HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Government Operations and Estimates

OGGO • NUMBER 050 • 1st SESSION • 41st PARLIAMENT

EVIDENCE

Wednesday, June 6, 2012

Chair

Mr. Pat Martin

Standing Committee on Government Operations and Estimates

Wednesday, June 6, 2012

● (1530)

[*English*]

The Chair (Mr. Pat Martin (Winnipeg Centre, NDP)): Good afternoon, ladies and gentlemen.

Welcome to the 50th meeting of the Standing Committee on Government Operations and Estimates.

We are here to examine the supplementary estimates of the four agencies that report to this committee: the Privy Council, Public Works and Government Services, the Treasury Board, and Shared Services Canada.

Welcome to all the representatives.

I understand there's been some conversation among the four sets of witnesses. They would like to go in order of the Treasury Board Secretariat first, the Privy Council second, the Department of Public Works third, and Shared Services Canada fourth. Is that satisfactory to the witnesses?

We welcome Mr. Matthews and Christine Walker from the Treasury Board Secretariat.

Please begin with your opening statements.

[*Translation*]

Ms. Christine Walker (Assistant Secretary and Chief Financial Officer, Corporate Services, Treasury Board Secretariat): Thank you, Mr. Chair.

I am pleased to be here to discuss the supplementary estimates (A), 2012-2013, for the Treasury Board of Canada Secretariat. With me is Bill Matthews, Assistant Secretary, Expenditure Management, at the Treasury Board Secretariat. We are here to answer your questions on the supplementary estimates (A).

[*English*]

Bill Matthews will respond to any questions you may have on the government-wide supplementary estimates (A). I will address the estimates for the Treasury Board Secretariat. In addition, Mr. Matthews will address any questions on the central votes.

I would like to now focus on the highlights of the supplementary estimates (A) for the Treasury Board Secretariat.

The Treasury Board Secretariat is seeking total additional resources of $862.5 million; $850 million is related to funds required to cover the cost of paying out accumulated severance. As indicated in Budget 2011 and Budget 2012, the government is continuing to negotiate the elimination of the accumulation of severance for retirement and resignation, which includes allowing employees to cash out the severance that has already been accumulated.

To date, the accumulation of severance for voluntary departures has been eliminated for about 230,000 unionized and non-unionized federal government employees. This includes members of nine bargaining groups in the core public administration, members of the Royal Canadian Mounted Police, the Canadian Forces, all executives, and members of certain unrepresented groups in the core public administration. Eliminating the accumulation of severance benefits for voluntary departures is expected to provide permanent ongoing fiscal savings.

The Treasury Board Secretariat is also seeking $12.5 million for approved program expenditures. This includes $7.8 million for the modernization of human resources services in departments and agencies and $4.6 million to strengthen the security of federal systems against cyber-attacks.

The human resources modernization initiative will streamline, standardize, and consolidate human resources processes and systems for the Government of Canada. The funding for cyber-security will reinforce government information technology infrastructure and improve detection of and response to cyber threats in a digital world. This initiative constitutes prudent risk management in securing government systems against cyber threats that are continually evolving.

● (1535)

[*Translation*]

Mr. Chair, that concludes my remarks

[*English*]

The Chair: Thank you.

Next is the Privy Council Office. Michelle Doucet and Mark Bélisle, please go ahead.

Ms. Michelle Doucet (Assistant Deputy Minister, Corporate Services, Privy Council Office): Thank you. Good afternoon, Mr. Chairman.

[*Translation*]

Good afternoon. I am pleased to meet with the members of the Standing Committee on Government Operations and Estimates. Today, I am accompanied by Marc Bélisle, Executive Director of the Finance and Corporate Planning Division for the Privy Council Office.

My introductory comments pertain to the 2012-2013 supplementary estimates (A) for the PCO. There is only one item in these estimates, and it is a reprofiling request in the amount of $1.3 million for the Commission of Inquiry into the Decline of Sockeye Salmon in the Fraser River from fiscal year 2011-2012 to 2012-2013.

As you may recall, the commission is led by Justice Bruce Cohen. In the last fiscal year, 2011-2012, the commission was granted money to carry out its mandate, which included the preparation of its report. That money was not used in its entirety, and, for this reason, there was a surplus at the end of the last fiscal year.

[*English*]

As mentioned when I last appeared before you, Commissioner Cohen was granted an extension to submit his final report. Specifically, rather than submitting it on June 30, 2012, he will submit it by September 30, 2012. This means that most of the preparation of his report will now be done in this fiscal year, and this includes costs for editing, translation, printing, and other costs related to the preparation of the report. It follows that forecasted costs for 2012-13 are now higher than anticipated, given that some of the work that was planned for the last fiscal year will now be done in this fiscal year. Therefore, the commissioner is asking for access to a portion of the commission's surplus from the last fiscal year, in the amount of $1.3 million, in order to fund expenditures that are now planned for 2012-13 and to allow him to complete his mandate.

The commission's total budget for 2012-13 is in the amount of $2.7 million, which includes the funding sought in the 2012-13 main estimates and these supplementary estimates (A). The commissioner has stated that he will complete the commission's mandate within its global budget of $26.4 million over four fiscal years.

On a different matter, I would like to take this opportunity, if I may, to correct the record on one item discussed before you on April 30, 2012, when we appeared on PCO's 2012-13 main estimates. At that time, we were asked about Shared Services Canada and if there would be a duplication of technical procedures in the management of e-mails, and therefore an increase in cost instead of a reduction.

In my response, I correctly explained that would not be the case, because not only does PCO deliver IT services in a cost-effective manner, but we were transferring responsibility for all e-mails to Shared Services Canada, except for top-secret communications. However, I later misspoke, and said that PCO will continue looking after e-mails in both the secret as well as the top secret categories. Therefore, I wish to correct the record by stating that the management of e-mail, data centres, and networks used in the processing and storage of information for all data at the secret level and below have been transferred to Shared Services Canada. PCO no longer manages secret communications. Services for top secret communications, for example, Foreign Affairs, and defence and security matters, are used by a restricted subset of PCO and are kept separate. These top secret communications have not been transferred to Shared Services Canada but will continue to be managed by PCO.

[*Translation*]

In closing, I would like to thank you for giving me a few minutes to inform you of the ongoing initiative in the 2012-2013 supplementary estimates (A).

We will be pleased to answer your questions.

[*English*]

The Chair: Thank you very much, Ms. Doucet. That's very good.

Next we'll hear from the Department of Public Works and Government Services, Mr. Alex Lakroni and Pierre-Marc Mongeau.

● (1540)

Mr. Alex Lakroni (Chief Financial Officer, Finance Branch, Department of Public Works and Government Services): Thank you, Mr. Chair and members of the committee.

I'm here today in my capacity as chief financial officer for Public Works and Government Services Canada. I'm joined by my colleague, Mr. Pierre-Marc Mongeau, the assistant deputy minister of the parliamentary precinct branch.

The department appeared before this committee on March 12, 2012, to discuss our main estimates for 2012-13. Today, we are pleased to discuss the supplementary estimates (A) for PWGSC, which were tabled on May 17, 2012.

[*Translation*]

As you know, PWGSC plays an important role in the daily operations of the Government of Canada. As the government's principal banker, accountant, central purchasing agent, linguistic authority and real property manager, PWGSC manages a diversified real estate portfolio that accommodates 269,000 federal employees in 1,819 locations across Canada, including the Parliament buildings.

PWGSC contributes more than $14 billion annually to the Canadian economy through government procurement. It prepares the annual Public Accounts of Canada and manages a cash flow of more than $2 trillion a year.

In addition, PWGSC translates more than one million pages of text on behalf of federal organizations and provides translation and interpretation services for Parliament and its committees.

[*English*]

These supplementary estimates (A) request $237.2 million for PWGSC in net new funding. Approval by Parliament will bring PWGSC's gross budget to $5.9 billion to be spent on the delivery of its mandate.

The department is heavily revenue-dependent, with 56% of our expenditures, or $3.3 billion, covered by revenue, primarily from client departments to support their programs. This brings PWGSC's net appropriation to $2.6 billion.

Let me take this opportunity to break down the PWGSC budgets. The department has an operating vote with a gross expenditure of $3.2 billion, which has two basic components. Number one, $0.9 billion is needed to deliver our core programs, such as central purchasing and banking, public accounts, payroll and pension services, and internal services. Number two, $2.3 billion is required to pay for rent and fit-up utilities for government-wide accommodation, Receiver General and central compensation, administration functions such as banking fees paid to financial institutions, and cheques, envelopes, and translation services to Parliament.

The department also delivers other services to departments on a full cost-recovery basis. It provides $2.1 billion of other services, such as real property project management, expert advice, and translation. PWGSC also has a capital vote of $497 million, primarily to invest in Government of Canada buildings and infrastructure.

Now that I have described the department's budget, let me turn to why we're here today. The first notable item in PWGSC supplementary estimates (A) is for the parliamentary precinct program. PWGSC is asking for $242.9 million for the rehabilitation of the parliamentary precinct buildings. This covers the funding for projects such as the West Block rehabilitation, the Wellington Building, the recapitalization program, as well as lease costs for interim relocation. These are major projects that have already been approved and are part of the long-term vision and plan for the Hill.

The total expenditure forecasted for fiscal year 2012-13 to rehabilitate the buildings of the parliamentary precinct is $247.6 million. The difference of $4.7 million was approved in the main estimates.

As you know, the spending for this program is project-driven, and project requirements have to be defined and approved by Treasury Board. Given the magnitude and complexity of these projects, coupled with the timing of approvals, PWGSC is now including the amount of $242.9 million in supplementary estimates (A).

