

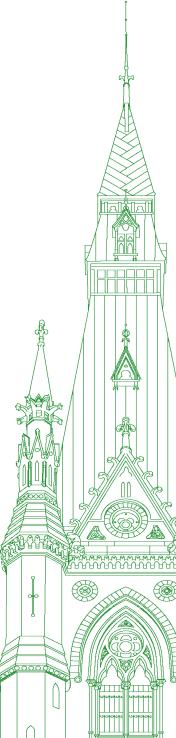
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Chair: Mr. Kelly McCauley

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● (1605)

[English]

The Chair (Mr. Kelly McCauley (Edmonton West, CPC)): Colleagues, I call this meeting to order.

Welcome, everyone, to meeting number 68 of the House of Commons Standing Committee on Government Operations and Estimates, the only committee that matters, also known as the mighty OGGO.

Pursuant to Standing Order 81(4) and the order of reference adopted by the House on Wednesday, February 15, 2023, the committee is meeting to consider the main estimates, 2023-24.

Before we turn things over to the minister, colleagues, we will be voting on the estimates today. There are 23 departments we're voting on, or 23 votes, and I'd like unanimous consent, please, that we group the votes by department.

Some hon. members: Agreed.

The Chair: That's wonderful. Thank you very much.

Minister, welcome back. It is good to have you here. I understand that you'll be doing a five-minute opening statement.

Hon. Helena Jaczek (Minister of Public Services and Procurement): Thank you, Chair. I will indeed.

The Chair: That's wonderful.

I will turn things over to you. Starting off by recognizing the mighty OGGO would be wonderful.

For all of our viewers at home, go ahead, Minister.

Hon. Helena Jaczek: Thank you so much.

[Translation]

Good afternoon.

Let me start by saying that I would like to acknowledge that we are gathered on the unceded territory of the Algonquin Anishinabe peoples.

[English]

With me to discuss this year's main estimates for Public Services and Procurement Canada are Paul Thompson, deputy minister; Wojciech Zielonka, assistant deputy minister and chief financial officer; and Simon Page, assistant deputy minister, defence and marine procurement branch. From Shared Services Canada, there is Sony Perron, president, and Scott Davis, chief financial officer.

In order to support our activities, PSPC is requesting a net amount of \$4.3 billion through the main estimates. This is a net decrease of \$304 million from the previous year's main estimates.

[Translation]

Ensuring government procurement is fair, open and competitive is one of the cornerstones of our work at Public Services and Procurement Canada.

We serve Canadians each day by supplying the necessary goods and services to facilitate the daily operations of our government.

[English]

This includes fulfilling Canada's defence policy commitments through purchases of top-of-the-line equipment for our members of the Canadian Armed Forces, who play a crucial role in defending Canadians and supporting global security. We will continue working with our partners to advance Canada's national shipbuilding strategy, which supports the Royal Canadian Navy and Canadian Coast Guard, while at the same time revitalizing Canada's shipbuilding industry. In addition to that, our national shipbuilding strategy is creating jobs for hard-working Canadians and has contributed approximately \$1.93 billion annually to Canada's gross domestic product between 2012 and 2022.

At the beginning of April, we were proud to sign a groundbreaking agreement between our government and Chantier Davie to introduce the Quebec shipyard as the third strategic partner under the NSS. This will allow us to begin negotiations to build multiple icebreakers.

Mr. Chair, as this committee knows, Public Services and Procurement Canada is also the steward of the government's real property holdings. As such, we plan to spend \$3.4 billion on property and infrastructure activities. Much of that amount contains funds to maintain federal government buildings and bridges for the benefit of all.

[Translation]

Among other things, this funding will allow us to advance important projects such as the rehabilitation of the historic parliamentary precinct, which includes the redevelopment of block 2 and the ongoing renovation of the Centre Block, the most complex heritage rehabilitation project ever seen in the country.

[English]

These funds will also support greening government initiatives for federal property and infrastructure through the use of clean energy and by reducing waste and greenhouse gases. To date, the department has already realized a 54% reduction in greenhouse gas emissions, surpassing the 2016 to 2019 federal sustainable development strategy target of 40% by 2030. To tackle climate change, our government is committed to powering federal buildings with 100% renewable energy by 2025.

