.

Mr. Alexandre Boulerice: Thank you very much, Mr. Chair.

Thank you for being here today, Mr. Weiner.

We are concerned by a number of very serious matters. If you are outraged, you are not alone. We are too. I would like to put a few things into perspective. You were a member of the Conservative Party for almost 10 years and you are known as a fundraiser for the ADQ and the Conservative Party.

You supported Mr. Harper in the Conservative leadership race. In April 2009, you gave \$1,000 to the Conservative riding association in Laval-Les Îles. Two months later, you were appointed as chairman of the board of the Old Port of Montréal Corporation.

Are you one of a number of the Conservative government's patronage appointments?

Hon. Gerry Weiner: Mr. Chair, I am a pharmacist by profession. I have worked in our communities health care services for 50 years. I am a former mayor of Dollard-des-Ormeaux and I am still a pharmacist by profession. Perhaps you should ask the people of Dollard-des-Ormeaux if I have done anything. I was co-chair of the Dollard-des-Ormeaux and Pierrefonds library system. I have a lot of experience in my community. I am also president of the Centre for Literacy of Quebec, a member of a hospital board and, really—

Mr. Alexandre Boulerice: Mr. Weiner, we are getting off the topic a little.

Hon. Gerry Weiner: I would like to give you a complete answer. Perhaps you think that I have not had a very meaningful career, but I am still working today. I invite people to come to Canada. I give speeches inviting them to come to Montreal, to Quebec and to Canada. I think that they feel there is some value in the love and emotion I feel for my country.

Mr. Alexandre Boulerice: Mr. Weiner, my impression is that you are a perfect example of a patronage appointment. Leaving aside the link with the Conservative Party, we can see, as we look at the way in which you oversee expenses at the Old Port of Montréal Corporation, that it is certainly not your skills that led you there. You were Mr. Housakos' boss before he was appointed a senator by Mr. Harper's government. We know that Mr. Housakos, as well as Dimitri Soudas, the communications director, were involved in controversy and scandal for appointing Robert Abdallah to the board of the Old Port of Montréal Corporation. What was your role in that scandal, the nomination controversy, together with Mr. Housakos and Mr. Soudas? You were Mr. Housakos' former boss. You know him well.

The Chair: Just before Mr. Weiner responds, let me remind members of the committee that the topic of our study is the expenses of the Old Port of Montréal Corporation. I hope that we will stick to the topic as closely as possible. Thank you.

•(1215)

Hon. Gerry Weiner: Mr. Chair, I have never had a single meal with Mr. Soudas. In all honesty, I can say that, in 1984, I had a team of 2,000 or 3,000 people working with me. Subsequently, some of those people came with me to Ottawa to help me as a member of Parliament, and then as a minister in the federal government.

[English]

I have no embarrassment that Senator Housakos...

[Translation]

Mr. Alexandre Boulerice: Thank you, Mr. Weiner.

A few minutes ago, Ms. Benoit confirmed to us that you were responsible for approving expenses. How can it be said that you managed things responsibly when you approved 10 days of work in Australia and New Zealand, thousands of dollars for lunch, luxurious retreats in Mont Tremblant, meals of duck confit and car allowances of \$20,000 per year? You are responsible for all those extravagant expenses.

Hon. Gerry Weiner: Mr. Chair, before I accept that entire responsibility, I want to say that the former chairman put the system

in place, and I completely agree with him. Since I have been the chairman of the board, the system has been tightened. We have five professionals with a great deal of experience who sit on our audit and human resources committees. Let me give you one clear example. Now we have criteria. Each time that the president wants to travel more than 1,000 km, it must be approved by the chairman of the board. Previously, there may just have been a discussion between the president and the chief executive officer.

[English]

I am just saying that all travel...

[Translation]

Let me explain what we have put in place.

[English]

In 2009 a guideline was put in place that every trip of over 1,000 kilometres must be authorized by the president and approved. Prior to that there was a discussion between the president and the CEO.

Having reviewed the benefits and some of the things that took place...I'm looking at a *Star Wars* exhibition this summer that will be ongoing. It will be the biggest blockbuster exhibition we'll have, and it will tour 250 cities after us. I'm looking at an urban beach—

[Translation]

Mr. Alexandre Boulerice: Mr. Weiner, we have no problem with the *Star Wars* exhibition. My children loved it. We are discussing your excessive expenses. You have just said that you are in agreement with the decisions made by the previous chairman of the board. I am very happy to hear that, but I am not sure that it helps you very much in the present situation. The Auditor General is now going to examine the expenses. Ms. Ambrose is going to launch that examination. Is that not a failure of your management work and your oversight of the expenses?