● (1545)

I am pleased to share with you that the Auditor General's 2010 report recognized PWGSC's strong results in project management and project delivery. My colleague, Mr. Mongeau, is prepared to provide you today, should the committee wish, with an overview of the program and its performance to date.

[*Translation*]

The second item is the $9-million transfer from PWGSC to Shared Services Canada relating to activities within that new department's mandate. This current year adjustment related to two projects is over and above the permanent transfer of $113.3 million included in the main estimates.

Finally, PWGSC is receiving close to $4 million from other government departments in order to carry out the consolidation of pay services in Miramichi, New Brunswick.

These three items constitute PWGSC's request in supplementary estimates (A).

My colleague Mr. Mongeau and I would now be pleased to take your questions. Thank you.

[*English*]

The Chair: Thank you, Mr. Lakroni. That's very good.

Finally, we have Benoît Long and Gina Rallis from Shared Services Canada, please.

Ms. Gina Rallis (Senior Assistant Deputy Minister and Chief Financial Officer, Corporate Services, Shared Services Canada): Thank you very much.

Shared Services Canada was created on August 4, 2011, with a mandate to streamline and reduce duplication in Government of Canada information technology infrastructure services in order to modernize the way we deliver services to Canadians and to improve the security of federal IT infrastructure. SSC has a very focused mandate to modernize services in the areas of e-mail, data centres, and networks.

[*Translation*]

Since April 1, 2012, Shared Services Canada has been a standalone organization. It is part of the core public service, with the Treasury Board as its employer.

[*English*]

Shared Services Canada's report on plans and priorities was published in May of 2012. For 2012-13, SSC has four priorities: first, maintain and improve the delivery of IT infrastructure services to the Government of Canada through an enterprise approach; second, launch the renewal of the Government of Canada's IT infrastructure, identify an e-mail solution, and develop initial plans to consolidate data centres in networks in a whole-of-government approach; third, establish government mechanisms and implement partnerships to clarify accountability and adopt enterprise approaches for the management of IT infrastructure services; fourth, implement efficient and effective business management processes and services in support of the SSC mandate.

Supplementary estimates (A) represent an increase of $32.4 million in the department's reference levels: $21.7 million for operating expenditures and $10.7 million for capital expenditures.

[*Translation*]

The approval of supplementary estimates (A) will result in a small increase in ministerial authorities. They will go from $1.474 billion to $1.507 billion—a 2.2% increase.

[*English*]

The total increase of $32.4 million is principally attributed to $21.6 million in transfers from other government departments in support of the creation of SSC and its mandate—this is not new funding—and $10.8 million to reflect new funding approvals in support of the implementation of Canada's cyber security-strategy, which fulfills a commitment in the Speech from the Throne and Budget 2010.

[*Translation*]

I would now be pleased to answer any of your questions.

[*English*]

The Chair: Thank you, Ms. Rallis, and thank you to all of the witnesses for their brevity. That gives more time for us to grill you with questions.

We'll begin with the official opposition, the NDP, Monsieur Denis Blanchette, for five minute please.

[*Translation*]

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

I want to thank all our guests. It is a pleasure to see you again.

Over 50% of supplementary estimates (A) requests come from organizations before us today. The main request comes from the Treasury Board—$850 million for severance pay. In Budget 2012, very significant amounts had already been allocated.

I would like you to give me a single figure. How much of the $850 million you requested accounts for severance pay?

● (1550)

Mr. Bill Matthews (Assistant Secretary, Expenditure Management Sector, Treasury Board Secretariat): Thank you for your question.

[*English*]

The money we're speaking about here in terms of severance is not related to departures. As the chief financial officer for the Treasury Board Secretariat said in her opening remarks, this relates to the elimination of accumulation of severance for voluntary departures.

What we're speaking about here is...if you go back under the existing collective agreements, employees accumulated severance benefits that they earned and then were eligible to receive when they retired or departed voluntarily. That practice of accumulating those benefits is now stopping.

What we do have is a benefit that the employees have earned up to this point under their existing or old collective agreements. The total liability for that amount the employees have earned up until about March 2011 is roughly $6 billion, and that's already on the books as a liability. When you look at the $850 million that's being requested for severance, and you would have seen a similar amount—slightly higher last year—of $1.3 billion, if I recall correctly, that is an estimate of the cash that will be paid out to employees who no longer accumulate that severance but do have the right to receive the payment for the benefits they've earned.

As that severance benefit ceases to be accumulated—new agreements are negotiated—employees are given a choice. They can take the cash for the severance benefits they've earned up to date now or they can defer it until they leave. There's also an option to have some now and some later, but let's keep it simple for today's purposes.

What we're trying to do this year, again, is estimate how much cash will be paid out for that earned benefit. Last year we asked for $1.3 billion, based on our estimate, and our estimate was about 75% of those employees who were eligible would ask for a cash-out. In fact, the estimate was not too bad. It was roughly 73%, $1.1. billion, so we were not too far off in our estimate. This year we're estimating that we will need $850 million for the same reason.

That number will vary depending upon two things, one being the number of agreements that get negotiated. It was mentioned in the opening remarks that there are now...I believe it was nine agreements that have been successfully negotiated where the benefit has been eliminated and there is no longer accumulation of severance. There are some 27 agreements that the Treasury Board is actually responsible for. New agreements will be negotiated. Depending upon the pace of those negotiations, how quickly the payment options are put in place and the choices the employees make, we then are left with an amount we have to estimate. It is an estimate, and at the current moment it's an estimate of $850 million. It has nothing to do with the departures you were asking about.

[*Translation*]

Mr. Denis Blanchette: I want to come back to my original question. You did some simple mathematical calculations to arrive at that amount. You had an estimate you multiplied by a certain number of employees, and you came up with the amount you are requesting today.

Here is my question. How many employees are affected by that?

[*English*]

Mr. Bill Matthews: What you have in the core federal public service is roughly 278,000. If you add in the RCMP and National Defence on top of that, you get *grosso modo* about 400,000. Many of the agreements have already been negotiated, so we again are dealing with an estimate, but it's roughly based on those numbers. As I said, though, it is an estimate because we are projecting about how many agreements will be negotiated over the balance of the year. It's based on the entire population of the public service, RCMP, and National Defence.

[*Translation*]

Mr. Denis Blanchette: Does that include the amounts allocated to people who will leave voluntarily this year and next year as part of the federal government's efforts to reduce its staff?

[*English*]

Mr. Bill Matthews: If people leave voluntarily, if the agreement has already been renegotiated, they may have already opted to receive part of that payment. If they have not received that payment, when they depart next year or the year after they will then get that amount, yes. Some people may have already taken it last year.

The Chair: I'm afraid that concludes your time, Denis. Thank you.

For the Conservatives, Mr. Jacques Gourde, for five minutes.

[*Translation*]

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

I want to thank all the witnesses for joining us today.

My first question is for the Public Works and Government Services Canada representatives. Could you tell us more about the restoration of the Parliament buildings on the Hill? We know that you have requested $242 million, but I would like to know where that money is going.

● (1555)

Mr. Pierre-Marc Mongeau (Assistant Deputy Minister, Parliamentary Precinct Branch, Department of Public Works and Government Services): Thank you for your question.

I will quickly give you the breakdown of the money we have requested this year.

First, $30 million will be earmarked for leases, which we have to pay annually. Based on what we call the recapitalization program, smaller projects come under Public Works, so that we don't have to go through the Treasury Board. Those smaller projects we carry out enable us to move ahead more quickly in awarding major contracts. As you can see, a portion of the East Block is covered because masonry work is being done and part of the roof is being rebuilt. By doing that, we are accelerating the overall project we will have to carry out in a few years. That is what we call recapitalization, for which $61 million will be earmarked.

Some renovation and rehabilitation work is being done on the West Block, with which you are all familiar. We will set aside about $60 million for that building's renovation. That will basically allow us to finish the interior demolition and remove dangerous materials. Work is ongoing and is being completed; this first part should be finished over the summer.

We also have to pay the consultants and the contractor. A construction manager is on site and helps us better plan the work. All of those ongoing projects are meeting the deadlines and staying within the budget.

There is also the Sir John A. Macdonald Building, which was just renamed. It was previously called the Bank of Montreal Building. The construction work has already begun. We have already received the money to begin that project. We are also renovating the building at 180 Wellington Street, on the corner of O'Connor Street. Intense construction work is being done on that building. We are carrying out the interior demolition and must make sure to do seismic reinforcement work. We also have to demolish most of the building. The first part of that demolition should be completed in August, and the second part, which will begin soon, has to do with interior renovation. We will rebuild the slabs we demolished in order to be able to set up committee rooms and member or senator offices. We are currently delimiting that.

So here are the main elements: the leases, the recapitalization program, the West Block, the Sir John A. Macdonald Building and, finally, the building at 180 Wellington Street. All those currently ongoing projects will help us stick to our schedule. Once again, we are staying within the budget the Treasury Board has allocated us for those projects.

[*English*]

The Chair: One minute, Jacques.

[*Translation*]

Mr. Jacques Gourde: I can risk asking my question, and you will continue. Are all those amounts in line with the projected budgets? Does the construction itself also meet the projected deadlines? Often, those two things go hand in hand. When deadlines are extended, there are additional costs, but when they are met, things usually go well.

Mr. Pierre-Marc Mongeau: Actually, we are moving faster than expected. Take for example the building at 1 Wellington Street. There are currently four committees for that building. It has taken us a year to do that. This helped us change the strategy for the West Block. Our original intention was to do the work in two stages, with the south wing first and the north wing second. The fact that the construction has been going faster has allowed us to free up the whole building. Actually, we finished three years ahead of schedule. That enables us to move much faster. We are currently looking into solutions that will help us reduce not only the costs, but also—and more importantly—the time frames.