The main estimates also include \$318.7 million for payments and accounting initiatives, which include pay administration operations.

My portfolio also includes Shared Services Canada, which plays a vital role in supporting government operations and the digital delivery of programs and services to Canadians. As shown in its departmental plan, SSC's available funding for 2023-24 will be \$2.6 billion, excluding \$853 million in revenue.

With the approval of the 2023-24 main estimates, we are seeking to decrease SSC's reference levels by \$26.9 million compared with last year's main estimates. The change in SSC reference level can be attributed to a combination of factors, including a net transfer amount of \$34.4 million to other departments; a reduction of \$329.3 million in other adjustments related to changes in funding profiles for multi-year initiatives and projects; \$136.4 million in new funding for IT services and projects; \$194.9 million in re-profiled funding from previous years; and a \$5.5-million increase in statutory appropriations.

• (1610)

Mr. Chair, the funding requested in the main estimates for both departments will strengthen our ability to meet our obligations to Canadians.

[Translation]

I am now pleased to answer your questions.

Thank you.

[English]

The Chair: Thank you, Minister.

We'll start with six minutes for Mrs. Block.

Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC): Thank you very much, Mr. Chair.

Thank you, Minister, for joining us today.

Thank you to the departmental officials who have also come to, hopefully, answer the questions we have in regard to the main estimates.

Minister, the home of the Prime Minister at 24 Sussex is in the news, as it has fallen into a state of disrepair and is currently uninhabitable, as we all know. An article this morning from CBC stated that the National Capital Commission has started construction on 24 Sussex, even though the government has still not decided what should be done with the property. According to a Global News article, the government has delayed a decision on the future of 24 Sussex. The NCC's board chairman wrote a letter to your predecessor,

Minister Tassi, yet no action has been taken by this government or your ministry.

Does your ministry have any plans to deal with 24 Sussex?

Hon. Helena Jaczek: Thank you very much, Mrs. Block.

As you alluded to, the National Capital Commission has been making some efforts to, basically, ameliorate all the problems with 24 Sussex Drive—in other words, the removal of asbestos and some old mechanical and electrical systems in place. It's considered a safety issue at this point. That work has been ongoing over the last couple of months.

I want to point out that the National Capital Commission is, obviously, a Crown agency at arm's length from government. Of course, we are having significant dialogue in terms of developing a plan for the future of 24 Sussex Drive and working with them on that endeavour.

I will point out that 24 Sussex Drive has not seen any significant investment in over 60 years. What is being done now is simply for the safety of the property. Going forward, we will be exploring opportunities in the future.

Mrs. Kelly Block: Thank you.

I read the articles. It was stated that what needed to be done would have to be done regardless of what the future of 24 Sussex may be.

Have there been any conversations in regard to what the future of 24 Sussex will be?

Hon. Helena Jaczek: At this point in time, we're exploring a number of different options there. As you've read in the media, the National Capital Commission has been exploring different options, and there have been conversations with our officials in terms of what those might look like. However, there has yet to be any decision taken by cabinet, going forward.

Mrs. Kelly Block: Who owns 24 Sussex?

Hon. Helena Jaczek: I presume it is the National Capital Commission. They are essentially responsible, as a Crown agency of the government.

Mrs. Kelly Block: Okay. Thank you very much.

Minister, the last time you were here, you noted that the NextGen human resources and pay system was undergoing some pilot testing. You were pleased to provide us with an update at that time when we were asking you questions around the Phoenix pay system and all of the issues with that. Could you give us a bit of an update on where things are at with the NextGen system?

Hon. Helena Jaczek: As you will probably recall, we are piloting the system with three different departments. As I understand it, those pilots are being monitored very closely in terms of—obviously—accuracy while we're maintaining the Phoenix system to actually pay employees. I can probably hand over to President Perron for a little more detail on how those pilots are progressing, but as you can imagine, we're being extremely cautious because we want to make sure that any movement over to NextGen is seamless and flawless.

