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Chair

Mr. Pat Martin

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• (1530)

[English]

The Chair (Mr. Pat Martin (Winnipeg Centre, NDP)): Good afternoon, ladies and gentlemen. Welcome to the Standing Committee on Government Operations and Estimates.

We see the clock and it's 3:30.

We're very pleased and grateful to welcome two guests today who will share with us in our examination of the issue of estimates and supply, in this case as it pertains to the Legislative Assembly of Alberta.

We'd like to welcome Shannon Dean, senior parliamentary counsel and director of House services, the House services branch; and Mr. Philip Massolin, committee research coordinator, committees branch. We very much appreciate your taking the time to be with us today to share your views as we collectively try to improve Parliament's oversight and scrutiny of the estimates process.

Our normal custom is to ask witnesses to make a brief presentation of five or ten minutes, as they see fit. Then we will have one hour together. We welcome the opportunity to ask questions from all of the parties present.

My name is Pat Martin. I'm the chair of the government operations committee.

Welcome to both of you. You have the floor.

Ms. Shannon Dean (Senior Parliamentary Counsel and Director of House Services, House Services Branch, Legislative Assembly of Alberta): Thank you, Mr. Chair. We're pleased to be here via video conference from Edmonton.

I believe you've been provided with a brief overview of our estimates process, which we provided to the committee clerk last week. My comments will be very brief to give you the gist of what we do out here.

Since the 1990s the estimates process in Alberta has undergone a number of transformations in terms of committee involvement, but there has been a consistent practice of presenting a budget address in February or March, at which time the main estimates are also tabled. Exceptions to this timeframe have occurred during election year, or when there's been a change in leadership.

The process begins with the Minister of Finance tabling the main estimates for the government departments. This occurs immediately prior to the minister's beginning the budget address. Depending on the year and the date of budget address, there may also be interim or

supplementary estimates tabled at that time. There are also a number of other documents that are tabled and must be made public when the minister tables the main estimates, and those are the government's strategic plan; the ministry business plans, which are conducted on a three-year basis; a consolidated fiscal plan; and a consolidated capital plan. This is a statutory requirement in the Government Accountability Act.

Under our rules, once the main estimates are tabled they stand referred to committees of the assembly known as policy field committees. The assignment of a department to a particular committee is determined by the portfolio or mandate of each of these committees. Currently there are five policy field committees and 21 government departments. The only department that's not assigned to a policy field committee is the executive council, which is considered by the committee of supply. As you know, the committee of the whole is comprised of all 87 members of the assembly.

Our standing orders do allow for some variation of this procedure if the House leaders agree to a different format. For instance, this spring, of the 21 government departments, the estimates of 16 were considered by policy field committees, and the remaining five were considered in the committee of supply. During committee consideration, members have up to three hours to consider one department. Once all of the estimates have been considered for all departments, they are reported in the committee of supply and followed by a final vote.

One of the questions that has been identified by your committee clerk is whether all estimates are reviewed, or whether some are deemed to have been reported. I can advise you that they are all in fact considered by either a policy field committee or the committee of supply for three hours—again, for each department—or two hours in the case of the executive council. All of these departments are reported on before the final vote in the process.

There are some specific rules that apply to a committee consideration of main estimates, and they are as follows. Consideration begins with the minister's opening remarks. The official opposition is then entitled to the next hour for questions, and then there are two 20-minute blocks that belong to other opposition members. It's anticipated that this allocation may change, given the results of the last election. We now have an increase in the number of recognized opposition parties.

Unlike at other committee meetings, department officials are not permitted to address the committee, only the minister is. There's no voting that occurs during consideration of estimates. Amendments may be presented, but the votes defer to the date for the final vote on the estimates in the committee of supply.

In theory, once we get to the day for the final vote there may be a single vote on all of the government estimates, but this may be varied by any member who can request on one day's notice that the estimates of a particular department be voted separately. The other votes that could occur would be votes on amendments that had been presented during committee consideration.

Finally, the types of votes that are presented in the main estimates fall into three different categories. The first is expense or operating expense. The second is capital investment, and the third is non-budgetary disbursements. The practice of having these three categories of votes has been in place in Alberta since 1993. Prior to that time, voting was done on a program by program basis.

Just to close the loop in the cycle, once the vote on the main estimates occurs, the committee of supply rises and reports to the House, and the report from the committee of supply details each approved expenditure for all departments.

One of the matters that has been raised with us was whether parliamentarians can reallocate funds between votes. In Alberta that would not be an option that's available. That would be considered a transfer of funds, which would necessitate a supplementary supply estimate.

• (1535)

Finally to close the loop, following the committee of supply's report, the introduction of the appropriation bill takes place, typically the next sitting day. The bill then proceeds one stage per sitting day. So in a typical year the appropriation bill will receive royal assent approximately one week after the vote on the estimates.

That concludes my remarks, Mr. Chair, and we'd be pleased to answer any questions you or the committee have.

The Chair: Thank you very much for that overview, Ms. Dean.

We begin with the opposition asking the first round of questions. Who would like to begin from the NDP?

Mr. Denis Blanchette will have five minutes to pose questions.

[Translation]

Mr. Denis Blanchette (Louis-Hébert, NDP): Thank you, Mr. Chair.

Thank you to our witnesses.

Even though the presentation was very brief, there was a great deal to consider. The documents you provided along with the main estimates are interesting. This leads me to the way these estimates are presented and the resources provided to members in order to review them.

Could you talk about the resources and documents that are provided at the same time? How does that make things clearer for members of Parliament?

[English]

Ms. Shannon Dean: In answer to your question about the resources given to members of the committee, members of each caucus have research budgets and nothing in addition to that is provided for review of supply documents in particular.

In terms of the documents that are tabled when the budget address takes place, again, there are the main estimates, the strategic plan, and the consolidated fiscal plan as well as the three-year business plans for each ministry.

[Translation]

Mr. Denis Blanchette: Is it difficult to table all of these documents and the main estimates at the same time, or is this done in a relatively routine fashion without presenting too many problems for Alberta's government?

[English]

Ms. Shannon Dean: They're made public as soon as they're tabled. Each member receives copies of the package on his or her desk in the chamber.

[Translation]

Mr. Denis Blanchette: You said that the estimates were deemed approved. You used the word "deemed". Is this common practice, in Alberta, to approve estimates without studying them, or do you have time to review most of them?

[English]

Mr. Mike Wallace (Burlington, CPC): She said the opposite.

Ms. Shannon Dean: I think perhaps there has been some misinterpretation of my opening remarks. In Alberta no estimates are deemed approved. Every department is considered by either a policy field committee or the committee of supply.

[Translation]

Mr. Denis Blanchette: Thank you very much.

You said that you decided to do away with program-by-program voting. Did I understand correctly?

• (1540)

[English]

Ms. Shannon Dean: You are correct, we do not vote program by program.

[Translation]

Mr. Denis Blanchette: So before, it was done.

[English]

Ms. Shannon Dean: Can you pose that question again, please?

[Translation]

Mr. Denis Blanchette: Previously, you adopted the budget on a program-by-program basis. Why did you change that system?

[English]

Ms. Shannon Dean: It changed in 1993. Amendments to legislation mandated three types of supply votes for each department. I can't speak to the rationale at the time but it was brought in when Premier Klein took office, and the legislation that was brought forward was called the Deficit Elimination Act.

[Translation]

Mr. Denis Blanchette: You touched on some of the changes made over the years. Even though you do not know why you went from the program-by-program voting process to the one you have today, what prompted Alberta's legislative assembly to make these changes over the past 20 years?

[English]

Ms. Shannon Dean: Again, the three types of votes that are presented for each department have been in place for almost 20 years. I can't speak to anything further with respect to program by program voting, because I've only been here since 1996.

[Translation]

Mr. Denis Blanchette: Thank you, Mr. Chair.

[English]

The Chair: Thank you, Denis. That concludes your time.

Next for the Conservatives we have Mr. Jacques Gourde for five minutes.

[Translation]

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Thank you, Mr. Chair.

I would like to thank the witnesses for giving us their precious time.

Ms. Dean, during consideration of the estimates, do only the ministers appear before the committees or are they sometimes replaced by their deputies?

[English]

Ms. Shannon Dean: Ministers are scheduled to appear before the committees, and only ministers may address the committees. However, the minister is often accompanied by his or her deputy and two or three other staff.

[Translation]

Mr. Jacques Gourde: Do the policy field committees have the authority to reduce the estimates? If this is the case, have they often used this authority and have committees ever rejected the estimates?

[English]

Ms. Shannon Dean: No voting occurs during the policy field committees' consideration of estimates. All the voting is deferred until the final day in the process. The short answer is no.

[Translation]

Mr. Jacques Gourde: When is the budget presented? Do the main estimates capture those measures announced in this same budget?

[English]

Ms. Shannon Dean: The estimates are presented at the same time that the budget address takes place. The information in connection with the announcements in the budget address does form part of the estimates, and it's tabled at the same time.

[Translation]

Mr. Jacques Gourde: Does your system allow committees enough time to consider the estimates?

[English]

Ms. Shannon Dean: I would say there's a difference of opinion as to whether some members think there is enough time given to consideration. Some think there's not enough time.

[Translation]

Mr. Jacques Gourde: Is it possible to follow the funding, from the time it is announced in the budget until the actual expenditure during the fiscal years, by looking at the estimates?

[English]

Ms. Shannon Dean: The estimates document for this year outlines all of the details for the departments' forthcoming fiscal year. Because the address typically occurs in February or March, it coincides with the contents of these estimates.

• (1545)

[Translation]

Mr. Jacques Gourde: How is the information on the estimates grouped together? Is there a detailed breakdown of planned departmental spending?

[English]

Dr. Philip Massolin (Committee Research Coordinator, Committees Branch, Legislative Assembly of Alberta): As Ms. Dean indicated, the estimates do contain that expenditure information. In addition, a projection of expenditures is indicated in the business plans and released at a separate time. But that is a different set of information altogether.

[Translation]

Mr. Jacques Gourde: What are the primary reasons explaining why you use the supplementary estimates?

[English]

Ms. Shannon Dean: Supplementary estimates in our cycle are typically presented in a fall sitting, or at the very end of a fiscal year.

[Translation]

Mr. Jacques Gourde: What role does information on performance play when the committee considers the estimates?