We are staying within all the budgets the Treasury Board has allocated us.

[*English*]

The Chair: Perfect timing, Jacques.

Next is Monsieur Alain Giguère.

Alain, five minutes, please.

[*Translation*]

Mr. Alain Giguère (Marc-Aurèle-Fortin, NDP): Thank you very much.

According to your capital budget, $61 million is set aside for the East Block and $60 million for the West Block, but there is no mention of the John A. Macdonald Building. The amount for the building at 180 Wellington Street is also not indicated.

● (1600)

Mr. Pierre-Marc Mongeau: Sorry, Mr. Chair, I wanted to talk about all four together. So we are talking about $30 million for leases, $61 million for the recapitalization program, about $60 million for the West Block, about $30 million for the Sir John A. Macdonald Building—formerly the Bank of Montreal Building—and $61 million for the Wellington Building.

Mr. Alain Giguère: That comes up to about $240 million.

You are talking about $90 million for the Wellington Building. Are you meeting the deadlines?

Mr. Pierre-Marc Mongeau: We are talking about $61 million for the Wellington Building. The $90 million for the West Block is divided into two. Sixty million dollars is set aside for the West Block, and $30 million dollars is earmarked for the Sir John A. Macdonald Building. They are tied together in the request.

To answer your question, the building at 180 Wellington Street is the large building on the corner of O'Connor Street—

Mr. Alain Giguère: Sorry, we will start over. The total is $210 million, and you are requesting $240 million—so $30 million for the leases, $61 million for the East Block, $90 million for the West Block, including the Sir John A. Macdonald Building and the building at 180 Wellington Street.

Mr. Pierre-Marc Mongeau: That's correct. It's $90 million for the West Block program. So it's $90 million for the West Block and the Sir John A. Macdonald Building, $61 million for the recapitalization program, $61 million for the building at 180 Wellington Street, and $30 million for the leases.

Mr. Alain Giguère: It would have been nice to have the detailed figures. We may have been a bit less interested in the breakdown.

For each of those contracts, you say that you are ahead of or in line with the deadline and budget projections. There are no cost overruns.

Mr. Pierre-Marc Mongeau: For each of those contracts, we followed the normal procedure. We asked the Treasury Board for the authorization to spend—in other words, the authorization to conclude contracts. So far, we have not yet asked for amendments to the actual contract.

Mr. Alain Giguère: Very well.

Mr. Matthews, I have a $6-billion question. It's about the allocation, if you will, of the severance benefits. You talked about an overall amount of $6 billion over a certain number of years, for 400,000 government workers.

[*English*]

Mr. Bill Matthews: Thank you for the question, Mr. Chair.

The $6 billion was the amount that accumulated since the severance benefit was put in place. That is a period of time that varies, depending upon the collective agreements, but you're looking over roughly 30 years or so. It did get added into, as I mentioned, some 27 collective agreements, plus other groups as well.

That amount...it's not a fund, but it's a liability that's already booked in the government's financial statements. If you refer to the *Public Accounts of Canada*, volume I, under the liabilities for the Government of Canada, included in there last year was roughly $6 billion. That amount has already impacted the bottom line of the government. What we are dealing with now is the payout of that liability. Some employees will opt to receive payment now, some received it last year, and others will opt to defer the receipt of that payment until they voluntarily retire or leave the public service.

So that amount will be with us over a number of years. What we're dealing with now is that as the agreements are renegotiated, employees are given the option to get payout now, even though they remain as employees of the Government of Canada. But the liability itself will be with us for quite some time. It will be reduced as payments are made, but the liability itself will be there for quite some time.

The Chair: Thank you, Alain. That concludes your five minutes.

Mr. Peter Braid.

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

Thank you to all of the departmental representatives for being here this afternoon.

I would start with a question or two for the Treasury Board Secretariat with respect to this issue of the payout of the voluntary severance, and kind of phasing that out.

It sounds to me like this is short-term pain for long-term gain, phasing this particular expense out as severance for people who either retire or leave the public service voluntarily. I'm curious to know whether you can provide any information with respect to what the savings of the phase-out of this particular payout will be over a period of time.

● (1605)

Mr. Bill Matthews: Thank you for the question.

Once we do finish the negotiations with all collective agreements, there will be annual savings of about $500 million a year, roughly speaking, with the elimination of this benefit. As I did mention, we will see payouts over a number of years.

To give you an example in terms of the benefit for the Canadian Forces, that has ceased, but it will likely be next fiscal year when Canadian Forces members receive the option to receive payout. So you will see payouts for a number of years, but once all is said and done, the annual savings will be roughly $500 million a year.

Mr. Peter Braid: It's certainly not insignificant, then, in terms of benefit to the fiscal framework of the Government of Canada and the operating expenses of the government.

I'm curious to know why the $850 million was in the supplementary (A)s and not in the mains.

Mr. Bill Matthews: The mains are typically more for ongoing programs. With the supplementary estimates, we did want to have a good estimate of the cash we would require. It very much is dependent, as I said earlier, upon the pace of negotiations. We wanted the most current estimate we could get.

As I mentioned, last year we estimated $1.3 billion. It was really our first crack at it, because it was a new experience for us. We came in at $1.1 billion, so it did prove to be reasonably accurate. We had based that estimation on the experience of Canada Post, when they had eliminated a similar benefit.

Again, it is an estimate. It's entirely possible that we would come back in supplementary estimates (B) or (C) and say that the negotiations moved faster than we thought, or that the rate of payment was greater than we thought, and we need additional funds. But it's our best estimate. And by waiting for supplementary estimates (A), we were able to have some additional time to make that estimate.

Mr. Peter Braid: I might observe as well that the supplementary estimates (A) from the Treasury Board Secretariat are very clean. There are a lot of "non-entries" here, other than the $850 million, so you.... You done good.

Moving to a different topic, to this issue of the cyber-security initiative, why are there asks from both the Treasury Board Secretariat and Shared Services Canada with respect to this initiative?

Ms. Christine Walker: There are two parts to this. The SSC is responsible for the infrastructure, the e-mail, the networks, and the data centres. The Treasury Board is responsible for the overall guidance on the IT security and the policies and the standards and the directives.

What will happen is that once the Treasury Board formulates its policies, its directives, and its standards, it will be up to the SSC to implement that in the infrastructure they now currently manage. That is the reason we have both as part of that cyber-security.

Mr. Peter Braid: Did you want to add to that?

Ms. Gina Rallis: If I may expand, the cyber-security strategy is a horizontal initiative. Four departments are involved in the delivery of this strategy for the Government of Canada. It is led by Public Safety. Of course, Communications Security Establishment Canada is also involved, as well as Treasury Board Secretariat and SSC, from a shared services perspective. This strategy and the funding we're seeking is with respect to ensuring we're able to combat cyber-crime and reduce the number of threats on our IT infrastructure for the Government of Canada.

Mr. Peter Braid: Is there an ask in the supplementary estimates (A) because the costs of this program have increased?

Ms. Christine Walker: The reason it's in the supplementary estimates (A) is that the Treasury Board decision was taken after the fact, the close-out date for the main estimates. It's a timing issue.

Mr. Peter Braid: It's a timing issue. Okay.

Thank you.

The Chair: I'm afraid your time has expired.

John McCallum for the Liberals.

Hon. John McCallum (Markham—Unionville, Lib.): Thank you.

Thank you all for being here.

Mr. Matthews, AECL got money from the central vote 5, the contingency fund, in the amount of $25 million. It's to be used for "urgent health, safety, security and environmental priorities at Chalk River Laboratories". I wonder if you could explain to us what this money is used for, needed for.

● (1610)

Mr. Bill Matthews: Sure. Thank you for the question.

I'll speak to the funding for AECL in two pieces. As the member mentioned, funding was provided through government contingencies. When the deal to divest the division of CANDU reactors from the Government of Canada to SNC-Lavalin was struck, the funding structure for AECL changed. You have statutory funding ongoing to AECL for the nuclear reactor life extension projects that the government entered into before that deal with SNC-Lavalin. The government is still financially responsible for those.

The balance of the AECL operating requirements is around a couple of things. The first piece is around isotope production and ongoing issues there. The second piece is related to Chalk River labs and some ongoing maintenance and health and safety spending.

That's about the extent of what I can say on AECL. If you want a further follow-up, I'd suggest the department itself might be in a better position to answer.

Hon. John McCallum: Thank you.

Next, can you explain why Treasury Board decided to remove the table of allocations for Treasury Board central votes from the supplementary estimates?

Mr. Bill Matthews: Thank you for the question, Mr. Chair.

We've made a couple of changes. I'll use this opportunity to highlight the changes we've made to the supplementary estimates (A). The member has just mentioned one of them. We've put those online. They're not removed from the document itself, but we are trying to keep printing costs down, so we've put a number of things online. They are no longer in the printed version itself, but they are available online.

The other things we have done to attempt to improve the document itself this time round is we have included what's basically a top 10 list early on in the document to highlight the major changes, both in terms of dollar amount and percentage in terms of the supplementary estimates (A). That may not look particularly useful to you now because the supplementary estimates (A) are fairly small. Those top 10 items, I think, get you 85% of the spending. I think it will be useful in subsequent supplementary estimates where greater amounts of dollars are included. It might be useful in highlighting the changes.

The other thing we have done...we used to only include organizations that were receiving funding in supplementary estimates (A). We are now including all the organizations so you can see what has happened to each organization. Even if they are getting no funding at all, they are listed there, so that's highlighted for you.

That's the run-through of the changes we made.