(1615)

Mr. Sony Perron (President, Shared Services Canada): We are finishing the testing phase with these three departments to make sure the commercial-grade solution we are testing can meet the requirements of the federal government's operations for HR and pay going forward. We are identifying any gaps and any changes that will be required in the way we manage HR and pay if we want to leverage this kind of solution, leading to conclusions on the payment accuracy and the ability of the system to provide timely and accurate pay, and we are making sure we can address some of the complex scenarios that exist in the federal public service.

As you can see, there are a number of employment groups and some have very complex pay and HR environments, so we will finish the testing this summer. Hopefully, by the end of the calendar year, we are going to come back with an assessment of how we can adapt to adopt such a solution in the future and what types of changes we will have to make in order to create the conditions so that we can leverage these commercial solutions in an effective way and not produce errors but produce accuracy.

Mrs. Kelly Block: I can assure you that we are watching very carefully, and I'm sure our public service is as well, given all of the issues they have had to deal with over the last number of years since the Liberal government decided to launch the Phoenix pay system before it was actually ready.

How much time do I have?

The Chair: You have 12 seconds. **Mrs. Kelly Block:** Okay. Thank you.

The Chair: Ms. Thompson, we go over to you for six minutes. Go ahead, please.

Ms. Joanne Thompson (St. John's East, Lib.): Thank you, Mr. Chair.

Welcome back to the committee, Minister and officials. Thank you again for the wonderful announcement in my riding last week. It was a real pleasure to welcome you to St. John's East.

Minister, when we speak about the national shipbuilding strategy, we often have major projects in mind, things like the icebreakers. You mentioned in your opening remarks that Davie shipyard is now the third shipyard under the NSS. While you were in Newfoundland and Labrador last week, you made that amazing announcement of \$2.5 billion in funding for the renewal of the Canadian Coast Guard's small vessel fleet.

Could you elaborate on this market-moving announcement for the marine industry across Canada, and what it represents for all provincial and territorial economies? Hon. Helena Jaczek: Thank you so much.

Yes, it was indeed a pleasure to be in Newfoundland and Labrador last week to make the announcement, because what we're trying to do with this announcement is to ensure there's a steady supply of new vessels, along with the repairing and the ongoing maintenance of the small vessels used by the Canadian Coast Guard. This will eliminate what has heretofore been a sort of boomand-bust cycle of all of a sudden all of the vessels being aged out and needing to replace the whole lot. This is a really good plan to ensure those vessels that just need repair can go out and do what they need to do. It's to maintain that service and, also, obviously, to bring on new vessels as we need them.

There are 61 new vessels, 34 search and rescue lifeboats, another speciality vessel related to scientific research and another group that are going to be what are called multi-mission vessels. This opens the door for smaller shipyards. This is the type of work that is exactly what small and medium-sized shipyards can achieve. Many of them are already involved in repairing these Coast Guard vessels, but this also gives the opportunity for them to actually bid on constructing some of these new vessels.

While I was in Newfoundland, you will recall that we had the opportunity to visit Harbour Grace Ocean Enterprises, an example of one of these smaller shipyards. I know there are many across the country that are currently repairing Coast Guard vessels but would be in the market—potentially—to bid on contracts to actually construct them.

It was really quite inspiring to see this very small town, Harbour Grace, with a shipyard in the heart of the old village with so many vessels under construction. Obviously, there are commercial vessels that this shipyard has been retained to construct. There's also the fact that 100 employees have steady employment just from that one shipyard.

This is a tremendous boon to the shipyards of this size across the country. We know that it obviously will contribute to the local economy and provide good jobs. There are lots of skilled trades involved, especially electricians. I think we were quite stunned to see the types of controls that are necessary in order to actually get these vessels out to sea.

It was a great announcement and very well received by both the Canadian Coast Guard and the local shipyard we visited.

• (1620)

Ms. Joanne Thompson: Thank you for mentioning Harbour Grace.

For me, this really is a direct link to the impact on the local economy of announcements like this. Certainly, there's a local company in my riding that's involved with the design for the Irving shipyard. Again, these contracts are having direct impacts across the country.