[English]

Hon. Gerry Weiner: It is very clear that you have to separate operational expenses and budgets from capital and discretionary expenditures. Operational budgets are covered by a budget that's presented and a plan that is approved. That plan and budget are then followed very carefully and progressively by an audit committee to make sure they are kept within the range of how the expenses were planned to be spent. All of that is deposited with the federal government and receives its approval.

As far as I'm concerned, I am the overseer. The role of the board of directors is to be vigilant, watchful, and make sure that expenses are within the mandate and mission of the Old Port. Capital expenditures—

[Translation]

Mr. Alexandre Boulerice: Mr. Weiner, I have one last question because we are running short on time.

[English]

Hon. Gerry Weiner: —were in from the beginning. Operating expenses are the purview of the CEO of the corporation.

[Translation]

Mr. Alexandre Boulerice: I have one last question for you.

Earlier, Ms. Claude Benoit told us that you manage things strictly, responsibly and transparently. Thank you for answering our questions this morning. However, since we are talking about transparency, we also know, from reporters and other media people, that you rather have a tendency to decline interviews and to hide. Are you going to answer everyone's questions today?

Hon. Gerry Weiner: Mr. Chair, in almost 30 years in public life, I have never hidden. I have always been available. No reporters have called me. However, my number is in the phone book, as it was for all those years when I was a member of Parliament, a mayor or a councillor. I have not received a call from a reporter wanting to ask questions. If someone wants to ask me a question, I am ready to answer.

• (1220)

The Chair: Thank you, Mr. Weiner.

I now give the floor to Mr. Del Mastro, who has seven minutes.

[English]

Mr. Dean Del Mastro: Thank you, Mr. Weiner, for your appearance here today.

Mr. Weiner, when were you appointed to your current position?

Hon. Gerry Weiner: It was on June 26, 2009. I remember. It was my birthday.

Mr. Dean Del Mastro: Oh, very good, June 26, 2009. Were you appointed by this government?

Hon. Gerry Weiner: Absolutely.

Mr. Dean Del Mastro: You were, okay. Very good.

That appointment is made through Canada Lands Company. Is that correct?

Hon. Gerry Weiner: The president of Canada Lands at that time, Marc Rochon, called me and indicated he was proposing that I be named a member of the board of the Old Port of Montreal.

Mr. Dean Del Mastro: I understand.

You came on at a time when Madame Benoit was already in her position, which is president and chief executive officer, correct?

Hon. Gerry Weiner: Madame Benoit has been there since 2004, I believe. I think it has been 12 years.

Mr. Dean Del Mastro: She said it was 2002.

Hon. Gerry Weiner: I'm sorry.

Mr. Dean Del Mastro: Regarding the trip in question, to Australia, were you in your position when that trip was taken?

Hon. Gerry Weiner: I was not, sir.

Mr. Chair, I was not.

Mr. Dean Del Mastro: Okay, thank you very much.

So for what we're discussing—and, by the way, I do think it speaks to judgment. I appreciate that you think your board has absolute confidence in Madame Benoit. I don't know her that well. I only just met her today, but she hired an accountant who didn't have

a licence who was signing off on audited financial reports on your behalf. I see a lot of expenses that are certainly questionable. They are certainly questionable.

The question isn't whether or not they were reported. The question isn't whether or not they appeared in the audited statements. The question is whether or not they're appropriate, especially given a time of fiscal restraint. When Canadians see expenses for meetings at Mont Tremblant when there are boardrooms at the Old Port of Montreal, and when they see a taxpayer-sponsored trip to Australia, when frankly, most of the information.... I'll be very shocked when I receive these reports if there is a piece of information in them that I couldn't get from Google sitting in the chair I'm in right now. I'll be shocked.

The question is, are they appropriate? I would like your opinion as to whether or not a taxpayer-funded trip to Australia for information that you could get off Google, since there was no official meeting set up—and she said she set up no official meetings. She went on a cruise ship and went to see museums. I've gone on a cruise ship and gone to see museums. I paid for it, and I was happy to do so.

I'd like to know whether you think those expenditures are appropriate. Is it appropriate that the Canadian taxpayer is paying for that?

Hon. Gerry Weiner: Mr. Chairman, I'm a small, simple pharmacist in the town called Dollard-des-Ormeaux, Quebec. When I first opened, nobody came in, so I understand the value of a dollar. I still try to manage people's money the same way I would if it were my own.