I think there is one other one. It's not a substantial change, but there is a section on horizontal items, which tends to get some attention. We have moved that forward in the document. It's not a new section, but it is closer to the front of the document so it's easier to find.

Hon. John McCallum: Thank you.

Mr. Lakroni, in your report on plans and priorities, you say you're going to manage your real property portfolio more strategically, including increased use of private sector capacity. I wonder where and when and why that private sector capacity comes in.

Mr. Alex Lakroni: Thank you for the question, Mr. Chair.

In our strategic review proposals, we refer to this initiative, and savings are associated with it. The rationale behind it is that right now, since the late 1990s, we have been using the private sector for delivery of services. The experience with the private-sector-generated savings are proven and documented. Moving forward we would like to capitalize on that experience and use the private sector when it is relevant and appropriate to do so.

Hon. John McCallum: Do I have time for one more question?

The Chair: You have 45 seconds.

Hon. John McCallum: I'm interested in the source of the savings from ending the money for people who voluntarily leave. They can wait and get the money when they retire, as they did before. But will there be savings because it won't apply to new people coming into the system? Or is it because in the old system, the money would accumulate and get bigger over time? Where are the savings derived from?

Mr. Bill Matthews: Mr. Chair, they are around the fact that the benefit is no longer accumulated. There is a stopping of the benefit you've earned. You can get payment now or later, but you are no longer earning a benefit on a go-forward basis. So you're not adding to your benefits as you go.

That's where the savings are. As those collective agreements are negotiated or renegotiated, and that benefit is eliminated, there are savings.

● (1615)

Hon. John McCallum: It is also, presumably, because new people coming in won't get it.

Mr. Bill Matthews: The new people won't get it, and people who had it in the past will stop accumulating it. Yes, that's correct.

The Chair: Now you're well over time, John. Thank you.

We'll go to Mike Wallace.

Mr. Mike Wallace (Burlington, CPC): Thank you, Mr. Chair, and I want to thank everyone for coming today.

I'll try to be relatively quick.

First of all, Ms. Doucet, thank you for the clarification on your previous presentation. We don't hear that often. I appreciate that clarification.

Could you assure me that Commissioner Cohen knows that he has to have his report done in this calendar year.

Ms. Michelle Doucet: Thank you, Mr. Chair, for the question.

I am not Commissioner Cohen.

Mr. Mike Wallace: I know that.

Ms. Michelle Doucet: I think it would not be wise for me to speak on his behalf.

Mr. Mike Wallace: That was my messaging, I guess, because I don't know how many more years we can re-profile this sockeye salmon thing. I'm hoping not to see it again. Thank you very much.

I think you've done an excellent job explaining, again, that the voluntary severance was previously negotiated in labour agreements. I'm assuming that everybody got it, including management, not just those in the unions, and that it was done prior to the reductions we're seeing now. This was a plan we had to get rid of this benefit.

I have two questions on it. Is the money the individual gets pre-tax or after-tax?

Mr. Bill Matthews: The money is actually treated as taxable income. The money you're seeing here is pre-tax.

Mr. Mike Wallace: It is pre-tax. Okay.

Bill, maybe you can answer this. Maybe it doesn't make a difference. This committee is looking at the process. One of the questions has been whether we go to accrual accounting or cash. I certainly understand cash accounting in this case. Would accrual accounting make any difference in how this is presented to us?

Mr. Bill Matthews: It would in two places. If you look to the public accounts, the liability is booked, so you're doing accrual accounting. The accrual part of this is the $6 billion liability that's already hit the surplus/deficit of the government over the years. That's the accrual piece.

We do appropriations on a cash basis, which is what the question relates to. If you were to do accrual appropriations, you wouldn't be seeing this cash. We'd say that you booked this liability over the years, way back when, and even though we are writing the cheques this year, you wouldn't actually be seeing it, because....

Mr. Mike Wallace: We would not see it as parliamentarians.

Mr. Bill Matthews: You would have seen it when we booked the liability over the years, gradually. That's the key difference between the issues. One focuses on cash, so we're asking for permission to spend $850 million in cash. With the other model, you would have seen a gradual 2% a year on our payroll build up.

Mr. Mike Wallace: If somebody at this table had been smart enough to go back to the previous booking of that liability and had figured out how it's being depreciated or that the liability's been coming down, and then had asked how much we are actually spending this year—

Mr. Bill Matthews: That is correct.

Mr. Mike Wallace: —based on how many people we think you're going to take off the program....

Mr. Bill Matthews: That's correct.

Mr. Mike Wallace: I think it's an excellent argument for staying with cash. Thank you, Bill.

I have one other question, and it is to our friends at Public Works.

The second item is a transfer from Public Works to Shared Services of $9 million “relating to activities now within their mandate”. That $9 million we're seeing now in supplementary estimates (A) wasn't in the mains.

Is there a new addition to the mandate that we didn't know about before? Why is it here? If you can explain it to me, Alex, I'd appreciate it.

Mr. Alex Lakroni: Absolutely.

Thank you for the question.

I think this is simply explained by two things. Public Works used to be Shared Services Canada, so before it split—at least a big chunk of it was—and there are two projects: one is cyber authentication, and the other is data centre redress of program integrity issues. It was a submission that was approved for PWGSC back then.

Because the split occurred in August, we did not have time to reflect this in the main estimates. So we are catching up to show that residual transfer in supplementary estimates (A), which is our first opportunity to do so.

● (1620)

Mr. Mike Wallace: I appreciate that, but it's amazing to me that a change happened in August of last year and you could not get something into the main estimates by the end of March. I just find it hard to believe that we need nine months' lead time for the numbers to make it into the books. It's not your fault. I'm just saying the way the system is, maybe we'll see some recommended changes to that coming up. We'll see.

We've had a number of transfers. We have had a lot of departments indicate in the main estimates that they have a reduction. Actually a fair bit of the reductions come from transfers over to Shared Services.

Can we expect parliamentarians to continue to see that process? Are we done with that process now in terms of moving money over, or do we expect to see that again in supplementary estimates (B) or (C), or in next year's main estimates? Is it a partial move, or do the departments put their nose to the grindstone and transfer as much over to Shared Services as possible?

Perhaps I'll ask Shared Services or Treasury Board to answer that.

Mr. Alex Lakroni: As far as PWGSC is concerned for this fiscal year, this is the last time you're going to see it. There is a residual amount that is similar for next year, so you will see it in supplementary estimates next year and that will be the end of it.

The Chair: Thank you, Mike.

Next, for the NDP, we have Jean-François Larose.

[*Translation*]

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

I want to thank our guests for joining us today.

I am both worried and reassured. Currently, we are looking into the discrepancy between supplementary estimates (A), (B) and (C). The numbers do not add up, and there are some intangibles. We are not talking about a crisis, but about contingencies that should be known about ahead of time.

My question is for all of you.

You seem reassured that there will be practically no departure from what is currently on the table, since you have learned from the changes that have been made. However, I would like to know whether there will be any surprises in the future. Currently, the budget is not clear. We see it as a Trojan Horse, but that does not stop you from presenting real figures and saying that everything is under control. That's what we hear regularly, but that's not what we saw last year. I believe that taxpayers have the right to know where you stand in terms of the future.

Do you expect there to be any intangibles, or do you have everything under control?

Mr. Bill Matthews: I will start.

[*English*]

In terms of surprises, if the idea behind the question is that supplementary estimates represent a surprise, I would like to assure you that's not the case. We will be bringing forward supplementary estimates (B) and likely (C). The reason that's not a surprise is that in order to get approval to spend money, even though it's been announced in the budget, departments need to spend time designing programs and getting approvals from Treasury Board as a cabinet committee before they can be included for spending and presented to Parliament.

So I don't view amounts in supplementary estimates (A), (B), or (C) as a surprise. They are simply a matter of giving departments appropriate time to design programs, respond to questions, and challenge functions internally before an item is ready to be presented to Parliament for spending authority.

If the theory is that supplementary estimates represent a surprise, I just wanted to assure you that's not the case. Our system is based on a budget, which is largely a policy document, and then coming to Parliament for approval to spend cash, which is understandable from a parliamentarian's perspective, after having gone to Treasury Board to receive the appropriate approvals and challenge functions. That's the logic behind the system.

We will be back for supplementary estimates (B) and likely (C), so you will see us again, but not from the perspective of a surprise.

[*Translation*]

Mr. Jean-François Larose: That sets my mind at rest. Actually, this is exactly what I wanted to hear. That being said, when the budget is tabled by the government, we expect a consultation to take place with the people on the ground. As for our committee, this famous information distortion seems to be problematic. Will the estimates be available at the same time as the budget? What will be the time frame? Will we have enough time to study them? Over the course of the year, some figures are submitted to us, but by the time we start assessing the previous budget, we are already in the next year and the new budget.

Do you think that everything that is currently being implemented will continue? Do you think you have the necessary tools to continue making sure that expenditures remain in line with the commitments made to Canadians? This question has already been asked in the past, and I think Bill Matthews answered it brilliantly.

● (1625)

Mr. Bill Matthews: Thank you.

Yes, I am absolutely convinced that we have the tools we need to make those decisions.

[*English*]

At the same time, the critical thing for us is to understand what's in the budget and then track when it comes to Parliament for spending authority. So we do have the appropriate system to do that, and we'll continue to do that.

I think what's also key, though, is the study this committee is currently in the midst of undertaking, and we do look forward to recommendations on how to improve the information we give to parliamentarians. But I will assure you that from an internal management perspective, we have the tools we need.

[*Translation*]

Mr. Jean-François Larose: Thank you.