[English]

Ms. Shannon Dean: We use the terminology "performance measures", and information on the performance measures is found in the departments' business plans.

Dr. Philip Massolin: If I could just supplement that, performance reporting is a very important aspect of the different ministries' annual reports. That performance reporting is reviewed on a systematic basis by the public accounts committee.

The Chair: That concludes your time, Jacques.

I would like to clarify a point made by Mr. Blanchette earlier when he was asking about the deemed rule. Our crack researchers here have found in section 59 of the Standing Orders of the Legislature of Alberta that:

When the time allotted for a department's estimates has not expired, but there are no Members who wish to speak, that department's estimates shall be deemed to have been considered for the time allotted in the schedule.

In other words, if you allotted three hours and only one hour were used up, it would be deemed that the three hours had in fact been used. Perhaps that led to the confusion in Mr. Blanchette's question regarding the deemed rule.

Linda Duncan is next for five minutes.

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Thank you.

It's nice to have Alberta official testifying, given that I am a member from Alberta.

It's hard to compare apples and oranges and, of course, your system is slightly different, but I have a number of questions.

There is some level of controversy in the House of Commons right now about the use of budget documents. I'm curious whether it's the general practice in the Legislature of Alberta to include in your budget bills a lot of substantive legislative reforms.

Ms. Shannon Dean: Our appropriation bill typically mirrors the votes that have been approved and voted upon in the committee of supply. It's a very short bill.

Ms. Linda Duncan: It's basically about numbers.

Ms. Shannon Dean: Yes.

Ms. Linda Duncan: So you haven't followed that practice of ours here now.

Could you remind me—and I'm sorry if you raised this previously—about the process followed by the Government of Alberta on consultations on plans and priorities and the budget with the general public of Alberta in advance of tabling a budget? Does your finance committee reach out and hold public consultations as the Government of Canada is known to do from time to time?

Ms. Shannon Dean: I can't really speak on behalf of the Government of Alberta in connection with their advance consultation in the budget process.

Ms. Linda Duncan: I'm sorry, what was that again?

Ms. Shannon Dean: I can't really speak on behalf of the government in connection with consultation that takes place prior to the budget being tabled.

Ms. Linda Duncan: I'm not asking you to comment on it. I'm just curious to know if there is or isn't one. Are you aware if there is or isn't one?

Dr. Philip Massolin: Unlike other jurisdictions, there is no legislative committee that does pre-budget consultations, like in Ontario. Here in Alberta, I think what Ms. Dean is saying is that the ministry may or may not do that sort of consultation, but we are not in a position to comment on behalf of the ministry.

• (1550)

Ms. Linda Duncan: Okay. I'm not trying to put you on the spot. I was just curious.

Dr. Philip Massolin: I would assume they would do such a thing. It would stand to reason.

Ms. Linda Duncan: I understand that it's only recently that opposition members are being included on some committees. Have opposition members always been on the committee to review the budget and the estimates?

Ms. Shannon Dean: Opposition members have always been on committees at the assembly.

Dr. Philip Massolin: Yes, but the policy field committee consideration dates back to 2008-09 period, and those committees are all-party committees. Prior to that, my understanding is that it was the committee of supply, which of course is a committee of the whole house. Post 2008 you have had all-party policy field committees considering the estimates, in addition to the committee of supply.

Ms. Linda Duncan: Post 2008. Thanks.

I understand that there's also been a practice in the Government of Alberta to use special warrants. Is that still quite a common practice in your budget and estimate process?

Ms. Shannon Dean: I'm not sure I would say it's a common practice. It does happen during an election year.

Ms. Linda Duncan: Okay.

For planning and priorities, how is that done within your process? In other words, where does a substantive discussion about what the departments are doing fit within the timing of your budget and estimates? Is it all at the same time?

Ms. Shannon Dean: If there's a need for additional funds, they would come forward through supplementary estimates. Because of the way our process works, typically the main estimates would come forward in February or March, and if there were a need for additional funds to be approved by the assembly, that request would come forward in the fall sitting, in the supplementary estimates.

I'm not sure that I'm getting at your question.

Ms. Linda Duncan: It's all right. Thank you.

The Chair: Thank you, Ms. Duncan.

Next, for the Conservatives, Mike Wallace.

Mr. Mike Wallace: Thank you, Mr. Chair.

I thank the witnesses for joining us. There are a number of questions that have been generated here.

The first one about our struggle with the mains not matching what's in the budget because of timing. You're saying that yours do. Is there an issue with confidentiality, that the departments know what's going to be in the budget because they have to produce the mains prior to the budget being presented? That's part of the argument that is made here, that there are very few people who actually understand what's in the budget until the budget is presented to the House. That's why the mains can't reflect what's in the budget, or half the bureaucracy here in Ottawa wouldn't know what's in the budget. Is that an issue for you?

Ms. Shannon Dean: I would say no, because the main estimates are tabled at exactly the same time as the budget speech is delivered, so there's not a timing issue.

Mr. Mike Wallace: For the bureaucrats to know what's in the budget and to put it in the mains, they have to know what's in the budget do they not—before it's even presented?

So it's not an issue for you that on the bureaucratic side a larger number know what's going to be in the budget announcement because they're actually doing the work to put it in the mains?

Ms. Shannon Dean: I'm not aware of that being an issue here.

Mr. Mike Wallace: My second question is that I understand your absolute requirement for policy field committee to look at it, in your case for a maximum of three hours—and if they use less time, then it's deemed approved. Is there a deadline by which those committee meetings have to happen so that they can't be dragged on forever and hold up the budget?

You mentioned that it's only the minister there. I don't expect you to give me an answer as to whether you agree or disagree whether it's right or wrong, but are the discussions then mostly political then, because the minister is there, and not discussions with specific questions on the numbers being asked of officials at the bureaucratic level? Does it end up being a bit of a political discussion more than a discussion of the numbers?

Ms. Shannon Dean: To go back to the timing and the scheduling of these estimates' consideration, there is a formal schedule that is tabled when the budget address is presented. So there's a fixed schedule where ministers are slotted in for each policy field committee, and then there's a schedule—I'm just holding up here the schedule for last spring—for a final voting date. So all of the committee consideration occurs prior to that date.

In terms of the type of discussion at the committee level, I guess my third-party observation would be that it can be quite effective discussion because the group is small. There are only 11 members of the committee and the minister, so they have a good exchange of information, I would say, rather than the discussion taking place in the committee of supply, which would have 87 members.

• (1555)

Mr. Mike Wallace: We would call it the committee of the whole here, which some departments have to go to. The opposition gets to choose which committees go to committee of the whole. Is that discussion a lot more political when it's in the house in Alberta?

Ms. Shannon Dean: Some might say so because there are television cameras, but again, that's about all I can say.

Mr. Mike Wallace: Are your policy committee meetings, or whatever you call them, televised?

Ms. Shannon Dean: The audio is available on the Internet site. At this time, no, they're not televised.

Mr. Mike Wallace: Based on what you've told me, I just want to be absolutely clear. In our rules here, we are able to accept, reject, or lower an estimate. It never happens, or it happens rarely. But in your system there is actually no voting at those policy committee meetings. You hear the answers, you ask questions, and you hear further answers and then it moves to a vote in the house of everybody, is that correct?

Ms. Shannon Dean: That's correct.

Mr. Mike Wallace: Is there a timeframe? The timeframes that you've set out, say that schedule you just put in front of us there, is

that a legislative schedule, or are they just like Standing Orders that can be changed?

Ms. Shannon Dean: It's a schedule that's worked out between house leaders and tabled in the house at the beginning of the process. The default position would be that the policy field committees consider the estimates according to their mandates, and the executive council would go to the committee of supply. But the house leaders are responsible for tabling a schedule.

The Chair: Thank you very much, Mike.

For the Liberal Party, John McCallum. You have five minutes, John.

Hon. John McCallum (Markham—Unionville, Lib.): Thank you, and thank you both for being with us.

I would like to return to this question of confidentiality, because in Ottawa, I think only a handful of people in the Department of Finance know the contents of the budget; but if we had a system where the estimates came out at the same time, I think there would be a quantum leap in the number of people in the bureaucracy who had advance knowledge of the budget.

Are you saying that's never been an issue in Alberta? Have you had any instances in the past of budget leaks in advance?

Ms. Shannon Dean: I'm not aware of any.

I understand that you invited the Alberta Ministry of Finance or the Treasury Board to be in attendance here today. Unfortunately, those questions would be better posed to them.

Hon. John McCallum: Okay. Just to get the timing right, does your fiscal year begin on April 1?

Ms. Shannon Dean: Yes, it does.

Hon. John McCallum: The budget and the estimates come out before the beginning of the next fiscal year.

Ms. Shannon Dean: That's correct.

Hon. John McCallum: These other documents, the business plans and the performance reporting, when do they come out?

Ms. Shannon Dean: They are tabled at the same time as the estimates are tabled, which is at the time of the budget address.

Hon. John McCallum: That's quite amazing. People get everything all at once.

Ms. Shannon Dean: That's correct.

Hon. John McCallum: Well I think that's one way in which you do much better than we do.

On this three-hour maximum limit, does that mean that if the committee wanted to have more than three hours it would not be able to?

Ms. Shannon Dean: That's correct. It's a fairly strict schedule.

Hon. John McCallum: On this question of government possibly being held to ransom, I'm not sure it's a problem in Alberta where you have majority governments all the time. But in theory would the opposition be able to filibuster or drag things out so as to cause the budget not to be implemented?

Ms. Shannon Dean: As you know, there are all sorts of techniques for filibustering. There could be amendments that needed to be voted upon or departments singled out for separate votes, which would prolong the process.

• (1600)

Hon. John McCallum: I think part of the advice we've been given by others is that you need to have the deemed approved rule or else the opposition could prolong this process almost until eternity.

Is that an issue in Alberta, or not?

Ms. Shannon Dean: It hasn't been.

Hon. John McCallum: Okay. One other issue that's sometimes a bit controversial here is when governments can shift funds from one block to another without telling parliamentarians.

Is that an issue in Alberta? What are the rules with regard to governments shifting funds from one allotment to another?

Ms. Shannon Dean: We would consider that a transfer, and that would necessitate a supplementary estimate.

Hon. John McCallum: So MLAs would have to be informed of that, if it were to happen?