If you're asking me whether I would approve trips now, that's a question I can answer, because that's a relevant question. And if you examine even the meetings that took place at Mont Tremblant prior to my getting there.... The last one took place in the city, almost on the grounds. That was in 2010, I believe.

Let me address the Australian trip.

Mr. Dean Del Mastro: Mr. Weiner, if I could, I'd just like to say you may not have been here a while, but you're not rusty. You're not giving me the answer I'm looking for. It's pretty simple: yes or no. I respect very much your background and the fact that you've worked hard to get to where you are. I appreciate that, absolutely.

The only question is this: is it appropriate? You said you would answer the question. You said you could answer as to whether you would approve. Yes or no, would you approve this kind of trip? Do you see it as appropriate?

Hon. Gerry Weiner: I have seen it as appropriate for what I determined was the result of the meeting, which was the development of the urban beach. There was a further understanding of how *Star Wars* can work as an international exhibition. And I think when you're looking at a riverfront activity that has been branded, you have to keep on improving the brand and going to places like Australia, getting first-hand knowledge. I wasn't privy to the quality of meetings or who the meetings were being held with, but to get an overview with the results of what might have taken place, I liked what I saw.

This doesn't mean that today, in view of the restraint, in view of all that I know, I would approve it. I would not.

●(1225)

Mr. Dean Del Mastro: Okay. I appreciate that. You have to understand, though, that when organizations and the media and so forth look into these things, what they're questioning is the appropriateness of those expenditures. When they come out and say, "We have to question these expenditures", they're questioning the appropriateness. I'm not sure it's a hatchet job, and I'm not sure that you've demonstrated.... To be quite clear, I don't think this has been a model of efficiency.

You used the term "model". I hope this isn't the model. I hope this isn't the model that you want to continue to see going forward, because you started out wondering if there was ever going to be a dollar coming into the pharmacy, and among everyday Canadians there are a lot of people like you. They're not eating duck confit at Mont Tremblant. They're not going on 10-day cruises and being able to bill a bunch of it off because they're going to see some museums and might tweet about it. They don't have these benefits, but they're paying the freight, and they don't see it as appropriate.

I hope you'll look at things through that lens in the future, sir.

Hon. Gerry Weiner: As I said, in 2010 or 2009 we established very strict guidelines for travel over 1,000 kilometres. Other expenditures that are within the operational budget and operational expenses are reviewed very carefully before the budget is approved. We have an audit committee that goes over it line by line, and believe me, we've been clear in understanding the period of restraint from when it began and all the necessary cuts have been made. The structure has been thinned down, and we continue to examine all aspects of what we do to make sure it can't be delivered more efficiently.

Going back, at that time it did not require a formal authorization. Today it would. You know how I feel going forward.

[Translation]

The Chair: Mr. Del Mastro, your time is up.

Your turn, Mr. Coderre.

Hon. Denis Coderre: Mr. Weiner, I did not ask you to take an oath because you are an honourable man and I hope you are going to remain so when you answer these questions. As former ministers and members of the Privy Council, we understand each other.

Hon. Gerry Weiner: Thank you very much.

Hon. Denis Coderre: You may have been a pharmacist, but you are also a Conservative. Therefore, you are partisan. You have made financial contributions to campaigns, and there is nothing wrong with that. People do that. But you received a present in January 2009. You were appointed chairman of the Old Port of Montréal Corporation. One month previously, did you or did you not attend a cocktail buffet with your former assistant Léo Housakos?

Hon. Gerry Weiner: I attended a cocktail buffet, Mr. Chair, but I do not have the details in front of me. There was a candidate in... I think it was Laval...

Hon. Denis Coderre: The constituency is called Laval—Les Îles.

Hon. Gerry Weiner: Yes, Laval—Les Îles. He was a friend. He has been here for 20 years working for the party—

Hon. Denis Coderre: Okay, I understand. Are you confirming it, sir?

Hon. Gerry Weiner: I was there for him.

Hon. Denis Coderre: You are no longer a minister and you are here to answer my questions. Whether he was a friend or not, you were attending a partisan meeting. A month later, you became the chairman of the Old Port of Montréal Corporation. Did you talk about appointments with Léo Housakos at that meeting?

Hon. Gerry Weiner: No.

The Chair: Before you answer, I want to remind Mr. Coderre about the topic that the committee is studying.

Hon. Denis Coderre: With all due respect, Mr. Chair, when the topic of the study is expenses, we must also consider the person who approves those expenses. If that person is the chairman, we want to know how he was appointed because perhaps there is something behind that as well.

The Chair: I hope that you will be coming to those questions. I will let you reply, Mr. Weiner.