We know that the government has been taking steps with the national shipbuilding strategy to supply the Canadian Coast Guard with top-of-the-line equipment to keep waterways safe. Could you share some of the details of this investment with the committee, please?

Hon. Helena Jaczek: It was really interesting to go to the operations centre at the Canadian Coast Guard complex in St. John's. New technology—and obviously we've been investing in this technology—has allowed the Coast Guard to have the most amazing maps, as we saw, where all of the icebergs are detailed within quadrants. Obviously, navigation aid to vessels is one of the functions of the Canadian Coast Guard.

The type of 24-7 response in terms of the potential for search and rescue operations was also very reassuring. It shows really the strength of our Canadian Coast Guard, the way they're progressing in their very important work and also the investment our government has been making to ensure their activities go forward as they should to protect Canadians.

Ms. Joanne Thompson: Thank you.

How much time do I have, Mr. Chair?

The Chair: You have 14 seconds.

Ms. Joanne Thompson: I'll pass on my 14 seconds. Thank you.

The Chair: Thanks, Ms. Thompson.

Ms. Vignola, you have six minutes, and 14 seconds from Ms. Thompson.

[Translation]

Mrs. Julie Vignola (Beauport—Limoilou, BQ): Thank you very much, Mr. Chair.

Ms. Jaczek, Mr. Thompson, Mr. Zielonka, Mr. Page, Mr. Perron and Mr. Davis, thank you for joining us today.

Ms. Jaczek, naturally, people in the Quebec City area, as well as those elsewhere in Quebec, are very glad that the Davie shipyard is finally part of the national shipbuilding strategy. All the stakeholders who've worked on the file over the past 10 years are delighted by this news. Many have worked behind the scenes, but everyone's happy.

That said, you know as well as I do that the Davie shipyard represents 50% of Canada's shipbuilding capacity. The national shipbuilding strategy has a budget of approximately \$100 billion. Year after year, Quebec provides about 22% of that funding, but ultimately, the Davie shipyard will receive some 8% of the total value of federal contracts.

Do you anticipate additional contracts, other than for the ice-breakers?

[English]

Hon. Helena Jaczek: Thank you so much.

As you know, we have an umbrella agreement in terms of the large shipyards. That was the case with Chantier Davie. Within that umbrella contract, there's the opportunity, clearly, for Davie to build numerous of these large vessels going forward.

If you would like some of the details as to how that might happen, perhaps I can turn to the deputy.

[Translation]

Mr. Paul Thompson (Deputy Minister, Department of Public Works and Government Services): Thank you, Minister.

A contract has already been awarded to the Davie shipyard for ferry construction. There are two other ships for—

Mrs. Julie Vignola: Ferries aren't part of the national shipbuilding strategy. I'm talking about ships that will be built under that strategy.

Mr. Paul Thompson: I'll ask Mr. Page to provide you with more details.

Mr. Simon Page (Assistant Deputy Minister, Defence and Marine Procurement, Department of Public Works and Government Services): I thank the member for her question.

Under the framework agreement signed recently, the program of work now includes the two Transport Canada passenger ferries. Initially, the two ferries were excluded from the framework agreement. However, after the agreement was signed, the decision was made that the two new Transport Canada vessels would be integrated into the program of work. It now includes nine vessels: the two ferries, as well as a polar icebreaker and six program icebreakers for the Canadian Coast Guard.

Other elements of the program of work also need to be taken into consideration. I'd like to point out that Davie is largely responsible for projects under our third pillar, meaning the maintenance and refit of Royal Canadian Navy and Canadian Coast Guard vessels. In a competitive environment, the Davie shipyard will continue to have access to this component of the strategy.

• (1625)

Mrs. Julie Vignola: If I understand correctly, approximately \$8 billion will be invested in ships, ferries and icebreakers.

Mr. Simon Page: Currently, it's just over \$8.5 billion. That amount is solely for construction, which will probably take between 15 and 16 years. That doesn't include the amounts intended for repairs and refits.