Ms. Shannon Dean: That's correct. It would go to the committee of supply.

Hon. John McCallum: Thank you very much.

The Chair: Okay, John, very good. Thank you very much.

For the Conservatives, Mr. Peter Braid.

You have five minutes, Peter.

Mr. Peter Braid (Kitchener—Waterloo, CPC): Thank you, Mr. Chair.

Thank you to our guests for being here this afternoon.

I'm also going to come back to this issue of the main estimates reflecting the budget and potential issues of confidentiality. The question may be better answered by the finance or treasury board representatives from the province, but I will try anyway.

I'm curious to know how the Alberta system, where the mains reflect the budget, would deal with a situation where there is a new government program or some information being announced in the budget that might entail some market sensitivity and would be reflected in the mains. Many of us around the table here are trying to wrap our heads around how the system in Alberta, the process or the bureaucracy, would deal with that potentially confidential, market-sensitive budget information.

Ms. Shannon Dean: Again, I think those questions are better put to the departmental officials. All I can say is that the documents—the estimates, the fiscal update, the fiscal plan, and the ministry business plans—are all tabled at the same time, when the Minister of Finance gives the budget address.

We of course have a budget lock-up, like most jurisdictions.

Mr. Peter Braid: If there is a new initiative in the budget, is there any document tabled following the budget, or would that perhaps be picked up in one of the supplementary estimates?

Ms. Shannon Dean: If it's a new program for the forthcoming fiscal year I would presume it's reflected in the main estimates document that's tabled at the same time the program is announced in the budget address.

Mr. Peter Braid: With respect to supplementary estimates—

Ms. Shannon Dean: Again, some of these questions are better put to the department.

Mr. Peter Braid: With respect to the supplementary estimates then, are there one or two supplementary estimates in Alberta? There was reference to both supplementary and interim estimates.

Are those one and the same thing, or are they different?

Ms. Shannon Dean: In Alberta, typically we'll have supplementary estimates in a fall sitting. We may have supplementary estimates near the end of the fiscal year, which would be tabled at the same time as the budget address. Interim supply is only required, obviously, if our appropriation bill is not going to receive royal assent before the end of the fiscal year. For example, this year there was no need for interim supply.

Mr. Peter Braid: Okay. So at most, then, you have two supplementary estimates.

Ms. Shannon Dean: Well, there's no cap on the number of supplementary estimates, but I can speak to the practice for the last decade or so. There have typically been two, and in very rare circumstances, three.

Mr. Peter Braid: As you've indicated and explained, the estimates go to one of the five policy field committees. There is no equivalent in Alberta to the committee that we're on, which is a committee devoted or dedicated to estimates. Is that correct?

Ms. Shannon Dean: That's correct.

Mr. Peter Braid: Is there any particular reason you're aware of as to why it is the case that you don't have a dedicated committee?

• (1605)

Ms. Shannon Dean: No. The policy field committees are recent additions to our process out here. Prior to the policy field committees considering estimates, all of the estimates went to the committee of supply. There was another process back in the 1990s where subcommittees of supply considered estimates, but in brief, there is no committee equivalent to what you have in Ottawa.

Mr. Peter Braid: Okay.

One of the things that we've heard from various witnesses and experts who have appeared before us is that there should be a super-committee, even more super than we are already—although I know it's hard to believe, Mr. Chair.

Voices: Oh, oh!

Mr. Peter Braid: One of the reasons for this is that it develops a really specific expertise on the part of parliamentarians.

In Alberta, if the estimates go to one of the five appropriate policy field committees, is there any concern or criticism that the MLAs aren't developing expertise with respect to estimates? Is there a concern about a potential dilution of the process? Are you aware of any concerns in that regard?

Ms. Shannon Dean: No, not really. The idea is that the estimates for a particular department are going to a policy field committee that's familiar with the programs associated with that department, so there is some familiarity there.

The Chair: That's it for your time, Peter.

Thank you.

Next, for the NDP, is Jean-François Larose.

You have five minutes, Jean-François.

[Translation]

Mr. Jean-François Larose (Repentigny, NDP): Thank you, Mr. Chair.

I would like to thank our witnesses.

I'm going to take more time to formulate my question and put it in layman's terms. We are used to hearing longer answers, but we will manage.

Earlier, you said something interesting about the budget. I know that you cannot give your opinion about certain issues. Moreover, I am not going to ask you to look back in time or even to talk about the current situation, but rather to look ahead.

When the budget is tabled, it is done so in a centralized manner supposedly to speed things up. However, you said that, in Alberta, in the past, the budget had been divided into three parts.

Would it be technically possible to divide the budget into several sections? Would we slow things down tremendously if we were to consider the budget item by item? Is that the case in Alberta, or would that be the case for everyone in general?

Indeed, we have a problem. When a budget is presented as one document, we have to give our opinion on the document in its entirety, without being able to examine the content, when in fact this content has a great deal of impact. We are seeing this trend more and more. It is like a Trojan horse. By the time we realize that the budget contains some bad surprises that could have been corrected at the outset, had there been an item-by-item consideration, we are already working on the next budget, the following year.

What are your thoughts on the matter?

[English]

Ms. Shannon Dean: Not in particular, but as I said before, I think the key difference between Alberta and the system you have in place is one of timing and the information available in the main estimates documents, because what is presented when the budget speech is delivered reflects what is in the budget speech, and that's the information that is presented to the committees.

Dr. Philip Massolin: If I may supplement that answer, if I understand your question correctly—and I may not, and forgive me if I don't—I don't think there's any restriction in terms of not doing a thorough questioning of the budget within that policy field or committee supply consideration of the individual estimates. The voting, however, is divided up into different elements. However, the consideration can be done in a thorough way within the time allocated.

The Chair: Linda Duncan.

Ms. Linda Duncan: I'm very interested in your scheduling process for considering the estimates, and I'm just wondering if you could share or sent that to us. I'm also wondering who is in charge of setting that scheduling of the ministers for the estimates. Is it the Department of Finance or somebody who slots in the ministers? I ask because there's a bit of a game that goes on here at this level, where we hear, "Oh, too bad, the minister isn't available", so then we don't get to see the minister.

I'm just wondering who actually runs that process. Is somebody saying, "You, Minister, will be there on this date, and we've slotted you in"?

• (1610)

Ms. Shannon Dean: Under our standing orders, ultimately the government House leader is responsible for that schedule. I do understand it's very difficult to schedule the different ministers. In the last number of years when we've had this process in place, I recall only one or two ministers not being available due to illness. So they do appear before the committees.

Just to highlight the process with respect to the government House leader setting the schedule, he does, under the standing orders, consult with the official opposition House leader and the third party House leader as well as the chairs of the policy field committees.

We'd be pleased to provide that schedule.

Ms. Linda Duncan: The minister is there for the full three hours?

Ms. Shannon Dean: That's correct.

Ms. Linda Duncan: Okay. Thank you.

The Chair: That's just about it for time.

Thank you very much, Ms. Duncan.

Next, for the Conservatives, we have Scott Armstrong.

Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC): Thank you, Mr. Chair.

I want to thank our guests for being here. It's been an interesting presentation.

I'm not going to try to ask you specific questions that your Ministry of Finance would be better able to answer. I'm going to ask more about the process you have. As parliamentarians we find it a big challenge to deal with the huge volume of information that's contained in the estimates. Parliamentarians judge mostly on high-level information.

Shannon, could you talk about the difficulty you might have in the Alberta legislature with the massive amount of information contained...? More specifically, in your estimates, do you have both statutory and non-statutory spending, or are those divided out or separated?

Ms. Shannon Dean: They are separated for information purposes.

I don't know if Dr. Massolin has anything further to add to that.

Dr. Philip Massolin: No, actually, I don't.

Mr. Scott Armstrong: So when a member of the Alberta legislature is reviewing the estimates and takes a look at the documentation presented on budget day, is the spending mixed together or are there separate lines for statutory and non-statutory items? Would you be aware of that information?

Ms. Shannon Dean: There are separate tables for those different categories. For example, I have a summary table here for statutory amounts per department. We'd be pleased to provide this documentation to your committee clerk if it would be of assistance.

Mr. Scott Armstrong: It would be. Thank you for that.

I'm going to move back again to some of the changes you've made in your process.

In your presentation, you discussed how there have been a number of different ways to consider estimates in Alberta over the last 15 years. That would tell me that at different times and different stages you changed how you review your estimates. What propagated that? Why have you had so many changes? Is it because the government decides it should be done differently? What causes that?

Ms. Shannon Dean: The latest round of changes came through a change in leadership in 2007, so that triggered the establishment of these policy field committees.

Mr. Scott Armstrong: When the new leadership came in, what was their justification for change? Did they see a problem there they had to change, or did they just change things without expressing why?

Ms. Shannon Dean: I think it was part of a democratic renewal platform along with increased participation by the opposition.

Mr. Scott Armstrong: The last point in your brief about your new process says that "During the 1990's estimates were considered by subcommittees of supply"—which is similar to what we do in the different committees of Parliament—but the "Opposition raised concerns with subcommittees meeting at the same time." Was that in response to some of those concerns that you went back to having more of a committee of supply or to what we call the committee of the whole? Was that in response to what the opposition was saying?

Ms. Shannon Dean: I think that's a fair assessment of what transpired. As you can appreciate, Alberta has a history of having a small opposition. The opposition parties were spread very thinly, because there could be two subcommittees meeting at the same time.

Mr. Scott Armstrong: Right.

Going to a committee of the whole or a committee of supply, with the whole legislature there, allowed the opposition to have a fairly significant block of time in which to directly ask questions of the Minister of Finance. Is that what was happening at that point?

Ms. Shannon Dean: I think the key problem identified by the opposition was that when they split up into subcommittees that met simultaneously, they couldn't be in two places at one time. So there was a preference to go back to a committee of supply, which is the committee of the whole.

• (1615)

Mr. Scott Armstrong: Right.

As you mentioned before, you now have another opposition party, so you may have to make some small changes in the amount of time allotted.

Since that change was made, does the opposition feel that the process is more reflective of their being able to provide proper scrutiny of the estimates?

Ms. Shannon Dean: We just had an election here two weeks ago, so we have a new official opposition. We're in a new legislature, so I can't really say for certain. Perhaps Dr. Massolin has comments on that.