Hon. Denis Coderre: Thank you, Mr. Chair.

Hon. Gerry Weiner: Mr. Chair, my memory of the event that the honourable member is talking about is not at all clear. It was a dinner in a restaurant in Laval. I really do not remember whether the senator was there. It was in honour of Mr. Evreklian, who has been a friend for a number of years. There were members of various communities, but I do not recall those who were there.

Hon. Denis Coderre: Mr. Housakos was one of the organizers of the event, but you do not remember that. Okay.

Did you speak to Mr. Housakos after you were appointed chairman of the Old Port of Montréal Corporation? Have you met him since?

●(1230)

Hon. Gerry Weiner: I do not recall. I meet a lot of people. I do not remember meeting him subsequently. If you want to know whether I have met him in the last three years, the answer is yes. I have seen him from time to time, like a lot of other people.

Hon. Denis Coderre: Did you meet with Dimitri Soudas before your appointment?

Hon. Gerry Weiner: Never, Mr. Chair.

Hon. Denis Coderre: So it was Mr. Housakos who helped you. Since then, have you, in your capacity as chairman of the Old Port of Montréal Corporation, met with the Minister of Public Works and Government Services?

Hon. Gerry Weiner: Yes, Mr. Chair.

Hon. Denis Coderre: Have you met with people from the Prime Minister's Office?

Hon. Gerry Weiner: Umm...

Hon. Denis Coderre: That sounds like a yes.

Hon. Gerry Weiner: No.

Hon. Denis Coderre: You have not met with anyone from the Prime Minister's Office?

Hon. Gerry Weiner: Since when?

Hon. Denis Coderre: Since your appointment. That is what I want to know.

Hon. Gerry Weiner: I have...No.

Hon. Denis Coderre: That seems hard for you to say.

Hon. Gerry Weiner: No, it is not hard, but I had visits from some people. I will say no.

Hon. Denis Coderre: My impression is that Ms. Benoit is the victim of a smear campaign, because, despite what Mr. Del Mastro says, you said very clearly that, if you had been in Bernard Roy's place, you would have approved Ms. Benoit's requests as well. You feel that Ms. Benoit is an outstanding person who does her job well. You are completely satisfied with her leadership and her management style. Is that correct?

Hon. Gerry Weiner: It is.

Hon. Denis Coderre: I wonder about something. In a way, there is an attempt to undermine Ms. Benoit's leadership. Would there be other plans in the works for the Old Port of Montréal Corporation? You are well aware of the Canada Lands Company. Is it possible that, as part of a budget restructuring, the Old Port of Montréal Corporation might be put under the authority of the Canada Lands Company? Have you been told that, for several months, the Prime Minister's Office has been discussing a decision to put the Old Port of Montréal Corporation completely under the authority of the Canada Lands Company and that its managers would henceforth be the ones managing the Old Port of Montréal?

Hon. Gerry Weiner: Mr. Chair, I am here today because of someone I met three years ago, Ms. Benoit, and a team more than 425 strong that is doing incredible work. I am going to fight tooth and nail to keep this program and all they have achieved. I am telling you now.

Hon. Denis Coderre: You used the word "fight", Mr. Weiner. That means there is a battle to be fought. Are you saying that the government wants to change how the Old Port of Montréal Corporation operates?

Hon. Gerry Weiner: I have no clue. It's hypothetical at this point. I do know, however, that a consultant was recently contracted to perform a review of four corporations, including the Canada Lands Company and Parc Downsview Park Inc. There were also defence contracts.

Hon. Denis Coderre: Did the government do any consultation?

Hon. Gerry Weiner: It is a single person, but apparently the contract was awarded by one of the departments. It may have been—

Hon. Denis Coderre: Did Léo Housakos tell you about the contract?

Hon. Gerry Weiner: Absolutely not, never.

Hon. Denis Coderre: As you know, it's worth \$500 million. We don't want to see the area covered in condos, like Toronto's waterfront. This is the only piece of the river we have left. Aren't

there people talking to you right now about getting their hands on that land for real estate development, precisely where the Old Port of Montreal is currently located?

Hon. Gerry Weiner: Never, Mr. Chair.

[English]

We have this parkland to preserve. It's a heritage; it's a cultural institution.

[Translation]

I have lived in Montreal my entire life. I have spent the past 20 living downtown.

[English]

I walk the parkways. I enjoy it. Last Sunday I talked to people on the grounds. This is the jewel they want. It's the number one tourist activity site in Quebec right now, *récréotouristique*. It's number two in Canada.