[*English*]

The Chair: Perhaps I might build on that point in the context of the study that we do have under way, which, as you know, has been ongoing and very interesting. We're all seized of it. Both Jean-François and Mike hit on the same general question to me: don't you think that the main estimates should, to the greatest extent possible, be the best estimate of all spending, program spending and anticipated project spending?

It would be more honest for the layperson trying to follow the dollar and to understand what the estimated spending is for this next fiscal year. For instance, if you had an idea there would be $242 million further needed for the rehabilitation of the parliamentary precinct, could you not have put $200 million of that into the main estimates and fine-tuned it down the road for the supplementary estimates? It would be a little more accurate. People would have a bit better picture of what the main spending is going to be of the government that year.

It seems to me it's Treasury Board's approval that holds up the ability of the other departments to accurately reflect that anticipated spending in their main estimates. Is that a fair assessment?

Mr. Bill Matthews: Maybe I will start and see if colleagues want to offer anything from a departmental perspective.

It does go to the heart of the role of the Treasury Board, and I'm not speaking of the Treasury Board Secretariat, but Treasury Board, the cabinet committee. Our system for expenditure control is very much based on the challenge function and additional details that departments need to submit before they get spending authority.

You're quite right, from a projection perspective, could departments actually project in a document what they would like to spend during the year, what they think they will spend? Yes, they could. By putting that number into an estimates document that goes to Parliament and is the basis for an appropriation act—remember, this is the key for parliamentary control over spending—I think you'd be circumventing the role of the Treasury Board, which is where you get a key challenge function. And these estimates do support the appropriation acts, which is Parliament's fundamental control over spending. So if you were to actually include additional dollars in those documents, without having been through the challenge function of the Treasury Board and the approval of the Treasury Board, I think you'd be potentially risking one of our key controls, which is that departments can't spend money until they've been through Treasury Board, which then eventually goes to Parliament.

I'm not sure if departmental colleagues want to....

Mr. Alex Lakroni: Thank you, Mr. Chair, for the question.

Thank you, Mr. Matthews.

I am in full agreement with my colleague.

In the main estimates, one would expect to see the ongoing programs that are approved. So you’ll see funding for those. Certain programs are not approved in time, but it's not because of a lack of will from the department or the Treasury Board Secretariat. For instance, take the parliamentary precinct. These are large projects, very complex, and they are interrelated. When I make sure these approvals are secured, the due diligence is secured. So when we say it's on time and on budget, it's because a lot of work was done behind it. If we don't secure the approvals, we don't put the items for votes so we have access to the cash.

In this case, the timing of the approval for the parliamentary precinct came after the timeline of the main estimates. The other thing is that departments have RPPs, the reports on plans and priorities, to articulate what they plan on spending. In these RPPs you would find the plans of departments—what they intend to spend—but Parliament doesn't vote on RPPs; Parliament votes on what is approved and sealed by the Treasury Board, which is the main estimates plus supplementary estimates.

● (1630)

The Chair: Thank you. I think it was important to clarify that.

Bernard has been waiting. You have five minutes, Bernard.

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

Thank you for coming in today, and thank you for participating in your parliamentary obligation, which, as you know, dates back probably to Runnymede and the Magna Carta, and the crown asking Parliament for permission to spend money. It's a tradition that has served us fairly well and we're always looking to improve it. We've been studying that process as part of our committee.

One of the things that King James and the commoners probably didn't anticipate was the formation of Shared Services Canada.

I want to ask our officials some questions on something that's near and dear to my heart. I've worked with international organizations that have been doing this kind of thing for years. One could argue that the Government of Canada is probably 10 or 15 years behind what other large organizations have done in terms of consolidating their information services.

I want to talk about the transfer of funds. An amount of $21.6 million is being transferred from other organizations.

Could you explain why the bulk is coming from Transport?

Ms. Gina Rallis: Thank you very much for the question.

Three departments are transferring funds: PWGSC, Transport Canada, and also a very small amount from FINTRAC, which is really an adjustment as a result of the data validation. My colleague Mr. Lakroni has explained the transfer from PWGSC.

From the point of view of Transport Canada, it is really in terms of making an adjustment as we've done the reconciliation. They were originally projecting to provide this amount of money through revenue, and given that this is part of our core mandate, it is being proposed to be transferred as part of appropriations.

Mr. Bernard Trottier: Have other departments already transferred funds, and are future departments transferring funds to join the enterprise effort of Shared Services Canada?

Ms. Gina Rallis: As part of the establishment of Shared Services Canada, we provide IT infrastructure support services on a mandatory basis to 43 departments through two orders in council, the first on August 4, which was the transfer from PWGSC in terms of the resources, and the second on November 15, which was the remaining 42. We have indeed received the transfers in terms of people and resources.

There is a bit of ongoing work on data validation to make sure we have done the appropriate due diligence vis-à-vis the transfers, but, by and large, the 43 departments we are now supporting with e-mail data centres and networks have indeed transferred their employees and the resources necessary for us to operate on their behalf.

Mr. Bernard Trottier: You mentioned it's mandatory that departments join this effort of Shared Services Canada. How do you know that you're providing good value to those departments? There's no bidding process when it comes to looking at external competitors for this, so how do you assure your clients that you are providing them with good value?

Ms. Gina Rallis: Thank you for the question.

If I can back up a step, we provide mandatory services relating to e-mail data centres and network to 43 departments, but we also have other organizations that use our services. Our services to those organizations are considered optional and are offered on a fee-for-service basis.

How do we ensure that we have appropriate services and that our client partner departments are comfortable? Through our report on plans and priorities, you may have noticed that one of our identified priorities is governance, in ensuring that we've got appropriate incident response.

We are in the process, this year, of elaborating business arrangement agreements with the 43 departments where we're able to articulate the relationship and responsibilities, including some of our key performance indicators. The departments are then able to have a sense of what they can expect from us as we move forward.

Mr. Bernard Trottier: Could you describe some of the elements of that value case, other than reducing costs? How would you describe the service you're able to provide that you weren't able to provide before creating Shared Services Canada?

● (1635)

Ms. Gina Rallis: Departments in the past have been responsible for providing, in their own silos or their own verticals, IT infrastructure services. Each department has had responsibility for its own e-mails, data centres, and networks.

Shared Services Canada was created with the view to provide an enterprise view for the whole Government of Canada. We're able, then, to have better response time because we are able to leverage the entire IT bench on behalf of departments. Where you might have one department that may have some fragile IT infrastructure, we are able now, because we have a whole-of-government perspective, to actually tap into the resources that may have existed previously in departments, but to do it on behalf of the whole Government of Canada.

The Chair: Thank you, Bernard. Your five minutes is up.

Next is Denis Blanchette.

[*Translation*]

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

Mr. Matthews, you said earlier that severance will make it possible to save a lot of money. Earlier, you were asked how those savings will be made. I found your answer to be fairly vague. I would like you to be a bit more specific, given the importance of those savings.

What do those savings consist of?

[*English*]

Mr. Bill Matthews: I'll try to be clearer, but thank you for the question.

Quite simply, under the current regime, an employee...there are slight variations, but generally speaking, for every year an employee works, he or she earns the right to one week of severance. So if you think about one week of salary, when someone who has worked for 20 years leaves the public service, he or she is entitled to a payment that's worth 20 weeks of salary.

Under the new agreements that have been renegotiated, the employee no longer gets that benefit. The obligation to pay an employee one week of salary for every year worked on a go-forward basis disappears. So that's the savings. We've effectively eliminated a benefit.

I mentioned that the rough estimate is $500 million a year, once all is said and done. The actual amount will depend on how quickly we can negotiate the remaining agreements. There are some 27 agreements. I believe we've already discussed how many have been negotiated.

Some of those agreements have yet to expire. We are not reopening agreements that have not yet expired. But as agreements expire, when we renegotiate collective agreements, we will be negotiating away that clause.

[*Translation*]

Mr. Denis Blanchette: Thank you.

My next question is for the Shared Services Canada people.

I would like an update on your progress. In order to be able to generate economies of scale, among other things, you will first have to do some work. For instance, you will have to strengthen your telecommunication lines, increase the capacity of your servers and replace many things. Consequently, you will have to spend a lot of money before you can make any savings at all.

Do you think you will achieve any savings during the first year and, if not, when do you expect to be able to do so?

Mrs. Gina Rallis: Thank you very much.

Actually, our organization was created to ensure that government operations are sound and healthy in terms of technological infrastructure. The second part of our mandate really has to do with transformation.

[*English*]

Because of the fact that we now have an enterprise-wide organization, bringing together 43 different departments in terms of the way they've been negotiating contracts, whether it relates to telephony or the way they've been implementing some projects, we are able to consolidate in terms of those efficiencies just by bringing together that whole perspective.

A very concrete example would be to talk about some of the contracts, whereas before departments were actually negotiating contracts for telephony on an individual basis, by the sheer buying power we're able to negotiate cheaper. That's just an example in terms of the efficiencies.

[*Translation*]

Mr. Denis Blanchette: Are you telling me that, in terms of telephone services, the federal public administration has not concluded an all-inclusive contract and that everyone is negotiating their own contract? Are we still at that stage with regard to the federal public administration?

● (1640)

Mr. Benoît Long (Senior Assistant Deputy Minister, Transformation, Service Strategy and Design Branch, Shared Services Canada): Thank you for the question.

Several years ago, the government started consolidating contracts, especially those concerning telecommunications. There had already been some consolidation, but none for the whole company. For us, the first stage consists in making a full inventory of all contracts and services. We then try to see whether the best prices can be offered to existing contracts.

In most cases, a contract is concluded by a department. At times, departments would negotiate new contracts—for instance, in telecommunications, a sector where prices had already dropped. We can use those contracts today to reduce prices in the contracts of a number of departments and services. That enables us to save money in the short term and does not require overly complex work.