Mrs. Julie Vignola: Alarm bells were raised in Quebec about the *Amundsen*, especially by Université Laval and the Institut des sciences de la mer in Rimouski, in eastern Quebec. Some icebreakers will be built, and we're told that they'll replace the *Amundsen*. However, it's a highly specialized vessel that's essential in the Arctic.

Can you assure me that the replacement vessel will serve the needs of scientists as effectively as the *Amundsen*, if not more so? I'm talking about the advancement of knowledge on climate change, particularly in the Arctic, and the protection of coastal and offshore waters.

[English]

Hon. Helena Jaczek: To clarify, of course PSPC responds to the requirements of the purchasing department. Obviously, they need to specify the kind of work that needs to be done. Then PSPC goes out and obtains the necessary contractual arrangement in order to achieve what is required by the purchasing department.

Perhaps Simon could give us a little bit more on the direct question.

[Translation]

Mr. Simon Page: Thank you very much.

The minister gave a very good answer.

The scope of the work, the specifications of the equipment on board and the characteristics of the vessel itself are established by the client organizations, the Canadian Coast Guard and the Royal Canadian Navy, in this case. For our part, we try to select the best contract and the best possible procurement strategy to deliver the vessels.

I can tell you that the polar icebreaker project on the west coast is off to a good start. The design is very promising and modern.

[English]

The Chair: Thank you very much.

Next is Mr. Johns, for six minutes, please.

Mr. Gord Johns (Courtenay—Alberni, NDP): Thank you, Mr. Chair.

Thank you, Minister, for being here, and to all of the public servants for the important work that you and your team do.

To get back to Mrs. Block's good questions around 24 Sussex, when are we going to have a plan? When are we going to know the details?

You're spending more money. When are you going to put out a detailed plan so that Canadians know what's going to happen there and how you're going to spend their tax dollars on that site?

Hon. Helena Jaczek: As we said, the property is in the hands of the National Capital Commission, so they will be bringing detailed plans to us as proposals that will be considered by cabinet.

I would say that I'm optimistic, and I'm just as impatient as you, Mr. Johns, to have some plan going forward in the very near future.

Mr. Gord Johns: It will be the near future. Is there any timeline that you're going to share with us potentially, so that Canadians have a general idea of when they're going to know what the plan is? Because right now, we've heard this....

Hon. Helena Jaczek: I keep inquiring as well.

I think, Mr. Deputy, it's within-

Mr. Paul Thompson: It will be the fall.

Hon. Helena Jaczek: It's by the fall.

Mr. Gord Johns: I'm going to reference some staffing numbers from PSPC's human resource planning summary in the Treasury Board's open data site.

You and I have talked about Phoenix a lot. I'm talking about the four payments and accounting in the PSPC summary, which lists 4,792 FTEs for fiscal year 2022-23. That number drops to 2,438 for 2023-24, which is about half as many employees. Even worse, the Treasury Board lists the number of workers for PSPC federal pay administration as about 2,960 for 2021-22, but the number for planned workers in 2023-24 is only 761. That's about one-quarter of last year's employees.

I'm concerned by this drastic reduction in public servants. This is coming at a time when there are 209,000 transactions right now sitting in the backlog, which our public servants are, wrongfully, waiting for. It's totally unacceptable. The trend is that the number of backlog transactions is rising and not diminishing.

As New Democrats, we are concerned. I can't see how the government will be able to pay its employees with a federal pay administration staff of only 761 full-time workers.

Minister, can you talk about your plan for outsourcing? Are you planning to outsource the contract or go back to the departments for pay delivery? Maybe you can talk about what is being considered.

• (1630)

Hon. Helena Jaczek: Mr. Johns, you need to be aware that we are actually adding employees to support the stabilization of Phoenix. I think the numbers you're referring to have something to do with an expiry of a certain number.... However, going forward, we are definitely adding employees.

Again, perhaps the deputy can explain why it looks like they're being decreased...because they are being added.

Mr. Gord Johns: Before he does that, I want to make sure he's aware—and you know this—that since the time they've been announced, unions have been asking department representatives repeatedly whether it's a mistake in these plans or they're accurate, and they haven't received a response.

Maybe you can speak to them, as well, when you speak to me in your response.

Mr. Paul Thompson: Thank you for the question.