We have the unanimous support of all kinds of "intercedents", like the *chambre de commerce* and the City of Montreal, and a unanimous resolution of the council of the city of Montreal. Everybody is in agreement that this jewel should be allowed to continue the way it is.

[Translation]

Hon. Denis Coderre: Mr. Weiner, I too am a Montrealer, and I agree with you.

You said that a consultant was in the process of reviewing the structures and institutions already in place. You called the area the government's pride and joy, and I agree with you. You said you were going to fight, meaning there is a battle to be fought. Did the minister tell you she wanted to change the Old Port of Montréal Corporation's mandate? If she sought the consultant, did the consultant come and see you himself? Who is it?

•(1235)

The Chair: That was your last question, Mr. Coderre. I will let Mr. Weiner respond.

Hon. Gerry Weiner: I haven't heard anything at all about it. I did not meet the consultant. All I know is that another person was appointed. That person met with the chairman of the board, the president and CEO, Ms. Benoit, but I know absolutely nothing about what was done.

The Chair: Thank you.

Ms. Davidson, you have seven minutes. Go ahead.

[English]

Mrs. Patricia Davidson (Sarnia—Lambton, CPC): Thank you very much, Mr. Chair, and thank you, Mr. Weiner, for joining us today.

It's certainly very evident that you have a big passion for your job, so I commend you for that.

I want to go back to the structure of the Canada Lands Company and the Old Port of Montreal Corporation, just so I'm very clear.

The Canada Lands Company is the sole shareholder of the Old Port of Montreal. Is that correct?

Hon. Gerry Weiner: Exactly.

Mrs. Patricia Davidson: So you produce separate financial statements, you operate independently, and you're not managed directly or indirectly by the Canada Lands Company.

Hon. Gerry Weiner: All our reports and financial statements go directly to the minister. The *actionnaire* participates in appointments of board members and receives the annual reports at a meeting once a year.

Is that correct?

A voice: Yes.

Hon. Gerry Weiner: I just wanted to verify that with my secretary.

Mrs. Patricia Davidson: Who was it you just referred to? I didn't quite catch what you said.

Hon. Gerry Weiner: Do you mean my secretary?

Mrs. Patricia Davidson: No, I mean who participates in board appointments.

Hon. Gerry Weiner: It's the *actionnaire*, the chair of Canada Lands, which is the shareholder.

Mrs. Patricia Davidson: So because of your structure you are not subject to all of the sections under the Federal Accountability Act. Is that correct?

Hon. Gerry Weiner: For contracts and all management principles we are subject to the Canada financial regulation act. All other procedures that are carried forward are in accordance with the guidelines of Treasury Board.

Mrs. Patricia Davidson: Right, but I don't believe you're fully under all of the clauses in the Federal Accountability Act, like other full crown corporations.

Hon. Gerry Weiner: It may not be mandatory, but all of our contracts and procedures follow the Accountability Act.

Mrs. Patricia Davidson: Whether you follow them in procedure or not, if there were something written so you could show people that you fall under the Federal Accountability Act, would that help what you've referred to as the outrageous allegations and the hatchet job you've been subject to?

Hon. Gerry Weiner: We have a charter that was adopted in 2010, I believe, that we brought forward. So it came under our mandate to tighten up the roles and responsibilities.

I think the question has a lot of validity, but I'd have to examine it with the people who have a broader understanding to see whether it would be feasible.

I appreciate the question and thank the member for the opportunity to respond to it. We'll certainly get back on the issue.

Mrs. Patricia Davidson: You told us you have full confidence in the CEO, she has an impeccable record and a very extensive network that she operates within, and she does a very good job for your corporation. You've also said that you would probably have some questions about approving the trip that was approved prior to your coming on as chair of the board. You've also told us that in 2009-10 some strict guidelines were put in place for travel over 1,000 kilometres.

I realize the position is difficult, but on something like the trip Madame Benoît took, how do you separate the business and pleasure sides of it?

• (1240)

Hon. Gerry Weiner: Mr. Chair, when I was appointed to be a member of this board, I considered it with a great deal of excitement, because it was a chance, in an important chapter in my life, to help understand and help in the development of a jewel in Montreal.

I've watched over the last three years how we've improved the brand. We've had new ideas and creativity and new blockbuster exhibitions that have brought hundreds of thousands of people who never were aware before. These exhibitions are now travelling Canada, and even the world, bringing additional revenue back to us. I've watched just a whole host of activity that's increased the usage of the grounds and has made it more important.

Another idea is that we make it even more important by making it an even more important destination as the playground of Montreal.