I do think that the policy field committee consideration of estimates is more effective, just because of the smaller group.

Mr. Scott Armstrong: You think it's more effective.

You've had several changes in the process you use now. Do you see the process you have in place now becoming more established over the long term, or could we see more changes over the next two, three, or ten years?

Ms. Shannon Dean: We're anticipating some changes with this new legislature. Again, we just had an election two weeks ago. We have a new official opposition, so there may be some desire to bring forward changes to the standing orders.

Mr. Scott Armstrong: But those would be changes in the standing orders of how you proceed within the House; they wouldn't be changes in the legislation limiting what the government can do on timing or the presentation of programs.... Maybe you could do it on more of a program basis instead of a huge estimates basis. It would be more the standing orders that are currently approved in the House.

Ms. Shannon Dean: Yes, they would be regarding the rules governing the consideration, etc....

Mr. Scott Armstrong: Okay.

How much time do I have left?

The Chair: You don't have any time left, actually, Scott.

Mr. Scott Armstrong: Thank you very much for your time.

The Chair: Thank you very much.

Are there any further questions from the opposition benches?

Seeing none, are there any further questions from the government side?

Bernard Trottier would like to use some time.

Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC): Thank you, Mr. Chair.

And thank you to our guests from Alberta. It's always nice to have a warm breeze blowing in from Alberta to freshen things up around Ottawa.

I just have a question about performance reporting. You mentioned the departmental performance reports you publish. I presume that they are annual performance reports. When do those come?

Dr. Philip Massolin: I can answer that, Mr. Chair.

They are annual performance reports, as you indicate. There's been a change just recently to produce those a bit earlier. I believe that they come out, typically, in June now, as opposed to a little bit later in the year.

Mr. Bernard Trottier: Are the reports not considered in conjunction with the main estimates? Would it not be useful to look at the estimates along with performance reports to kind of get a holistic view of departmental spending?

Dr. Philip Massolin: Certainly there are some performance measures indicated within the budget itself that square up with those displayed within the annual reports.

Just so you know, the annual reports, of course, are the public accounts of Alberta, essentially. They're reviewed by a different committee, a public accounts committee, which is, of course, something you're familiar with. They work together. The budget performance reports in the budget documents and those that appear within the annual reports work synergistically.

Mr. Bernard Trottier: Okay.

When the main estimates are considered by the policy-field committees, as you mentioned, the minister is basically there for a full three hours, usually. And it's only opposition MLAs who are asking questions. There are no questions from government MLAs. Is that correct?

Dr. Philip Massolin: No, government private members also ask questions.

Mr. Bernard Trottier: I guess I misunderstood.

What are the names of the five policy field committees? How do they break down?

Ms. Shannon Dean: I'll just read them into the record. Right now they are: the Standing Committee on Community Development, the Standing Committee on Education, the Standing Committee on Energy, the Standing Committee on Finance, and the Standing Committee on Public Health and Safety.

Mr. Bernard Trottier: Those five policy field committees can then cover 16 departments. You mentioned that the other five are considered by the committee of supply.

What kind of time is given in the committee of supply for each department?

Ms. Shannon Dean: It's the same three hours.

Mr. Bernard Trottier: It's the same three hours.

Ms. Shannon Dean: It is two hours in the case of the executive council.

Mr. Bernard Trottier: Okay, so there are 15 hours of consideration in the committee of supply, then, for the five that you had last year. Is that correct?

Ms. Shannon Dean: That's correct, unless they run out of speakers.

Mr. Bernard Trottier: Okay.

Out of the 21 departments, everything goes to the committee of supply for votes. Correct?

• (1620)

Ms. Shannon Dean: Correct.

Mr. Bernard Trottier: Is there debate before those votes, or is it purely a vote?

Ms. Shannon Dean: There are reports from the policy field committees and then there are just votes; there is no debate.

Mr. Bernard Trottier: There are just votes. Okay. Thank you.

Those are my main questions. Thank you.

The Chair: Thank you, Bernard. You made good use of three minutes.

Does anyone else on the Conservative benches have any further questions?

Mr. Mike Wallace: Are they going to send their documents? I'd like them to send them all—

The Chair: Yes, the witnesses did agree to send the documents.

Mr. Mike Wallace: —not just the estimate document, but also their plans and priorities document, or whatever they call it.

The Chair: Okay, we'll—

Ms. Linda Duncan: And the schedule.

Mr. Mike Wallace: Yes, I would like to see it all.

The Chair: Very good, we'll leave the clerk to ask for those.

We do have a question from the Liberals, John McCallum.

Hon. John McCallum: I'm a bit confused because I thought when I asked my question earlier that you said that the business plans and the performance reporting documents came out on the same day as the budget. Now I think you're saying something different. Would you be able to clarify that question on timing?

Dr. Philip Massolin: Yes, maybe the confusion rests on the fact that performance measures are contained within two sets of documents: one, the budget document pertinent to our discussion right now; two, in the annual reports, which are essentially the public accounts. Those documents are typically released in June, so that's the different timing. So you have a February-June difference there.

Hon. John McCallum: Thank you.

The Chair: We have one question from Ron Cannan.

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Thanks.

We had some witnesses from New Zealand or Australia who said that their committee members submitted their questions in writing to the ministers before they came to committee. Has that ever been done in any of your committees to give the departmental officials an opportunity to answer the questions as well, so they come more prepared and use their three hours more efficiently?

Ms. Shannon Dean: I don't recall that happening in advance. What often transpires, though, is that near the end of the three hours, members may want to read into the record a number of questions for the minister, and instead of taking up time the minister will undertake to provide responses in writing at a later date.

Mr. Ron Cannan: Yes, we do that as well. Thank you.

The Chair: We have one more question from Bernard Trottier.

Mr. Bernard Trottier: Thank you.

I want to talk about amendments. You mentioned that the policy field committees can propose amendments that entail reductions in the amounts of the main estimates, but not increases. Is there anything in your standing orders... Let's say you had a minority parliament and decisions were made to eliminate the estimates all together. Would that trigger a confidence vote under the Westminster system, based on your standing orders?

Ms. Shannon Dean: We don't have any experience with that kind of situation so I can't comment on that.

Mr. Bernard Trottier: In a majority legislature, are there any limits to the amount that an estimate can be reduced? I think one of the legislature's representatives we talked to mentioned that there was a 5% limit on the amount that estimates could be reduced.

Ms. Shannon Dean: They can't be reduced to zero, but they can be reduced to one dollar, in theory.

Mr. Bernard Trottier: Reduced to one dollar. Okay.

That doesn't result in any kind of confidence vote under your current standing orders?

Ms. Shannon Dean: Again, we don't have any experience with respect to minority parliaments, so I can't really comment with any expertise on that.

Mr. Bernard Trottier: Okay, thank you very much.

The Chair: Thank you, Bernard.

That concludes the questions the committee members had, so we want to thank both of you, Ms. Dean, and Dr. Massolin, for giving your time today as we try to explore the best practices both domestically and internationally. It's been an interesting study, and we certainly will make good use of what you shared with us today.

Thank you again for giving us your time.

I'm going to suspend the meeting briefly while we connect our next witness. In that time I have a bit of committee business we might want to do.

•(1625)

We'll reconvene and discuss one scheduling problem with a witness. Human Resources and Skills Development want to appear before us on May 30, but that's exactly the same time and date that the minister and her department are appearing before her own committee. Obviously, that conflict doesn't work, so we have two options on what to do about it.

One, we could have HRSDC appear on the 28th instead of the 30th, reverse Heritage and bring them on the 30th; or we could drop HRSDC altogether and select another department to invite and study their mains. How do we feel about that?

Hon. John McCallum: You say she's going to another committee for purposes of estimates?

The Chair: Yes, she's going to her own committee.

Hon. John McCallum: Then it's better to have another department because, otherwise, she'd be examined twice.

Mr. Mike Wallace: Can I ask you to have the clerk do a little research? Is there any committee that's not asking their minister to come to their committee to review estimates? If there's one that isn't, maybe that's the one we should ask.

Ms. Linda Duncan: We can ask and they—

Mr. Mike Wallace: No, they'll never decline coming to their own committee, Linda. It just doesn't happen.

Ms. Linda Duncan: I beg to differ.

[Translation]

Mr. Denis Blanchette: Yes, that happens.

[English]

Mr. Mike Wallace: Which one?

[Translation]

Mr. Denis Blanchette: The Minister of the Environment appeared before the committee for the first time this winter.

[English]

Mr. Mike Wallace: For estimates? They wouldn't come on estimates?

[Translation]

Mr. Denis Blanchette: He did not come the first two times, so we had to consider supplementary estimates (B) and (C) at the same time this spring.

So this has already happened.

[English]

The Chair: Anyway, we do have this logistical problem.

Ms. Linda Duncan: Have we had any ministers?

Mr. Mike Wallace: We had PCO, which reports to us, and the Prime Minister is not going to show up. Treasury Board has been in front of us.

Ms. Linda Duncan: We had Mr. Clement?

The Chair: Clement and Public Works.

Ms. Linda Duncan: The rest are not.... For Heritage, for example, the minister is not coming—

Mr. Mike Wallace: But that's not our...That's exactly what I'm saying—

Ms. Linda Duncan: All I'm suggesting is they may feel more flexible, given that it's not the minister's schedule. That's all.

The Chair: Well, that was the first—

Ms. Linda Duncan: We could potentially reverse them.

The Chair: That was the first recommendation, that we have HRSDC come on the 28th and Heritage come on the 30th. Then we have no conflict. Except we would lose one individual, as the deputy minister of Heritage won't come if that's the case.

Or, we can just pick another department altogether and say.... But HRSDC is obviously a very interesting—

Mr. Mike Wallace: Well, if you guys put that one forward.... Can we think about it until the next meeting?

The Chair: Well, the clerk has to.... Well, the 30th is quite a ways away isn't it, and that gives you the month—

Mr. Mike Wallace: A few days. It's after the break.

The Chair: All right, let's consider—

Ms. Linda Duncan: Health? Have we had Health?

Mr. Mike Wallace: We haven't had Aglukkaq, but maybe not?

Ms. Linda Duncan: Health would be very interesting.

The Chair: We haven't had Health, no.

Mr. Mike Wallace: Why don't we put it on the agenda for the next meeting and then think about it. You guys talk about it; we'll talk about it.