You asked a question about the way we proceed. For us, the first stage consists in doing a full inventory of what is there in terms of emails, and data and networking centres. The first transformation will consist in consolidating the email system, to turn it into what most of the country's government institutions already have. There will be a single platform, a single environment. The system will be much more secure and resilient, and it will enable us to enhance access and reduce costs. We know this is the case, as most governments that have done that work, gone through that process, have seen substantial savings—from 15% to 30%.

[*English*]

The Chair: Denis, you're well over your time.

Is there anyone on the Conservative bench who wants five minutes?

The Liberal, Mr. McCallum, would like a turn.

Mr. McCallum.

Mr. Mike Wallace: We'll give Johnny a turn. He's succinct. He told us that once.

The Chair: Okay, John, five minutes, my friend.

Hon. John McCallum: I won't take the full five minutes, but this is for PCO.

On the Public Appointments Commission, I understand that quite a few million dollars have been spent over several years without appointing any commissioner and that now the commission has been abolished.

Can I ask you if this is a permanent abolition or might it come back again? Is it gone for good?

Ms. Michelle Doucet: Yes, this is a permanent abolition of an entity of government. The decision was taken in Budget 2012 to dismantle this entity and we are in the process of doing that.

Hon. John McCallum: Thank you.

Mr. Lakroni, a little more detail maybe on this strategic management of real assets. You say you have bridges, you have wharves, you have other kinds of property. Can you give us an idea of which areas you might be moving from public to private management, or vice versa?

Mr. Alex Lakroni: In the strategic review we are looking at materializing about $5.1 million in savings because of usage of the private sector. What we are doing is similar to what my associate just talked about, using previous experience in working with the private sector on the management of our properties. For instance, instead of doing things in-house, we just hire a contractor or expand the contract we have in place right now. There are about 30 properties that were identified for contracting to the private sector in terms of contract management and maintenance.

Hon. John McCallum: Last question. You have $63 million in the supplementary estimates for “Professional and special services”. Can you explain what those are?

Mr. Alex Lakroni: As you know, those are related primarily to the parliamentary precinct's delivery of the program. As my colleague mentioned earlier, we don't deliver our work by using public servants. It's specialized work; it requires external expertise. So we contract the work to be done by the private sector, and they compete for it.

● (1645)

Hon. John McCallum: Are these essentially consultants?

Mr. Alex Lakroni: Not necessarily.

Hon. John McCallum: Not public servants.

Mr. Alex Lakroni: They're not public servants.

Hon. John McCallum: Okay.

Thank you.

The Chair: Thank you, John.

There is still an interest.

Alain and Jean-François both would like questions.

Do you both wish five minutes?

Or would the Conservatives want a turn?

Mr. Mike Wallace: Ask the questions and we'll see how long it takes—as long as it's not longer than 10 minutes.

The Chair: Alain, you were first in line. You have up to five minutes, please.

[*Translation*]

Mr. Alain Giguère: When it comes to the management of invitations to tender in order to go from the public to the private sector, have you retained your staff's capacity to assess invitations to tender, or do you turn to private companies for the assessment of submissions?

Mr. Pierre-Marc Mongeau: Thank you for the question.

When we use the private sector's services, it's key for us is to retain the internal capacity to monitor and take care of anything that has to do with internal audits. We will always maintain a solid team so as to be able to manage those contracts.

Mr. Alain Giguère: In your supplementary estimates request for a credit project, you ask for $30 million for leases. Once finalized, how much will those lease contracts cost in the long term?

Mr. Pierre-Marc Mongeau: For instance, when we have to free up the building at 180 Wellington Street or the West Block, we always end up with about 50 offices that need to be modified or relocated. Therefore, during each five-year period, since our long-term vision planning applies to that period—

Mr. Alain Giguère: Which buildings are the leases we are talking about for?

Mr. Pierre-Marc Mongeau: Those are mostly administrative offices located downtown, and we also have some warehouses.

Here are the addresses of the buildings we are leasing: 119, 131 and 181 Queen Street; 2074 and 2086 Walkley Road—workshops are located at the latter locations, outside the downtown area. Of course, we also have the building at 1 Wellington Street, which belongs to the National Capital Commission, and that is why we are leasing it. We are also leasing 2455 Don Reid Drive; 155 Queen Street; 50 O'Connor Street; the C.D. Howe Building many are familiar with; and, finally, 768 Belfast Road.

Those are either warehouse buildings, or offices for parliamentarians or their staff. In certain cases, we may be talking about warehouses or workshops.

Mr. Alain Giguère: Have you estimated the cost of simply purchasing a building? Here, we're talking about $30 million under the renovation projects for all of Parliament Hill, over a 30-year period. That is nearly a billion dollars.

Mr. Pierre-Marc Mongeau: Thank you for your question.

We try to find accommodations that meet the Senate's and the House of Commons' requirements. We assess what our needs will be over a five-year period and we look for accommodations that are in line with that assessment. Most of the leases we sign are long term. It's a lot easier for us to simply pay rent for 5 or 10 years, rather than buying a building outright and maintaining it.

We do carry out cost analyses. That enables us to have a certain number of accommodations leased over the medium term, but we are also constructing some buildings to house parliamentarians. The buildings at both 180 Wellington and La Promenade will be used for parliamentarians; those are our buildings that we renovated.

We are using our leased buildings as a complement to the buildings we already own and are in the process of renovating.

● (1650)

Mr. Alain Giguère: Your report contains a comment about the Auditor General. Unfortunately, in 2010, she noted that the “governance framework in place” had resulted in “delays in making decisions and implementing [renovation] projects, and contribute[d] to increasing project costs and risks.” You say in your report that she praised you, that she approved of what you were doing, but that wasn't really what she said. She quite clearly indicated the opposite.

What have you done to rectify the situation she described as unacceptable? That situation is largely the reason you are here today asking for supplementary funding and not going through the usual estimates. Obviously, you had neither the time nor the control.

Mr. Pierre-Marc Mongeau: The main issue with respect to difficult management and the consensus had to do with the allocation of governance responsibilities among the various partners involved. It did not have to do with PWGSC's work.

The Auditor General said in her report that our project management practices were sound and she commended our ability to perform historical analyses and control costs. She also talked about our relationship with clients. So in the project management section, she described PWGSC's practices as sound.

Most of what you are referring to has to do with the division of the governance mandate between the various partners, and that is an entirely different issue.

[*English*]

The Chair: Thank you.

I'm sorry, Alain, you're well over time.

Perhaps I could add one thing, though, in between the speakers. It was not only Sheila Fraser, the previous Auditor General, but the previous Auditor General before her, Denis Desautels, and the Speaker of the House of Commons and the Speaker of the Senate, who have all said there are too many cooks in the kitchen. We're spoiling the soup because everybody is tampering with it. That's why everything takes so long and costs so much to do on Parliament Hill.

I think that's the question Alain was getting at, not criticizing Public Works for doing what they can within the parameters of the existing system, but having Public Works, Heritage, the National Capital Commission, everybody and their grandmother, involved in a simple renovation takes ten times as long and costs ten times as much.

I assume that's what my colleague was getting at. That's simply an editorial comment.

Jean-François Larose.

[*Translation*]

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

My question is for the Shared Services Canada officials.

Good afternoon, and thank you for being here. For the benefit of all those listening to our proceedings, if I understood correctly, your mandate stems from the difficulty the different departments have long had in keeping up their systems. They were deteriorating and getting old, and suddenly there was this realization that something had to be done to fix this disastrous situation. Everyone agrees on that.

You've been around for about a year, is that right?

Mrs. Gina Rallis: No. We are in our first fiscal year, but our organization was actually established in two phases. The first was rolled out on August 4. Then, the biggest part of our organization came into being on November 15.

Mr. Jean-François Larose: You handle every single federal department?

Mrs. Gina Rallis: Thank you for the question.

On August 4, the government announced the creation of Shared Services Canada and transferred a portion of PWGSC's staff over to the agency. On November 15, the infrastructure, email systems, data centres and networks of some 40 departments were transferred over.

Mr. Jean-François Larose: So you don't handle everything for all of them, just some things. Is that right?

Ms. Gina Rallis: That is correct.

Mr. Jean-François Larose: Do you expect your service to be around temporarily or permanently, given what you're dealing with and the many problems that need to be resolved?

Mr. Benoît Long: Permanently.

Mr. Jean-François Larose: If I understood correctly, some departments are still using their current budgets to maintain and service their existing systems. You don't deal with those, you don't do absolutely everything, just a portion.

● (1655)

Mr. Benoît Long: The services that come under the department's mandate are email, data centres and networks. Anything to do with software and work tables is still the responsibility of the departments.

Mr. Jean-François Larose: Thank you for your answers.

The total estimates to date are $1.326 billion. That doesn't even cover a full year. In supplementary estimates (A)—and we haven't even gotten to supplementary estimates (B) or (C) yet—you are asking for an additional $10 million.

As we speak, where does your total estimate for the full year stand, as far as supplementary estimates (B) and (C) go?

Mrs. Gina Rallis: I would just like to start by clarifying that when we appeared to ask for approval for the main estimates, the purpose was to present our estimates under the departmental transfers of $1.4 billion.

Now what you have in front of you is really a request for an additional $32 million. The new funding is actually just $10 million, whereas the other $22 million still stems from departmental adjustments. The department's total estimates are approximately $1.5 billion, so it can fulfill its mandate.

In terms of supplementary estimates (B) and (C), as my colleague Mr. Matthews already mentioned, it also depends on any new programs that may be approved by Treasury Board.