As the minister was suggesting, this is the result of a three-year tranche of funding that expired at the end of the previous fiscal year. The budget 2023 announced new funding for pay administration. It's not yet in the main estimates. Consequently, it's that funding that is actually helping to expand the pay centre. We've added 570 staff since last fall and continue to augment that. There were more added just in the last month, and we have another 150 or so planned for over the course of this summer. That is adding considerably to the capacity to both keep up with the new intake in pay and also to address backlog reduction.

Mr. Gord Johns: Maybe you could make sure that they're aware of what your plan is, because they're the most impacted. Many people are losing their homes still as a result of not being paid or now being overpaid and that money being called back.

As you know, one of the most significant procurements and proposed tax expenditures on PSPC's desk right now relates to new defence aircraft for the Royal Canadian Air Force. Many in Canadian aerospace and defence were alarmed to see that, in March, PSPC announced the government's intent to sole-source a new fleet of Canadian multi-mission aircraft from Boeing that are built in the United States. The aircraft procurement process your department is undertaking is concerning because the Canadian government should be a champion for the Canadian aerospace and defence industry, which is capable and ready to produce a next generation multi-mission aircraft built by Canadians in Canada.

Minister, why aren't you pushing for an open, transparent tender that gives Canadian companies the chance to compete?

Hon. Helena Jaczek: I just want to be really clear that, at this point in time, we have not committed Canada to purchasing the P-8A Poseidon. The project remains in what's called "options analysis". Having said that, the Department of Defence has told us that, at this point in time, the P-8A Poseidon is the only currently available aircraft that meets all of the Canadian multi-mission aircraft operational requirements. That's what they're telling us, but from the perspective of PSPC, we're still in what is called an options analysis.

The Chair: I'm afraid that's our time, Mr. Johns.

Mrs. Kusie.

Mrs. Stephanie Kusie (Calgary Midnapore, CPC): Thank you, Chair.

Thank you, Minister, for being here today.

What is the current status of the backlog? How many cases are there exactly, please, at this moment?

• (1635)

Hon. Helena Jaczek: Do you mean Phoenix?

Mrs. Stephanie Kusie: That's correct.

Hon. Helena Jaczek: I have something here, and heaven knows if it's completely up to date.

Mr. Thompson, you probably have the numbers at your fingertips.

Mr. Paul Thompson: The overall queue has approximately 400,000 transactions ready to be processed, but there are different

categories of workload within that. There are 177,000 cases that are beyond our normal workload that would have a financial impact, so it's a subset of that overall queue of work. As I indicated, there's significant new staffing that is coming on stream and we've seen our capacity to process pay transactions increase by about 14% in the last year.

The addition of staff is adding considerably to our ability to manage intake as well as deal with backlog reduction.

Mrs. Stephanie Kusie: Thank you.

My understanding is that you recently changed the service level agreement so that the acceptable backlog is currently different from what it was previously. Perhaps you could provide some insight on that for the committee, to explain to us the new service level agreement compared with the previous service level agreement and how that looks in terms of resolving the case backlog, please.

Hon. Helena Jaczek: Again, I think that kind of detail is best handled by the deputy.

Mr. Paul Thompson: I would note that we're committed to continuing to track in a consistent fashion for clarity how old definitions work, where we do the work, and to look at new ways of examining the business in more detail. It's this idea of looking at workload beyond normal workload.

There's a monthly intake that goes up and down from time to time, but the amount of intake that we're not processing that is beyond a normal workload is where we're trying to shift the focus to. There will always be cases in the queue as part of our normal processing, so we're trying to add insights to the reporting, not diminish or change things that we've reported in the past.

Mrs. Stephanie Kusie: Minister, have you personally met with any of the vendors? Have you met with Ceridian? Have you met with CGI or EY personally?

Okay, and why would that be the case? Why wouldn't you have met with them?

Hon. Helena Jaczek: As far as I know, there has been no request for me to meet with them.

Mrs. Stephanie Kusie: Okay, but wouldn't you want to have some interaction with them directly in terms of their ideas or concepts or visions for what the new pay system would look like, especially given the fiasco of the current system?