Ms. Linda Duncan: It needs advance notice.

Mr. Mike Wallace: It's not till the 30th.

The Chair: We can take five minutes at the end of next meeting.

Okay. Agreed.

Ms. Linda Duncan: The longer we put it off, the more they can say they're unavailable.

The Chair: Mr. Thomas, can you hear us?

Prof. Paul Thomas (Professor Emeritus, Political Studies, University of Manitoba, As an Individual): Yes, I can, Mr. Martin.

The Chair: Welcome, Paul. It's a pleasure for you to join us here today. This is a real day for getting some prairie sensibilities. We just had representatives from the Legislative Assembly of Alberta and now we're consulting Professor Emeritus Paul Thomas from the University of Manitoba.

Or are you still teaching?

•(1630)

Prof. Paul Thomas: I'm retired officially and doing lots of things, so I haven't stopped dead in my tracks.

The Chair: I understand. Well, you're very welcome here and thank you for taking the time to be with us today as we undertake this study as to how to provide more scrutiny and oversight of matters of supply.

We note that you have studied this and have written extensively over the years and made recommendations. We very much welcome your comments today and then, of course, the opportunity for us to ask some questions as well.

Why don't I just give you the floor and ask you to take as much time as you need to introduce the subject and we'll get under way. You have the floor, sir.

Prof. Paul Thomas: Thank you very much.

It's a real privilege to be here. I welcome this opportunity to share some of my opinions that go back to the days of being a parliamentary intern in '72, which I should hasten to add was 1972, not 1872. So it's good to be here.

I've given the committee a short submission consisting of two parts: a diagnosis and a prescription. I've given your crack committee staff a longer, more academic paper on the Australian supply and estimates process, because I know that you've been listening to witnesses from other jurisdictions.

I intend to be very brief in these opening remarks and leave the maximum amount of time for questions and discussion with the committee members. I look forward to that very much.

I begin my submission with the observation that there has never been a golden era when Parliament was effective in examining the spending proposals of government in any systematic, comprehensive, and in-depth manner. The fact is that Canada's Parliament is not exceptional in that regard. Legislatures around the world find it difficult to cope with the complexities of modern public finance and using the estimates process to hold the political executive and the permanent bureaucracy accountable for spending to ensure they spend in ways that add value to Canadian society.

The exception to that general problem of legislatures coping with public finance matters is the U.S. Congress. In my submission I say to be careful what you wish for, because Congress has its own problems in ensuring that public finances are well managed.

The deficiencies in Canada's estimates process are caused by a number of factors. I'll briefly list them in a general way, and if you wish, I can go back and offer more detailed comments on each broad set of factors.

The first set is constitutional and legal factors, and this is familiar to committee members. All spending must originate with the crown making spending proposals based on the recommendations of responsible ministers. The passage of the estimates is seen to be a confidence convention. There are a number of other sort of conventions and rules that are constitutional and legal in nature.

The second source of limits for the parliamentary estimates process is procedural limits. For example, committees cannot change votes except to eliminate or reduce them. They can't add to spending. There were rules in the past, which I think no longer apply, that committees shouldn't make substantive recommendations, and should limit themselves to comments and actions or proposals related to the estimates themselves so there are procedural limits.

There is the factor of time. There is a short time period between the tabling of the estimates and May 30, when they have to be reported back to the House, so the committees have to rush through the estimates if they propose to examine them in any way. Most of the estimates are deemed to be reported upon when the deadline arrives.

A fourth factor is informational and formatting issues around the presentation of financial information. You can't really say that you lack for information, because a mountain of information is tabled in Parliament annually. There is a virtual alphabet soup of documents presented to you, whether we're talking about reports on plans and priorities, departmental performance reports, MAF reports, audit reports—the list goes on and on. You have not only multiple documents, but also multiple departments and agencies.

There are informational and format questions that give rise to problems, because most of these documents, frankly, go unread. Somebody needs to do a cost-effectiveness analysis on producing all of this information, at least for purposes of external accountability. One of the problems is that many of those documents are produced by bureaucrats for fellow bureaucrats inside the government.

I think the biggest source of problems is my fifth one, and that's the political, cultural, and attitudinal problems or factors. A fundamental fact of Parliament is that it's dominated by competitive, disciplined political parties, and reforms that ignore or seek to stifle partisanship are bound to have limited success in my view.

● (1635)

I say in my document that fixing the supply process is not mainly about finding the right rules for how estimates will be voted, the optimal number of committees, the appropriate staffing for such committees, and the best formats for presenting evidence to such committees. These things matter, but only at the margin. What is more important is a bargain that recognizes the divergent interests of the competitive parties represented in Parliament.

It seems to me that one of the things we have to look at more seriously is how to create the right set of incentives and disincentives to motivate more MPs to take their financial duties seriously. I talk about the way in which government and opposition MPs, the leadership of parties, and backbenchers in parties have different incentives to take this process seriously.

Most MPs see the work on estimates as an exercise in futility. They feel they can't change anything. Even in minority parliaments when your committee for example, the operations and estimates committee, has changed estimates, either for the Governor General or the Privy Council Office, it's usually been a symbolic victory and not one that is attempted very often. MPs also, it should be noted, tend to favour restraint in the abstract, and when it comes to their own constituencies, they are usually advocates for additional spending.

That's a summary of the diagnosis I offer.

The prescription is that I think you might be better off looking at a relatively large joint committee, a standing joint committee of the House of Commons and the Senate, and give it a title of something like "Government Finances and Public Administration" so that it's broader than the estimates in many ways. The committee could be perhaps 40 members. It might have a balance between a larger number of MPs and a smaller number of senators, recognizing that the House of Commons, at this stage at least, is the body that holds government responsible, in the sense that it can defeat governments if it so feels.

The mandate of this committee should be to examine government spending on a cyclical basis, perhaps over a five-year span, and in each year take a number of major departments and agencies and examine not only their spending but also performance reports and administrative issues that have surfaced from bodies like the Office of the Auditor General and so on. Rather than focus on the details of estimates, the committee would focus on the evidence of the success of policies and programs in delivering value to Canadian taxpayers.

The membership of this committee should be relatively permanent. There's too much mobility on the committees. MPs, particularly, need to settle into a committee. It would give them the opportunity to acquire the knowledge they need to understand government finances better. It would also allow the committee to plan its program of study and investigation over a number of years. Adding senators, I think, would be useful because senators

[*Inaudible—Editor*]...at least until Mr. Harper gets his wish and has an elected Senate. The partisanship in Senate committees tends to be somewhat more muted than in House of Commons committees.

In the submission I recommend that staff support to the committee be provided by the Parliamentary Budget Office, which I note was launched on the basis of an unclear mandate. It was given an inappropriate organizational home in the Library of Parliament and, shortly after its creation, was drawn into the swirl of successive minority governments and nonstop campaigning within Parliament. All of this made the office and its leader, Kevin Page, the subject of controversy. He's a person with very strong opinions, obviously.

One thing that Mr. Page told a student of mine, who did a master's on the evolution of the Parliamentary Budget Office, is that his office had not done a very good job in assisting committees with examining the estimates. I think the office should create a designated division simply to serve the new joint committee that I'm recommending. This committee would then become the parliamentary home for the Parliamentary Budget Office. It's the committee to which the PBO would answer in explaining what it proposes to study and in submitting its own budgetary requirements on an annual basis.

I think the joint committee might divide itself, depending on how many members it has, into a number of smaller subcommittees and, over time, those subcommittees would develop specialized knowledge in the various domains of public policy.

● (1640)

You would really use your activities of studying to influence longer-range thinking of government. I say in my submission that there's nothing really all that magical about the lapse of 12 months in terms of government spending. Most government spending is done over multi-year horizons, and Parliament needs to become aligned with that sort of orientation.

To promote the cultural and attitudinal change I talked about would require endorsement by leaders of the parties represented in the House of Commons and Senate. You want to reduce the amount of partisan gamesmanship that goes on in this committee and allow MPs and senators on this joint committee to relate more to the evidence and to engage in a search for greater efficiency, effectiveness, and equity in public spending. My hope would be that this would be launched with the endorsement of all party leaders.

There's no guarantee that you'll bring about this cultural and attitudinal change. I supported the work done by the McGraw committee back in 1985 and the work done in 2003 when the late Ron Duhamel was involved in the reform of the supply process, and we had a debate about whether structural and procedural change produced attitudinal changes, or whether that relationship is reversed and attitudinal and cultural changes have to precede structural and procedural changes.

I think it's a bit of both, but unless the party leaders get on board and say they're prepared to allow their MPs to work with a minimum amount of partisanship, this won't work. Individual MPs and senators will have to recognize that this is a job for which there's not a lot of publicity and a lot of glamour. It's about contributing to sounder, better-quality government and getting value for tax money.

We know that the public respect for Parliament and its members is low. The esteem in which the institution is held is not as high as it used to be, and we have to get away from political gamesmanship and spend more time constructively inquiring about what works and what doesn't work.

Those are my opening comments, Mr. Chair. I'd be pleased to respond to questions and comments.

The Chair: Thank you very much, Professor Thomas. You have given us a lot to think about, and I'm sure we'll have many questions for you.

First, for the NDP, the official opposition, we have Linda Duncan.

Ms. Linda Duncan: Thank you, Mr. Chair.

Thank you, Dr. Thomas.

I have to say, and I would probably be speaking for my party, that I don't think I'm very excited about your proposal to have the Senate there.

If you're talking about equal members and so forth, obviously there is going to be a disproportionate number of members from some parties and not from others. I find it odd that the Senate would be there, being a non-elected body, talking about this process of the passage of budgets and estimates in the House of Commons. I find that a little odd.

You're not the first to suggest that there should be continuity in this kind of committee—or super-committee, as Mr. Wallace suggested a while back. The problem is that it's out of our hands; at least, for four years it could be. But we can't guarantee that the members who are appointed will be around in the next election. Maybe you have to pick all young members. I don't know.

So it's a nice theory, but fortunately our processes continue to be democratic, and so long as they are, this is a bit of an anomaly.

I'd certainly have to agree with you, Dr. Thomas, that this is an area that takes a while to grasp. It would be helpful—and you would want—to pick people who really liked this kind of dialogue, going after the theory of better management of finances and so forth and not the niggly department-to-department matters.