All of that took place under the watchful eye of Madame Benoît. Before my appointment as a member of the board, I had never met Madame Benoît. So I come to this quite open.

I work with four other professional board members. They are very highly qualified, very experienced people. I'm honoured to be with them. They dedicate themselves, day to day, trying to do the best for the people of Montreal, Quebec, and Canada.

You walk a fine line. I accepted this mandate because I thought I could be of benefit. I travel the world. I get a broader understanding of what people look for when they come to Canada, because my regular daytime job is inviting people to come to Canada. I can tell you that the quality of life, the security of the port, and the excitement we've created all add enormously to the economy and to the feeling about Montreal, Quebec, and Canada. I have to give her some of that credit. It was under her watch.

Mrs. Patricia Davidson: Mr. Weiner, I'm not casting any aspersions on the job any of you have done as far as bringing attention and progress to the Port of Montreal, because by all reports you have turned things around, and things are progressing well. It is a gem. We've heard that from our members who are from Quebec as well.

How do you separate going to find these things you're going to use in the Port of Montreal—the programming and the facilities you're going to bring there—from a pleasure trip? Can you? Is it all business? Is there a differentiation?

[Translation]

The Chair: That was your last question. I will give Mr. Weiner a chance to respond.

[English]

Hon. Gerry Weiner: Mr. Chairman, I'm very tight with any of my expenditures, as my wife and family will tell you. Every line of the budget brought forward is observed very carefully. When we've had to deliver cuts, both in structure and administrative costs, we've been prepared to do it. We've managed and helped supervise that it be done very effectively.

The specifics of any trip have to be examined for the benefits. There's a 100-page report, which I have not read, to be honest. But I've watched the results of some of the activities now taking place. There's a worldwide interface. You're a member of an association. You meet people who bring other activity. Madame Benoît has quite an international reputation. She has connections that are invariably impossible to even gauge. You sit here in the year 2012 and you have a product that is exciting.

I even believe that from this crisis there will be new opportunity, because far more people know that the Old Port has this very exciting program than ever did before. I want to welcome everybody to see the *Star Wars* exhibition this summer and some of the movies in the IMAX theatre. Come and walk with me on those parkways.

[Translation]

The Chair: Thank you, but your time is up.

It is now over to Mr. Angus.

[English]

Mr. Charlie Angus: Thank you, Mr. Chair.

Thank you, Mr. Weiner, for coming. I guess at the beginning, just to be very clear here, there's never been a question about Madame Benoît's ability to do her job. And nobody has ever suggested that they don't like *Star Wars*.

The question here is your sense of outrage over being brought here for questions about how spending decisions are being made. That's why we're here. That's what this issue is about.

We have an Auditor General investigation. We see numerous media reports about lack of controls, lack of planning, lack of oversight, and the fact that we had a guy who wasn't even qualified signing off on all your financial reports. It raises questions.

When I see trips to Mont Tremblant and I see fancy duck lunches, that's going to raise red flags.

I want to ask you this specifically. The CEO decides to go on a one-month vacation to the South Seas. She goes to whom and says she's going on a trip and how do we carve up the receipts?

Don't tell me that it was decided by everybody that we really needed her to go to the South Seas and that we had to get her on that cruise. She decided to go on the trip. More power to her if she wants to go on a trip. But it happened on the Old Port of Montreal's watch, and people signed off on it, because she was part of the club.

How does that happen? And how are you to come here and say that you're outraged over being questioned? Because I'll tell you, the taxpayers back home are pretty outraged that they see this kind of little old boys' club.

● (1245)

Hon. Gerry Weiner: *Monsieur le président*, Mr. Chair, I am not outraged at being here. I'm thrilled to be here. I have nothing but the warmest of feelings to be able to come before colleagues and former colleagues. My outrage is at the insinuations and partial truths in some newspaper articles. I learned self-examination before cross-examination a long time ago. Let's continue the presumption of innocence, and I take it that there's been a response.

Mr. Charlie Angus: We're asking about the decision. How was the decision made to get a 30-day trip to the South Seas and decide to carve 10 days of it off and stick it with the taxpayers? Who made that decision, besides herself? Who signed off?

Hon. Gerry Weiner: Mr. Chair, at that time, the *président du conseil* discussed it with Madame Benoit, who decided that the trip should be done. The result is that she did 10 or 12 days of work and had some vacation the rest of the time, which she's accounted for in a 100-page report.

Mr. Charlie Angus: But you haven't read the report.