Mr. Jean-François Larose: I am not sure whether you understand what is happening right now, but most programs and departments are dealing with cutbacks. Services are being cut, and you are asking for more money. I still don't see any results coming in the near future. So, in my view, it is crucial that you fulfill your mandate as quickly as possible.

Another issue we need to look at here is the strategic scope, strategic planning and coordination. We need to discuss that because I don't see much happening right now in that regard.

The figures are so high. I thought the jets were a problem, but now I see this and I am worried. It's only natural, this is taxpayer money.

Given the cost to date, and my questions about your being able to fulfill your mandate and the duration of your organization, you will appreciate that I am eager to see some results.

Mrs. Gina Rallis: Thank you for your question.

I completely understand your concerns. Once again, I want to clarify that we are not asking for new funding. Each department used to administer its own email system, data centre and network. Shared Services Canada's estimates, which you have in front of you, actually reflect those departmental budgets being transferred to our organization. The only new funding in that document is the $10 million for cybersecurity, which was approved for four departments.

As regards priorities and key deliverables, we developed our plans and priorities; that report was published in May 2012. We will have to return to present those results.

[*English*]

The Chair: I'm afraid you're way over time, Jean-François, to be fair.

Is there anyone interested in asking questions on the Conservative side?

Mr. Mike Wallace: I'm going to wrap it up for today, my friend.

The Chair: We still have time left in the scheduled meeting. What about the Liberal Party?

Hon. John McCallum: I don't want to ask any more questions.

Since Treasury Board didn't have all the answers in detail for AECL, would it be possible for you or the clerk to write a letter to them asking for a written explanation of the uses for their emergency funding?

The Chair: I don't think it's necessary for us to write a letter. I think you could put that question to them and have them write the letter to us with the answer, John. We have representatives here.

You're making the point as a motion, I suppose, that you would like a more detailed written response to the question regarding AECL. Is that satisfactory?

Can the Treasury Board Secretariat commit to that?

Very good. Thank you.

● (1700)

Hon. John McCallum: Treasury Board said we had to go to AECL if we wanted that information.

The Chair: I see.

Hon. John McCallum: I thought it would be more official if the chair of the committee were to ask for it.

The Chair: I see your point.

Mr. Matthews, would you like to comment?

Mr. Bill Matthews: We're actually doing a follow-up on a similar question to the Senate finance committee from yesterday. If you want, I can simply have the same letter written to both committees, which will provide some additional detail for AECL. Is that fair?

Hon. John McCallum: Thank you. I think that would work well.

The Chair: Thank you.

Just before we close, let me ask one question. Years ago, when the old Reform Party used to be here, the one question they always put to groups presenting their estimates was, "What efforts have you made to reduce your spending on behalf of the taxpayer? What efforts have you made to tighten your belt so that you can ask for less money?" We would like to believe, especially in a time of cutbacks and fiscal restraint, that there would be evidence of the same, even though you're asking for additional spending.

Yesterday we had a press conference with a group called the Experimental Lakes Area, which had $2 million cut and 17 scientists laid off. It was a $2 million budget.

Could we not do without the skylight in West Block, save a couple of million dollars, and have fewer cutbacks elsewhere? I know it's not up to you, but has this come up within the parliamentary precinct renovations conversation? Could we not do without this problematic and very expensive crystal palace we're building and just put a roof on it? Could we not just put some asphalt shingles on it and save some money? Has that come up at all, Mr. Mongeau?

Mr. Pierre-Marc Mongeau: Thanks for the question, Mr. Martin. I know you're really interested in that issue.

[*Translation*]

I just want to say that the construction costs included in our estimates have been verified by the world-class architects we hired. We also hired a third party to review the construction costs. On top of that, we have our own service internally. What that means is that three separate parties are checking the construction costs.

We looked at comparable roofs in the U.S. that were built in a similar way. Using that benchmark, we found the costs to be more or less the same. We also worked with our consultants to examine the costs of arena-style roofing, which you would think was a cheaper option.

The roofing structure rests on steel columns that go all the way to the ground. As I mentioned, the total cost of the roof itself is around $40 million, but that includes the structure. If you compare that cost with the cost of a seemingly simpler roof, the difference is about 1.8% of the project cost, not very much.

Bear in mind as well that we cannot install a roof that does not comply with the National Capital Commission's Fibro requirements. We work with our consultants, our experts. We make sure our costs are as low as they can be and that the solutions we choose, while they might seem expensive, are consistent with the costs usually associated with the type of building in question.

[*English*]

The Chair: Thank you.

I wasn't questioning whether the costing was done properly. If there's a 1.8% difference.... We learned later, though, that by putting a glass roof on it in a televised House of Commons is problematic. Now we have to build an extra screen to block the sun so that the television cameras can work within the chamber. Why not simply put a solid roof on it and avoid the problem of the sun ruining the television quality? I challenge whether there's only a 1% difference between a glass roof over that massive space and a solid roof.

I guess my question is, rather than rush to defend the design decision, are there rational discussions taking place that might change the design to a solid roof?

● (1705)

[*Translation*]

Mr. Pierre-Marc Mongeau: Thank you, Mr. Chair.

What we are doing currently is bringing the roofing components to optimal levels. As I said, the estimate for the roofing structure is $42 million. We are still trying to tighten up that estimate. I also want to point out that is only one part of the program. We are also doing a lot of masonry work, as well as technical innovation, as far as all the mechanics go.

We are constantly looking for ways to save money, and the best way to do that is, on the one hand, speeding up the work and, on the other hand, regularly reviewing the solutions we want to use, both now and in the future. I can assure you, Mr. Chair, that our practice of reviewing projects and programs is ongoing.

[*English*]

The Chair: Mike.

Mr. Mike Wallace: Thank you, Mr. Chair. You've inspired me to comment.

I appreciate everyone coming today.

In supplementary (A)s, you asked the question, should they not be looking for a reduction? Let's look at what we are considering today and be realistic.

The PCO was here. They had a surplus on a study they were doing, and all they're doing is restating the money in this year's budget—no new money, no change. On a $1.5 billion budget of money that's being transferred from other departments to a new department—and we're hoping that new department delivers, there's no doubt about it—we are actually doing internal money moving from one set of departments to one department to make that happen. Of the $1,500 million they're spending, they're asking for $10 million more for a specific project on cyber analysis, which they've been asked to do.

On the restating of the money that has already been allocated for the budgets for the renovations, those were perfectly good questions, Mr. Chair—if you want to question them on what we're doing in terms of renovations, how far the planning is on that, and if there is an opportunity to re-evaluate whether we need whatever those changes are—but really, at the end of the day, all they're doing is moving forward already approved money into this budget to actually be spent. I'm not keen on how that works because it looks like it's new money, the way it's working, but it's not really the case.

The big piece from our friends at Treasury Board is the ending of a program that will save taxpayers money in the long run, which we've heard of, and has already been booked as a liability. We're just paying down that liability, basically, and the way our system shows, that's approximately how much we will be spending this year.

So to be fair to our colleagues at the end of the table, the groups that we're looking at, there isn't very much in their supplementary (A)s, really. There might be some larger numbers, but in terms of actually asking for new money or new programs, there is very, very little of that, other than the $10 million for the cyber piece.

I want to make sure everybody understands, including those who are tuned in—I'm not sure there are very many—what we're dealing with today. We had a lot of good questions. I've been at this for six years, and I really appreciate the questions, not just from our side but from the opposition side. The questions today were about the estimates. I've been to a lot of meetings on estimates when there were no questions on estimates, or people hadn't read them and so on. That is not the case today. I think the level of scrutiny and discussion has risen, and I appreciate that.

You were able to make a comment, so I just thought I'd follow up with ours. That might not be the case for other departments. The supplementary (A)s in total were $2 billion, which is very small, really. We'll see what the supplementary (B)s look like, and then we'll have something to discuss.

Thank you, Mr. Chair.

The Chair: Thank you, Mike.

I did interrupt you, Jean-François. We have 15 to 20 minutes left. Was there a point that you were still waiting to make when I cut you off?

Mr. Jean-François Larose: It was just about estimates. To continue the questioning, it's just on the security measures.

[*Translation*]

To continue along the same lines, I can't see how the security piece fits in, because we are talking about estimates. Did you not take the security component into account? I've worked in public safety many times, and I know that when you're dealing with computers, security is always an issue.

Now, you said you were asking for more money because you were trying to ensure security, but I can't see why that was not taken into account from the outset. We do work for the federal government after all. Security should always be a consideration, regardless of the scope. It has been clear since 2001 that the government is vulnerable. Why, then, did this not factor into the initial estimate? That is my question.

● (1710)

Mr. Benoît Long: One of the benefits that Shared Services Canada will provide is a noticeable improvement in how well our systems stand up to cyber attacks, and an increase in how reliable and secure existing systems are, not to mention our own services. Our plans already take that into account. The amounts discussed today come under a new strategy announced by the government. That strategy is intended to increase the number of measures in place, while enhancing our ability to detect problems, defend the government security perimeter and respond to incidents quickly and much more effectively.

This investment is geared towards noticeably improving our ability to develop and deliver our services. As for the consolidation of our services and infrastructure, that will take a few years, given that our organization only recently came into being. Every time we make changes or consolidation efforts, we will be able to improve the security of our systems.

Mr. Jean-François Larose: Thank you for your answer.

We will eagerly be following and analyzing the work you do. Thank you.

[*English*]

The Chair: Thank you, Jean-François.

We still have ten minutes or so left. I've been asked if Alain Giguère may ask one question. As long as we keep our remarks limited to the estimates, I think we should use the two hours that we had scheduled for this set of witnesses, if that's agreeable to the Conservative side. If there are any other questions on this side, please feel free to indicate that. We won't bother with order so much as we'll use our time that way.