I saw a bit of a contradiction in your comments about parliamentary budget officers, and I was encouraged by your comments today. In your article, which you kindly provided or our researchers found, “Parliamentary Scrutiny and Redress of Grievances”, which was very interesting, you seem to have a lot more cynicism about all of these advisory bodies established under the Accountability Act.

Could you elaborate a bit more? Do you see value in, for example, the office of the Parliamentary Budget Officer?

Prof. Paul Thomas: Let me just comment on the first two points.

The Senate does very useful work and I'm not one of those who say that the Senate is a completely useless institution. Most of its good work happens in committees, and in a book edited by Senator Joyal I make a case for the role that committees play in providing scrutiny of ongoing policies and programs. I think the Senate is a bit of an anachronism, being unelected, but the Senate is there. We pay for the Senate. We might as well get some value out of it. A body like the Senate national finance committee does good work. That's why I included them. It's hard, even in a House that's growing to 330 members, to find enough MPs interested in the dull, grinding work of understanding government finances to create a mega-super-committee with MPs alone.

As to the movement of MPs, you're right. We have to respect democracy, and we have a very high turnover, one of the highest of all western legislatures. About 45%, I think, are freshmen MPs after each election. So we lose a number of members who are building up experience, but the MPs add to that problem by moving around committees. At least, they used to do that a lot.

On the role of officers of Parliament, agents of Parliament, I think the document you're quoting from was actually a speech. I was entitled to be theatrical and be provocative, and that was my intention. But the PBO is there. I think if there is going to be a parliamentary budget officer, you have to find the right balance between giving him independence and giving him accountability, and you have to make him serve the committee rather than have the committee serve him. Sometimes rollovers will happen in the public accounts committee where the Auditor General, just by the force of his or her expertise and the depth of his or her capacity, can lead the committee down certain paths, and the committee doesn't do as much as it might to set its own agenda.

So I think the PBO needs to be put at the disposal of members of Parliament, and that's why I suggested it needs a place where it can come and answer for its budget on an annual basis. These people can develop into superheroes in their own minds. They get to point out the problems in government, and given a government the size of the Government of Canada, there will always be problems. So from the sidelines they can self-righteously criticize people in government for things that go wrong. But I think they have to answer for the judgments they make and do that in front of the elected representatives.

So I'm not entirely cynical. There was another committee on the past, present, and future of officers of Parliament where I set forth five structural conditions meant to ensure the right balance between independence and accountability.

● (1645)

The Chair: That uses up your time, Linda.

Thank you very much, Professor Thomas.

Next for the Conservatives, we have Kelly Block.

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC): Thank you very much, Mr. Chair. I'm not sure that I'm going to use up my whole five minutes, but I know that I have colleagues who probably have some questions as well.

Welcome to our committee. This has certainly been a very interesting study and many of your observations have been made by others as well. So I think we're going to have a lot to talk about as we begin to look at the recommendations we're going to want to bring forward in regard to where we should go after this study is done.

You have observed, as other witnesses have, that we need to find a way to reduce the level of partisanship at a committee charged with this type of work. There may be some reluctance to include senators, whose participation you mentioned as one way of dialing down the partisanship. Barring that, though, what other ways would you suggest we could use to change the culture of partisanship on a committee like this?

Prof. Paul Thomas: It's very difficult. It's not like an organizational culture within an institution.

Parliament, as I say in my submission, doesn't really have a collective identity and a collective purpose. It's dominated by parties. Particularly in the last decade or two, we've almost been in a condition of a permanent election campaign. Therefore, opposition parties are looking for openings to challenge the governing party, and the government becomes defensive about its records and tries to spin the news about government activities to the best of its ability. There is no learning that goes on in those processes.

I've watched MPs sit on task forces and standing committees, special committees, and relate to the evidence, especially when we used to travel together more. They would come to a consensus in a broad, general way, and leave a lot of the narrow partisanship and more negative partisanship behind. Parties, seeing what Canadians are saying about the parliamentary process, how disappointed they are in the games that go on within Parliament, would actually reward members of Parliament who said, "I'm working on this committee alongside Liberals and New Democrats, the Conservative Party of Canada, and we're coming up with a consensus recommendation."

Then there's a lot of pressure on ministers and on the public service to listen to that. Ministers can be held accountable by committees, and public servants who come to testify can be made to give fuller answers when the committee is working smoothly and effectively.

It has to come from the top, from the leadership of the parties. And it will take time. It's a slow process and won't happen overnight.

Then there's the other problem that the only time the media show up to witness a committee at work is when there's a scandal. That adds to the emphasis on looking for details that are negative in some way.

There's not an easy answer. It may be a matter of a turnover of MPs, with new MPs coming in. They may want to play a more meaningful role, not just standing in the House of Commons and delivering hard-hitting speeches but getting to actual work on the details of governing.

• (1650)

Mrs. Kelly Block: I thank you very much for those comments.

I agree with much of what you've just said. I know that being a member on this committee has certainly shown me the importance of a committee that provides oversight of the estimates process.

I want to get back to what you said about providing incentives. How do we incentivize other parliamentarians? If we don't go to creating a committee, such as you are suggesting, how do we incentivize other parliamentarians, other committees, to see the study and the approval of the estimates process as something that's important?

Prof. Paul Thomas: We've tried a number of things in the past. We used to do all of the estimates on the floor of the House of Commons, and that was just a game. It took up a lot of time. It wasn't very helpful in terms of giving meaningful advice to governments about how to improve their spending and the results of their spending.

We then went out to the standing committees, gave them investigations in view of legislation and the estimates. It seemed like a lot of work. There weren't enough committee meetings. There weren't enough committee members. There weren't enough time slots.

We tried saying you could change the estimates within a narrow range, maybe 5% above or below what's proposed, and make the government explain why it accepted or failed to accept that recommendation. As I mentioned in my opening comments, that was used rarely. It goes way back to the seventies, and it was rarely used by committees.

It really requires some discussion in each of the party caucuses behind closed doors to say to the leaders that you didn't come down here just to applaud when the great leader gets up to speak, and you didn't come here to thump your desk and yell across the chamber. You came here to contribute to better public policy, you want a chance to do that and you want to do it in a committee setting. You'll find your own ways to publicize to the folks back home in Saskatchewan that they're getting good value from their member of Parliament. Maybe through the local media you could talk about the work you did in changing agricultural policy, perhaps. It wouldn't happen overnight. It would take a number of years of reporting on the pattern of spending in the agricultural department, but eventually you'd get them to shift some money into an area you considered important to Saskatchewan.

That seems to me the most constructive role you could play.

Mrs. Kelly Block: That's great. Thank you.

The Chair: Thank you, Kelly. It looks as though you did have five minutes' worth of questioning after all.

Next is Jean-François Larose for the NDP.

You have five minutes, Jean-François.

[*Translation*]

Mr. Jean-François Larose: Thank you, Mr. Chair.

I would like to thank our witness.

I retained three main points from your presentation, which I found very interesting. I am myself a young member of Parliament and I move from one committee to the other quite regularly. Even though we may not necessarily be in complete agreement with every detail, the fact that we are being presented with such tangible solutions for this system is, in my opinion, rather refreshing.

You also talked about the Constitution. Would the proposals that you have presented necessarily mean that we would have to once again open up the Canadian Constitution? If that is the case, what would be the grounds for doing this? The fact that we are talking about this matter today in committee is really important. We have been discussing this matter for a long time. However, I also know that this is not the first time that this has been done in Canada. It would be good if this motivation were to result in the implementation of long-term, tangible and concrete changes.

Finally, I believe I understood, at the beginning of your presentation, that you were using the Australian system as a reference to show what is done elsewhere. Could you elaborate on this matter? Are there any other countries that have made such a change, using a system that may be interesting?

Thank you.

•(1655)

[English]

Prof. Paul Thomas: All right, we'll start with the Constitution. One of the constitutional principles is that all spending must originate with the crown. In other words, on the recommendation of responsible ministers in the cabinet, the government puts forward its spending plans through the office of the Governor General. Along with that, governments have treated the approval or not of their spending plans as a matter of confidence. So you can't vote against the budget or even vote against individual estimate items without the government raising the threat of that amounting to a matter of non-confidence, requiring their MPs to vote with the government. So that limits the parameters within which the committees can be creative in criticizing and trying to change public spending.

There's also the question of whether you would want to go to a system like the American system where very powerful committees in the U.S. Congress, especially on the Senate side as opposed to the House of Representatives side, regularly defeat the President's budget, change it, or delay it, which leads to deadlock and instability. Institutional buck-passing is the way I describe it. No one knows who's to blame, whether the President or some part of Congress. If you transferred some real power to committees to recommend changes, would you worry, would Canadians worry, about relatively inexperienced members of Parliament—perhaps not fully informed of the budgetary choices that have been made inside government, how difficult they were, and all the considerations that went into them—having the right to change that estimates in that way? I'm not saying that there's anything pure or totally rational about the way governments decide budgets, but I'm just saying that they have the whole public service behind them.

In terms of Australia, I gave the committee staff a long paper on the supply process in Australia. I interviewed members of its House of Representatives and elected Senate. The main body in which the government is held accountable in the Australian political system is the Australian Senate, which is elected on a system of proportional representation, which has mainly meant that there's never been a government majority in the Senate. Then they have their calendar year for Parliament blocked out into two main periods, May and October, when Senate committees go to work to examine the estimates. The minister shows up first and spends a day, maybe, or

half a day, in front of the committee. They go on from early in the morning, literally 8 o'clock in the morning, for the whole day. The Senate is not sitting at this time. They take this whole block of time over two weeks and they run through departments of government.

There are two main accountability documents in Australia. One is called the parliamentary budget statement, and the second one is called the annual report. The parliamentary budget statement, PBS, gets most of the attention. Public servants are grilled when they come before those committees. There's no government majority. The rules of engagement are better defined: What senators can ask public servants is better defined, as well as what public servants are allowed to answer. I think that it might be helpful in the Canadian context to have clearer rules around that. In Australia, public servants at the senior level, with the permission of their minister, can actually go to brief party caucuses, so there's more informed debate. It's not perfect and Australians are critical of it, but compared to what I've studied in Canada, they make a more meaningful effort and provide scrutiny of the spending plans of governments.

The Vice-Chair (Mr. Mike Wallace (Burlington, CPC)): Thank you, Professor. Thank you, Mr. Larose, that's your time.