Hon. Gerry Weiner: I established a guideline—

Mr. Charlie Angus: You haven't read the report, right?

Hon. Gerry Weiner: I've not seen the report.

Mr. Charlie Angus: You're chair of the board. We heard a nine-page PowerPoint and you say there's a 100-page report, which you haven't read, but you assume it's going to be good. I guess it's this question of assumptions—the assumption that the chief guy signing off on your finances is qualified when he's not; it's assumed that she's doing this work; it's assumed that it's a good report, but you haven't even read it. This is the question. I want to focus on why we have this lack of sense of control at the Port of Montreal.

Mr. Weiner, when you were chosen, your predecessor, Bernard Roy, denounced your appointment because he said it was strictly a political appointment, that independent appointments at the board were a fiction. So how are we to trust that you're going to clean up this place?

Hon. Gerry Weiner: Mr. Chair, I am going to continue to repeat that you can examine the five members of the board and their qualifications and their experience and their track record. It's one of success.

I do this because of my admiration and my joy in helping develop and promote Montreal and Quebec. This is why I accepted to be a member of this board. I am fully involved in daytime activity that is way beyond anybody's expectation. I think this has given me the experience and the expertise. All of us know how to read a balance sheet. All of us are being very vigilant in what's taking place, and as I said, in 2009 we put in the travel guidelines. Any trip of 1,000 kilometres or over has to be authorized by the president. I can tell you that any activity is going to be very carefully screened.

I'm not the day-to-day manager. These are operational expenses. The budget is prepared, we have an audit committee that goes over that budget very carefully, and once approved by that committee it's then approved by the board. That is then submitted to the government and the minister responsible for the developed plan with a vision, and only then, when that is accepted, are we free to carry on and have the operation run by the CEO and monitored constantly by the audit committees.

Mr. Charlie Angus: But you're the one who's supposed to give us a sense of accountability.

[Translation]

The Chair: You have just enough time for a quick question.

[English]

Mr. Charlie Angus: My rapid question is this. We have an RCMP investigation into connections between Tony Accurso and attempts to get favours at the Port of Montreal. That's an ongoing investigation. It's happening under your watch. You present yourself as a small, simple pharmacist. Where's that sense that we can trust that the decisions being made at that port are going to protect the taxpayer and ensure that we don't have people who are unqualified or people who shouldn't even be close to the Port of Montreal getting their foot in the door?

• (1250)

Hon. Gerry Weiner: I don't know any of the people he's talking about dealing with some investigations. I've had—

Mr. Charlie Angus: It was December 6, 2011, in a *Globe and Mail* article. Do you not read? It's about what's happening under your watch. I can get you the article. Did you not know that?

[Translation]

The Chair: Mr. Angus, your time is up. But I will give Mr. Weiner the opportunity to respond.

[English]

Hon. Gerry Weiner: Mr. Chair, there are newspaper articles that I read and peruse and take cognizance of, but that doesn't mean there are any facts in all the articles.

[Translation]

The Chair: Thank you.

Mr. Butt, you have five minutes.

[English]

Mr. Brad Butt (Mississauga—Streetsville, CPC): Thank you very much, Mr. Chair.

Mr. Weiner, thank you for being here. You and I go back about 25 years. I remember when you came to Mississauga when you were Minister of Multiculturalism for an event with our late colleague, Dr. Bob Horner. I appreciated meeting you at that time, and I'm glad you're still involved in public service and that you're giving something back.

It appears as if this whole protocol around the trips and so on changed after you were appointed to the board. Can you tell us why it was a decision of the board to change the protocol, to update the protocol, on these kinds of trips? What facilitated that? Was it this

one particular trip in question, or was it just a general review that you thought you needed to update that policy?

Hon. Gerry Weiner: No. Mr. Chair, we did a general review of all the criteria under which the board was operating and under which we were being vigilant on how the budget was being spent and overseen. We felt this was something necessary. We built it into a guideline at that time.

By the way, we keep examining the criteria because we'll pick up any helpful suggestion. We're always willing and anxious to even tighten the criteria by which we operate.

Mr. Brad Butt: Many organizations I'm familiar with from the private sector, where often employees go on business trips but they want to tack on some vacation time as well, have very clear definitions, very clear lines as to what is designated as the business part of the trip and the personal vacation part of the trip, whether spouses are also attending, children, etc., as part of that trip.

Do you now have a very specific policy that lays out what defines the business part of a trip and what defines the personal or vacation part of a trip?

There are two reasons I think that's important. One is obviously the responsibility in this particular case for taxpayers' money. The second is that part of that is also a benefit to an employee, which is really a taxable benefit, so if we're not categorizing parts of the trip properly, we're actually cheating the tax system as well.