Alain, you have up to five minutes, please.

[*Translation*]

Mr. Alain Giguère: Thank you very much.

I have two questions. The first has to do with the $6 billion that is not capitalized. It was listed as a financial reserve for the payment of severance benefits. As I understand it, the severance benefits have to be removed from collective agreements before they can be paid out.

The problem with that is you are assuming everyone, all the unions, will agree to having their severance benefits taken away. The $500 million you're saving may be achieved through the expansion of their pension plan. Your $500 million in savings, like your $6-billion reserve, depends on negotiations that have yet to take place. The outcome is unknown.

[*English*]

Mr. Bill Matthews: It's a good question. I have a couple of points.

The $6 billion is the liability for the benefit that has been earned to date. This is the amount that employees have earned under previous collective agreements; it is their earned right to receive that, and no one is going to take it away.

Your question, I believe, is around the savings on a go-forward basis, which we're estimating—and “estimate” is the key word—at about $500 million once per year, once all is said and done. The reason I say “estimate” is you're quite right, it is a negotiation. There are almost 20 agreements that still need to be negotiated, and that will take time. I cannot commit to what the exact savings will be because, you're absolutely right, it is a negotiation and it's still to take place. That's why I have used the words “estimated $500 million” or roughly $500 million. But the negotiations will occur as agreements expire. That will happen over the next couple of years.

The $6 billion liability is what employees have earned to date, roughly, for provisions under existing collective agreements, and that's not being touched.

[*Translation*]

Mr. Alain Giguère: My second question has to do with the level of computerization and the $1.5-million estimate. The Auditor General has, in previous years, indicated that many departments had fallen very behind in terms of modernizing and upgrading their computer systems. The problem is that you are inheriting not just the budgets of those departments, but also all their weaknesses, stemming from their lack of past investment.

Under the current budget transfers, how will you not only deliver the services needed, but also ensure those services are sound and secure. And how will you do that while reducing budgets to achieve the necessary savings and making up for the lack of investment and resulting system weaknesses? How will you do all four of those things within a fixed budget?

● (1715)

Mr. Benoît Long: Obviously, this isn't an easy problem to fix, but a number of states and provinces have undertaken a similar exercise. A business-case approach must be adopted when setting up new systems and infrastructure. Our mandate is of course limited to infrastructure, meaning what already exists as far as data centres and networking go.

A natural replacement occurs within those data centres, as far as servers and storage capability are concerned. Under that natural transition, servers are expected to last four to five years before they need to be replaced. Instead of each department replacing those servers one at a time—with all the duplication that would entail in terms of the processes, resources and foundations needed to maintain those systems—we are going to establish horizontal systems and business-based approaches across government. We will provide a new type of service, one that is even more reliable and much more secure, while allowing for savings throughout the replacement process.

A number of years down the road, what we will end up with is digital infrastructure that has been modernized and renewed replacing what currently exists. It is under way.

[*English*]

The Chair: Thank you, Mr. Long.

Building on Alain's last question, some of our systems were compromised in a very serious way a couple of years ago at Treasury Board. I remember when Stockwell Day was the President of the Treasury Board. Obviously we can't know the depth of it for national security reasons.

But my question would be, with the concentration of servers now, are we more vulnerable to an attack? If somebody does get in, they have access to more stuff, now that we're concentrated. Are these attacks still happening, and are we fending them off? Are they getting more sophisticated and harder to detect? Is it part of your new mandate with Shared Services Canada to augment and enhance the security provisions we have so that we don't suffer these attacks?

Mr. Benoît Long: Thank you, Mr. Chairman.

Absolutely, it's part of Shared Services Canada's mandate, along with Treasury Board, Public Safety, as well as CSEC, to actually enhance our ability to manage, if you wish, and continue to defend ourselves against progressively increasing threats against our perimeter, our systems on the outside.

Some of those dollars that you're seeing today are the investments the government has announced to really enhance our ability to do a few things, including the defence and monitoring, as well as prevention, and increasing our capability to respond to incidents when they do take place. It is an ongoing challenge for every government and every institution in the world to fend off those increasing and progressively global threats. But the measures that we are putting in place, as well as the consolidation of that infrastructure, will actually allow us to reduce the number of points that exist today where the government systems could be vulnerable, as well as to improve our ability, with the reduced number of points, to increase our defence at those very points of entry.

Similar to windows and doors on a house, the fewer you have, the more you can actually protect those that are left, and presumably you can increase the security to allow anybody to come in or not come in. We now have a more sophisticated system, as well as increased funding, to allow us to increase our detection of anybody who does try to come into our systems.

The Chair: I don't think you'll find anybody arguing that's not money well spent, to make sure we're up to speed and current with that defence.

John, go ahead.

Hon. John McCallum: I have one question for Mr. Matthews.

If I understand correctly, the severance amounts that we've been talking about today are for voluntary departures or retirements. What about all the money and severance for the involuntary departures for people who are laid off as a result of the cuts? Where do those appear?

● (1720)

Mr. Bill Matthews: The liability for that was laid out in the budget. Going from memory, it's just under $1 billion, I think $900 million, so the liability has been booked.

That is pursuant to the workforce adjustment directive, and that's separate from the voluntary severance. If you did have a person, for example, who was impacted by the reductions, the workforce adjustment directive would kick in, and their severance package would also be there as well. If they had already been paid out earlier, that would influence things there, but the workforce adjustment directive is still in effect for those folks who are impacted by the reductions.

There is a separate liability for that, and it was outlined in the budget, and I'm going from memory here, but I think it was just under $1 billion.

Hon. John McCallum: But since the supplementary estimates do not contain the results of the cuts, does that mean the severance payments are not included in the estimates to date?

Mr. Bill Matthews: Severance payments, because they would cash out related to the reductions around the strategic and operating review, would not be included here. That's a separate amount.

Hon. John McCallum: Thank you.

The Chair: Further on liabilities, then, let me ask a question regarding property management and Public Works. In the industry, they say that if a building is more than 40 years old, the costs of removing asbestos would be equal to the cost of building the building originally. You made passing reference to hazardous or harmful products, or something, and asbestos removal must have been a big cost in the renovation of the Wellington, West Block, and John A. Macdonald buildings, etc.

Have you measured the ongoing liability of the presence of Canadian asbestos in Canadian federal buildings across the country? How much of the total renovation cost was asbestos removal in the renovations of, for instance, those buildings you have ongoing now?

Mr. Alex Lakroni: It's a very good question. Thank you, Mr. Chair, for the question.

I don't have the details in terms of the cost of asbestos in our buildings, but I know that our standards, in terms of the buildings... we always look for LEED standards for our buildings. Asbestos is a reality in some of our buildings, but I don't have the cost here. It's something we could follow up on if the committee wishes us to do so.

For the parliamentary precinct, would you like to...?

[*Translation*]

Mr. Pierre-Marc Mongeau: All of our current projects involve both a demolition component and a removal of hazardous materials component. The removal of those materials often falls under a more comprehensive contract. Before I could give you the exact figures, I would have to do a bit of research. But, off the top of my head, I can tell you that as far as the West Block goes, demolition and removal of hazardous materials, including paint, is around $9 million for the whole project. While that work is under way, we check air quality. The employees doing the demolition have special equipment because of all the dust. The general contractor is actually responsible for complying with all codes and regulations. On our end, we ensure the contractor is in compliance.

[*English*]

The Chair: So there is no ongoing fund or measurement of the liability. The Government of Canada should know what liability is out there in the thousands and thousands of buildings they own. I mean, we've contaminated virtually every private, public, and institutional building with asbestos in our zeal to use it.

Perhaps you could get information to me, then, Mr. Lakroni, about what the long-term strategy is for asbestos abatement in those buildings under your direction and control.

Does anybody else wish to ask a question?

Thank you to all the witnesses for a very thorough and comprehensive reporting on the supplementary estimates.

Thank you to committee members for very good, solid, robust questioning.

As an announcement, I believe we will not be having a meeting on Monday, and a notice to that effect will be coming around. It's taking quite a long time to get the draft report ready and translated. We felt it wouldn't be useful if the report was only delivered to us as we arrived at the meeting on Monday afternoon. It wouldn't be of much value, and it would be better to take a couple of days to review the report when it arrives and come back on Wednesday ready to rock and roll on our draft report.

Is that agreed? I didn't think there would be any objection.

The meeting is adjourned.

MAIL POSTE

Canada Post Corporation / Société canadienne des postes

Postage paid | Port payé

Lettermail | Poste–lettre

1782711
Ottawa

If undelivered, return COVER ONLY to:
Publishing and Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5

En cas de non-livraison,
retourner cette COUVERTURE SEULEMENT à :
Les Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5

Published under the authority of the Speaker of the House of Commons

SPEAKER'S PERMISSION

Additional copies may be obtained from: Publishing and Depository Services
Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5
Telephone: 613-941-5995 or 1-800-635-7943
Fax: 613-954-5779 or 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
http://publications.gc.ca

Also available on the Parliament of Canada Web Site at the following address: http://www.parl.gc.ca

Publié en conformité de l'autorité du Président de la Chambre des communes

PERMISSION DU PRÉSIDENT

On peut obtenir des copies supplémentaires en écrivant à : Les Éditions et Services de dépôt
Travaux publics et Services gouvernementaux Canada
Ottawa (Ontario) K1A 0S5
Téléphone : 613-941-5995 ou 1-800-635-7943
Télécopieur : 613-954-5779 ou 1-800-565-7757
publications@tpsgc-pwgsc.gc.ca
http://publications.gc.ca

Aussi disponible sur le site Web du Parlement du Canada à l'adresse suivante : http://www.parl.gc.ca