By the way, Mr. Martin had to leave, so it's Mike Wallace in the chair. I don't look quite the same.

I'm one of those little guys in the minority who like this.

Ron Cannan, from the Conservatives.

Mr. Ron Cannan: You're doing a great job, Mr. Chair, I might add.

Thank you, Professor Thomas. It is a pleasure to hear you.

Prof. Paul Thomas: He used to work on *60 Minutes*.

Mr. Ron Cannan: Yes, exactly.

Prof. Paul Thomas: Since he used to work on *60 Minutes*, I recognize him.

Some hon. members: Oh, oh!

Mr. Ron Cannan: Yes, we have Mr. Wallace, the younger, new and improved version.

I really appreciate your frank comments as far as political will is concerned. This is my third term on a committee that's working together, I think, in a very non-partisan way in studying this the last several months, and there's been some really good group discussion.

As you said, some committees filibuster an issue, and it's a waste of everybody's time and money. If taxpayers realized how dysfunctional some of the committees are, you would think it's a waste of taxpayers' money. We want to get to the bottom of how we can deliver on the committees' roles and responsibilities more efficiently and effectively in defining them.

One question I had was about the composition of committees. I was on the scrutiny of regulations committee for a while, which includes both Senate and House committee representatives; it's a joint committee. It seems to function quite well. It's been around for a number of years, and I don't know if something like that is what you had in mind for this larger oversight committee you recommended?

•(1700)

Prof. Paul Thomas: It's very much the inspiration for the proposal. I have studied that committee and written a paper about it.

It took some time to develop that constructive culture inside the committee. The issues were not headline generating issues; they were little detailed laws, but they had a real impact on people's lives. They could either enable you or restrict the behaviour of either individuals or companies. It was important work, but it wasn't the work that would generate a lot of publicity.

It did have a dedicated lawyer supporting the committee and happened to have Senator Eugene Forsey in its early days as one of the really dedicated senators on it, who had an encyclopedic mind about everything parliamentary and a precise way of defining the issues.

This large joint committee that I'm suggesting would take time to develop an internal culture within it. I have read all the proceedings of your committee, the one I'm testifying before. I applaud the members for working constructively together, trying to find the best.... You've heard some good witnesses. I've learned from reading your proceedings and I can't say that's true of all the committee proceedings I read. I read a lot of them. This committee is doing good work and I hope you can produce a report based on an all-party consensus as much as possible. That would add weight to the report, and we may get some movement after having none in 1998 and none in 2003.

The point about the Senate is that it would be a minority presence on this committee. Once, early in my academic career, I proposed a large expenditure review committee made up of 45 members of the House of Commons, and I found it hard to think of how you would identify 45 MPs who would want to spend a bulk of their committee time on that committee. It's just hard. This is a minority activity within Parliament. Not many MPs really want to spend a lot of their time working on a committee that tries to understand the mysteries of government finance.

Mr. Ron Cannan: Thanks.

Derek Lee spent 20 years in the Liberal Party. He was a member of that committee. He loved it as Mike Wallace loves this committee, and Derek was the legacy of that one as well.

One issue that we've had a variety of opinions on is the deemed rule. As you know, if a committee doesn't hear from the minister and doesn't have a chance to review the estimates by a certain date, the estimates go back to the House reported as deemed.

Do you have any comments on that practice?

Prof. Paul Thomas: At some point you have to cut off debate. The government's entitled to have a vote on its money. It's not entitled to get its money, necessarily, but it's entitled to have a vote. I don't think you want the spectacle that you have in Washington where you're going month to month with extensions of temporary estimates, or something like that, and public servants are worried about whether their paycheques will arrive. That would not add to the reputation of Parliament if you got bogged down in that way.

A long time ago, in 1968, they did away with unlimited debate on supply on the floor of the House of Commons. Many people say that

was the death knell of parliamentary democracy, but in fact it was used as a gimmick by the opposition parties in particular, singularly and collectively, to withhold approval for other actions that the government wanted to take, like integration of the armed forces, which was highly controversial. It was delayed for months simply by prolonging the supply debate.

No attention was being paid to the actual spending that was being approved; it was all about using it as leverage. You just lined up MPs to speak on the estimates, even though they were not making any contribution to more meaningful financial accountability.

I think there has to be a limit.

•(1705)

The Vice-Chair (Mr. Mike Wallace): Thank you, sir.

Our next questioner is John McCallum, from the Liberal Party.

Hon. John McCallum: Thank you.

Eons ago, Professor Thomas, you and I were fellow professors at the University of Manitoba, albeit in different departments. So it's good to see you again.

Prof. Paul Thomas: It's good to see you, John.

Hon. John McCallum: Yes—at least to virtually see each other.

I don't understand why the committee you recommend has to be so big. Forty people is more than three times the size of this committee. It would seem to be extremely unwieldy. Quite apart from the senator issue, I don't know that a committee of 40 would necessarily be more effective than a committee of 12.

Prof. Paul Thomas: I'm not attached to the number 40, necessarily, but I think it has to be larger than an ordinary committee. The main reason is that I see the working units of the committee actually being subcommittees. When a smaller group of MPs gets together, looks at a specialized topic or a department and a set of policies and programs, and reads the performance report, they can probably ask more meaningful questions. It spreads the work around more.

If you do it on a five-year cycle, you have 87 to 90 reports on departments and agencies now flowing into your inboxes these days, and you have all the other departments and agencies that go with those reports. I just think that if you want to reach across the vast expanse of government over time, it would be useful to have this committee, with dedicated members of Parliament and senators who see this as their main job in Parliament, that is, to understand government finances.

Hon. John McCallum: Okay.

We've had a lot of discussions, as you're probably aware, about the timing of the budget and the estimates. I think the federal government is one of relatively few places where the two are not aligned, so I guess I have a double question.

First, do you think it is important that we propose changes to align the two, the budget and the estimates?

Second, we've had some discussion as to whether such an alignment, which would radically increase the number of civil servants aware of what is contained in the budget, would pose problems of confidentiality. But it seems to happen without those problems in places such as Australia, New Zealand, and Alberta, so I wonder if you have any thoughts on that.

Prof. Paul Thomas: I don't see this as a huge problem, this aligning of the presentation of the budget and the tabling of the estimates. The delay is not as important in my view. What is more important is to provide windows of opportunity for members of Parliament who are on committees to influence the government. Parliament approves spending only in a narrow, formal, and legal way. The actual votes don't change the estimates. If they do, it's very rare.

I don't see the problem of having the budget speech, which is a great big policy document and not so much about the details of spending.... Also, then, the estimates themselves are sort of medium-sized policy statements, and I think they should be the subject of ongoing scrutiny, as opposed to saying that by a certain date in the year all the estimates have to be approved, and if MPs can't fit in meaningful scrutiny during that compressed period of time, then too bad for them.

I'd rather that you take a longer-range view of things and seek to influence government spending in the outer years of a mandate.

I don't know how they get around the problem in Australia. I just don't have enough knowledge of that.

Hon. John McCallum: I think Australia does their estimates by programs, as opposed to our system. Do you have any view as to which system is better?

Prof. Paul Thomas: Yes. The parliamentary budget statements were converted to a program format in the mid-nineties.

The idea was that it would raise the sights of members of parliament—the House of Representatives and senators—to a higher level. They would debate the policy that lies behind the spending as opposed to how much was spent on potted plants in the finance minister's department—those juicy little items that MPs like to seize upon. It hasn't had that effect of changing the behaviour of members of parliament in the House of Representatives particularly; the senate committees are better at avoiding those questions.

But for a long time with Prime Minister Howard, the favourite question was, why did he have three residences paid for by taxpayers? He lived in Canberra, but he also had a residence in Sydney and one other residence. That was just fun and games and part of the partisan gamesmanship that goes on.

But those documents I think help MPs to think more broadly about the purposes of spending, as opposed to the line-by-line estimates items.

• (1710)

The Vice-Chair (Mr. Mike Wallace): Thank you, Professor.

Our next questioner is Bernard Trottier from the Conservatives.

Mr. Bernard Trottier: Thank you, Mr. Chair. You are doing a great job, by the way, as usual.

Thank you to our distinguished guest.

Professor, I just wanted to talk about some different innovations that we have within the Canadian federation, because Alberta is fresh in our mind given that we just had some discussions with them. Do you have any comments or are you familiar with their model, first of all, when it comes to the supply process? Do you have any criticisms or positive feedback that you can share with us on what they are doing there?

Prof. Paul Thomas: One of the things I have observed about the supply practices in provincial jurisdictions is that many of them have a limited number of days. They allot a certain number of days and hours to the examination of the estimates; it's a finite period of time. Then, the government has in turn said that it will get its money if it can convince a majority of the legislature. I don't have as much detailed knowledge of the Alberta model. My sense is that going back a number of governments, they have had powerful caucus committees that are directly involved in the production of the budget. If you are in a majority government situation and caucus gets to review the expenditure plans and approve them in effect, then when these come to the floor of the legislature, there's not much to be said. The opposition can voice their different perspectives, but it's really a fait accompli at that point. So that's different.

In Manitoba, we have two committees of supply. They both happen in large committees. They are either on the floor of the legislature or in a separate committee room. I think it's 240 hours in total. It's the minister first, and then the minister disappears and the public servants handle it. A lot of the partisanship that prevails in the main chamber spills over into the committee setting. I used to take my Wolf Cubs to watch the legislative committees. I decided I wouldn't do it any more because it would turn them into cynics. It's just not an exciting spectacle.

There are committees that are exceptions to that rule; I shouldn't paint them all with a black brush. There are committees that get down to work and do things.

The other thing that some legislatures across the provinces do is meet when the main legislature is not meeting. When the legislature is adjourned, these committees meet. There is a committee on crown corporations—I think it's in Ontario—which has met outside of the regular session. That means that MPs can totally focus on that. Your parliamentary year is quite crowded now with your regular breaks and so on. I don't know how you could manage to build in a large block of time, but you may be able to find blocks of time, which I think is a useful example that comes from Australia, as well.