Does the Old Port now have a very specific policy for any of its employees as it relates to any trips they may take where part of it is business and part of it vacation?

Hon. Gerry Weiner: Mr. Chairman, first I thank the member for the question. It's a very useful question, a very helpful one.

I've indicated clearly that the policy now is complete authorization by the president of any travel over 1,000 kilometres. Whether the criteria really define very carefully the business part versus the pleasure or vacation part, I would guarantee we'll have another look at it and even be prepared to respond more fully once we've examined what it says completely. If it's not there, we'll make sure we have a look at how it can be improved.

I know in my own personal case, in all my years in public life, I've managed somehow to never tack on a vacation to anything that was strictly business, and it is often difficult when you go to Africa and you tell your wife you can't spend another week on a game reserve because the business part is at four or five days.

Mr. Brad Butt: I have two quick questions at the end, if it's okay with you, Mr. Chairman.

How often do you do the CEO performance review process, and generally what's entailed in that? I think Madame Benoit indicated she's worked there for 10 years now. What's the frequency for the board to undertake that, and what general elements are part of the CEO's performance review to make sure that person is living up to your expectations?

•(1255)

Hon. Gerry Weiner: Mr. Chairman, it's an annual review. It's every category of her management, dealing with her relationships with the officials and with the rest of the staff, and in the program area, dealing with how the program is being delivered. It has very specific points that are granted in every single category. I can tell you that each of the three years I've been privileged to do the evaluation with members of my board, she's received almost perfect commendation in her evaluations. Those documents—

Mr. Brad Butt: That's good. I just wanted to make sure.

My last question has to do with the audit committee. As chair of the board, are you a member of the audit committee as well?

Hon. Gerry Weiner: Yes, I am, but I do not chair the audit committee.

Mr. Brad Butt: Okay, but as a member of the audit committee, can you tell me whether the issue of the former CFO, who is under question about whether or not he had proper credentials as a CA, was ever brought to the attention of the audit committee? Did the audit committee ever ask this individual whether he was still a member in good standing of the Canadian Institute of Chartered Accountants?

Hon. Gerry Weiner: Mr. Chair, when those facts were revealed to the members of the audit committee, in particular, we acted expeditiously. We ordered an immediate investigation. We called, first, a board meeting with 12 hours' notice. We called in investigators. We had a forensic auditor come in at once.

Without trying to get into the specifics of the case, I'm proud of how effectively and quickly the members of the audit committee and the rest of the board acted to make sure we resolved the issue, which we weren't satisfied with.

That's as good as we could get when we were advised. When it was determined there was a problem, we acted immediately, as any good health care professional would do, and we excised it. We went on to the future from there.

[*Translation*]

The Chair: Thank you. You are out of time.

That concludes—

[*English*]

Hon. Gerry Weiner: Mr. Chair, like a good health care professional, I should say that the best remedy for a cold is honey. We have some at the back, sir.

[*Translation*]

The Chair: Thank you, Mr. Weiner. Thank you for meeting with us today.

Mr. Del Mastro, do you have something to add?

[*English*]

Mr. Dean Del Mastro: Yes. Thank you, Mr. Chairman.

We did make a request of the previous witness for copies of the seven reports she has put together. I'd like to make sure that is sent to her in writing. I know we've requested it in person, but I'd also like to put...

I'll say to the members that these reports are already completed, and I'm wondering if there is agreement amongst the members to request that those be received by the committee not later than Tuesday of next week—before the next meeting of this committee.

Does that sound fair to the members here?

[*Translation*]

The Chair: Mr. Coderre, do you have something to say on the matter?

Hon. Denis Coderre: Ms. Benoit also said that the deputy minister already had those copies. It would be easier just to ask the deputy minister for them. They are trying to make a big fuss about it. The government already has the reports in hand. All we have to do is use the rule of three so he can read them, but as quickly as possible.

The Chair: According to the clerk's information and as far as I know, it would be easier just to go directly to the organization that produced the reports. They are the ones who wrote them, so it is easier for them to provide them to us. If we go through the department, they may not want to hand them over.

[*English*]

Mr. Dean Del Mastro: I move then that we request that the report be submitted to the committee not later than Tuesday at 9 a.m.

[*Translation*]

The Chair: All in favour?

(Motion agreed to)

•(1300)

The Chair: We will get copies and hand them out as soon as they are available.

Thank you again, Mr. Weiner, for being with us today.

Meeting adjourned until Tuesday.

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