Mr. Bernard Trottier: One of the things I liked about your presentation was that there were some pretty concrete recommendations in it, things that we could do differently. One of the things that didn't come out necessarily though was the timing. We have been having lots of discussions in our committee about the timing, specifically of the budget, and how it needs to synchronize in some shape or form with the main estimates. As you are probably aware, the main estimates are largely ignored. Although they do get voted on, they don't really reflect the fiscal reality, and then the estimates get caught up when the supplementaries come out.

Do you have any thoughts on timing, thinking specifically of the Canadian federal context and the legislative calendar and so on? Some different options have come up. They have a different timing in Alberta where the budget and the estimates come out at the same time. There might be some challenges to our doing it that way in Ottawa. What are your thoughts on that?

Prof. Paul Thomas: I just think that the way it is now, with the budget speech much anticipated and the pre-budget consultations going on in the finance committee of the House of Commons and so on, there's all that rush to put the budget to bed and get ready for it. It has become the biggest political occasion in the life of Ottawa. And the estimates are an afterthought; they don't count for very much.

You see the dilemma the government is faced with in the current downsizing, where you have a process to conduct lay-offs and to implement the budget decisions about where cuts will be made. So you get criticized if you don't say up front what you're proposing to do. On the other hand, you don't allow for due process to give public servants a chance to hear what their fate is going to be in downsizing.

I'm on the National Statistics Council and we were at a meeting recently. We heard what they have to go through to come to terms with the reduction in their core operating budget. It's a long process that has to be undergone. So you won't have immediate fallout from estimates.

The other thing I would say is this. When the estimates were compressed between the budget and the summer adjournment, many people thought that with departmental performance plans and priorities, DPPs and DPRs, you might carry over into the fall and spend more time in the fall session looking at the performance of departments and agencies. That hasn't happened. Once I read all the estimates hearings for two years of the House of Commons standing committees and I found two references to departmental performance reports and departmental plans and priorities. And I don't know how many MPs have ever asked for the management accountability framework reports, which I study. They're online and they give you a very good insight into what's going right and wrong, and it counts in the pay of the deputy minister and in his or her career path.

Those are informative documents, but you are busy people and don't have the time. I'm a retired academic and can read these and write about them and have opinions about them, but it takes a lot of work.

So I still think you should think about it more on a year-round basis as opposed to that compressed period in the spring when everything is supposed to happen at once.

• (1715)

The Vice-Chair (Mr. Mike Wallace): Okay. Thank you, Professor.

Denis Blanchette, please, from the NDP.

[Translation]

Mr. Denis Blanchette: Thank you, Mr. Chair. By the way, you're not the only one who has taken this rarely travelled route. There are not many of us, but you are not alone.

Mr. Thomas, thank you for coming here. Your presentation is very interesting. I would like to talk about your comments regarding the Parliamentary Budget Officer. You are not the only one who has said that we could use the Parliamentary Budget Officer's knowledge to help us in our work.

The Parliamentary Budget Officer has a role that, in my opinion, he fulfils very well. Would it not be a hindrance to him, so to speak, if we were to give him an additional mandate? Why not instead have some new Library researchers, who could be assigned to our committee in order to do research and provide the Parliamentary Budget Officer with a mandate that is a little clearer? Perhaps he could become an officer of Parliament. We need to clarify his role and mandate.

[English]

Prof. Paul Thomas: Yes, there is a choice to be made there. You could go the library research branch route. They have very competent professionals who could give good support to the committee. On the other hand, we created the Parliamentary Budget Officer as part of the amendment to the Federal Accountability Act, and it was thrown in without a lot of care and attention being given to defining its role clearly.

I think the office deserves its own statute, which would set forth its mandate. Included in its mandate would be to assist a committee or committees with the review of the estimates. I think the Parliamentary Budget Officer, Mr. Page, has been drawn into cross-party battles over various things and the office has become subject to the accusation that it doesn't perform in a neutral way, in a way that the library is meant to do and the research branch of the library is meant to do. It's taking sides in partisan controversies. Those are the allegations against the PBO.

So I think if you had a division within the PBO.... He has seven or eight people, I think, in his operations in total. You would probably have to add a few more. But the committee that I'm proposing, or some other committee, would then have the Parliamentary Budget Officer report directly to it, and it would give him or her instructions about what areas you would like to see examined. Then he would carry out those orders, and you could hold him accountable for delivering relevant, useful, balanced, timely reports to the committee.

At the present time, the PBO has no parliamentary home, so far as I can see. The Library of Parliament is really not the appropriate home for the PBO. So I think it is an institution we've created, along with a number of other officers of Parliament, and it is meant to come to the aid of members of Parliament, and I think you need the help.

[Translation]

Mr. Denis Blanchette: In your presentation, you said that there were too many reports and that they were not necessarily relevant. Are they useless? If we were able to specify their objectives better, would we not be able to use them in a more effective manner? Work has already been done. Why not try and save it?

There is also a related issue, namely the time it takes to produce all of these documents. It is taking more and more time to do this work, and therefore the documents are becoming less and less relevant. If less time were needed, would these documents become relevant again?

• (1720)

[English]

Prof. Paul Thomas: This is a subject near and dear to my heart. I'm really interested in how we produce useful information for members of legislatures.

What is relevant information is partly in the eye of the beholder. You have 308 members of Parliament working in different parties. Their perspectives are somewhat different. So what one person considers relevant at one point in time in one committee setting will be quite different from another.

There's even the question of what constitutes quality information. What you regard as a quality piece of analysis I might disagree with, because we come from different perspectives and so on. In Australia, the committees commission research, and the public service often delivers research.

Most of the reports we were talking about earlier are produced mainly for internal accountability purposes, including being filed with the Treasury Board Secretariat, which is the central budgetary agency of government. They aren't produced, in the first instance, for parliamentarians. So how do you serve different audiences and ensure that you get just the right information, in the right amount, in the right format into the right hands?

I mentioned the parliamentary budget statements. The second accountability document for parliament is called the annual report. The characteristic of the annual report that makes it most useful to parliamentarians is that it has a narrative quality to it. The public servants are required to tell the performance story of the department. What did they plan to spend the money on? Why did they underspend or overspend? What targets did they have in terms of outputs, goods and services, and programs they promised to deliver? Do they have any outcomes data? Did they make a change within society?

All of that is contained within the annual reports. They've been producing annual reports for a long period of time, so they've gotten used to serving parliamentarians.

Our system is still in its relative infancy, and there's too much information. I think the phrase I used is that MPs are stuffed with information and starved for understanding. You have this mountain of information come at you, and you just don't know what to do with it.

The Vice-Chair (Mr. Mike Wallace): Okay, thank you.

Our last questioner for today is Scott Armstrong, from the Conservatives.

Mr. Scott Armstrong: Thank you, Professor.

I'm going to pick up where you left off in a minute.

It must have been an exciting time here in Parliament in 1972 with the general election going on. I think it ended up being 109 to 107.

I'd be interested in your reflections on that and on what type of estimates review went on in 1972 after that particular election.

I want to go back to the Parliamentary Budget Office. I could see a process that had the Parliamentary Budget Officer and his department work with a committee like this or a large committee like the super committee you were discussing. If they actually focused as much on performance as they did on the estimates, I could see them providing members of Parliament with more workable data, as you were talking about.

As a member of Parliament, and as a member of a committee, you could actually approach the Parliamentary Budget Office to basically do a study and produce a report for you with specific information and specific questions about specific departments or specific programs in departments. Do you think that would produce more usable and more worthwhile information for us as parliamentarians?

Prof. Paul Thomas: I think that would be the case. They're called committee secretaries in the Australian Parliament, but they're a head of a branch, really. Each committee has a number of staff members and these people are well-educated, well-qualified. Some are even Ph.D.-level people, such as those on their economics committee. They prepare questions for members of Parliament. We know that on some budgetary issues there will be party differences. If you were the Conservative member of Parliament, they would ask you what you wanted to ask and what information you needed for those kinds of questions, and they would go and find what you needed. So when you have the deputy minister of finance sitting in front of you, you have hard-hitting, probing questions. It's done with a civilized tone. You're not there to embarrass someone for the sake of embarrassing him. But they can't fob you off with non-answers either, because you have backup. That's what ideally should be the case.

I've talked to a lot of public servants. They're not afraid to come before House of Commons committees because of their supposedly being out of their depth in terms of their knowledge, but they're concerned about the unpredictability of committees. They know what a member of Parliament is going to ask. Some of them would like to have an intelligent dialogue on what the evidence suggests about how well this or that particular program is performing. So that's where you need to go. You need staff support enabling you not to become captive of some Parliamentary Budget Office or something like that, but to use constructively to guide your agenda and ensure that you get to the bottom of the issues you want to investigate.

• (1725)

Mr. Scott Armstrong: When you spoke about adding senators to this committee, you said that it would lower the temperature and make it a less partisan exercise. No one else has brought that forward, so I haven't had a chance to think about it. However, would it also allow the Prime Minister to appoint specific people who bring a lot of expertise in public finance to Parliament? Someone like David Dodge would jump right out at you.

Do you think the Prime Ministers of the day would use this opportunity to bring some expertise in public finance to this committee, and would that be a good thing?

Prof. Paul Thomas: That would be a very good thing. I know the Senate is not regarded as a legitimate body in the 21st century when it's appointed by the Prime Minister. On the other hand, senators often have distinguished careers in business or politics. For a decade I was the Duff Roblin Professor of Government. There was no finer senator, in my eyes at least, than Duff Roblin, who was government House leader and tried to make the Senate committees work.

So I think senators can contribute. We're moving, supposedly, gradually, incrementally towards an elected senate, and then you're going to have to address the issues of the Senate's role in approving spending and taxing decisions, just as they do in Australia. We've had deadlocks and double dissolutions of the two Houses of Parliament when there was an impasse and the government wasn't getting its money. You don't want a Senate that's too powerful. There are senators who regularly go to work, day in and day out, on these

committee and try to do an objective job of asking the right questions. It would be good for the senators and the members of Parliament, I think, to work alongside one another.

Mr. Scott Armstrong: Thank you.

The Vice-Chair (Mr. Mike Wallace): Professor Thomas, thank you very much for joining us. You're our last external witness. We have the Department of Finance and Treasury Board coming on Wednesday, and then we're going to start discussing what we'd like to see in a report. So thank you very much for your input. It was excellent today.

With that, I'll call for the adjournment of the committee.

An hon. member: So moved.

The Vice Chair (Mr. Mike Wallace): We are adjourned.

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