Hon. Helena Jaczek: Perhaps President Perron can respond.

Mr. Sony Perron: The reason why there is not really a value in the minister meeting with the vendors is that the vendors are testing a solution with us that has already been designed and that they are selling to thousands of businesses across the country and also to government.

It's not about designing a tool. It's about testing the tool they have and seeing how the tool works, given the complexity of the Government of Canada. It's really an experiment, and meeting with the vendor at this point doesn't bring anything because we are not building something with them. We are testing their product.

When we have the conclusion of the tests, at that time, when it's time to move ahead and implement or not, maybe there will be value in having a minister of the Crown meet with the private sector on this, but at this time they have been selected through a competitive process. They are actually doing the work on time, on budget, with us, so there is no intervention that the minister can make on that file that will provide more information on the outcome of the testing phase.

I even told the vendor that I didn't see the value for them to meet with the minister until we have finished our work and we can report back on the results and the capacity of their tool to serve the Government of Canada well.

Mrs. Stephanie Kusie: Thank you. Certainly, were I the minister, I would want to have initial conversations with all the vendors to get an idea of their vision, but I can appreciate that, Mr. Perron. Thank you.

Minister, what correspondence or discussions have your officials received from union representatives about NextGen and how the project is going? Have you received any correspondence from any of the unions that you would like to share with the committee?

Hon. Helena Jaczek: I personally have not received any, that I am aware of.

Perhaps Deputy Thompson...?

Mr. Paul Thompson: I'm not aware of correspondence in particular, but we have regular engagement sessions. Every four to six weeks we have a sit-down with labour leaders on the current state of pay administration. They're given updates on the NextGen project as well.

That's what I would note in terms of engagement.

Mrs. Stephanie Kusie: They're eager for an implementation plan.

Chair, thank you very much.

The Chair: Mr. Kusmierczyk, you have five minutes, please.

• (1640)

Mr. Irek Kusmierczyk (Windsor—Tecumseh, Lib.): Thank you, Mr. Chair.

Thank you, Minister, for joining us here today at OGGO. I believe this is the fifth or sixth meeting in really just the last year and change, I think. Thank you so much for coming to this committee once again and testifying.

I want to ask you a question about the Canada dental benefit. Obviously, our government is moving forward on this historic program. I know that it will have a huge impact on communities across Canada. It will have a huge impact in communities like ours in Windsor—Tecumseh. A lot of children, a lot of seniors and just a lot of residents in general simply do not have access to dental insur-

ance. They do not have access to dental care in our community and across the country.

Can you please provide us with a bit of an update on the progress of the Canada dental benefit? I'm also curious about the role of PSPC in rolling that program out.

Hon. Helena Jaczek: Thank you for that question.

Yes, to pick up on something you alluded to, we know that a third of Canadians do not have dental insurance, so this is an important program. As a physician, I can certainly say that oral health is a key component of overall health. I think we can all recognize that.

As PSPC, we're working very closely with Service Canada and obviously with Health Canada in terms of each of our roles in rolling out this program. Service Canada is going to be the first point of contact where people apply to potentially enrol. Health Canada is obviously putting together what needs to be covered by the third party provider. We will then be involved in actually working with the third party provider, awarding the contract and moving forward with a program that actually provides dental care for those uninsured Canadians within the financial bracket that they happen to be in.

At this point in time, initially we put out an invitation to qualify to third party providers. We had a number of people interested. We brought that down to three that actually had the ability and the proven capacity to roll out a program of this size. We are now working with the three suppliers to identify precisely what is required of them. We intend to, in fact, issue the RFP officially within the next week or so.

Our intention is to hopefully have people beginning to be able to enrol towards the end of the year, the beginning of 2024—in that kind of time frame. We're hoping we can award the contract in the fall. We've been working very closely with these three, which have passed the first invitation to qualify piece and are now in the running for the RFP.

We're getting closer. It's a big program. At the end of the day, it should reach one-third of the Canadian population. We're talking about 9.8 million individuals. It is very ambitious, but I know that the officials are working really hard to make sure it is done on time and appropriately.

Mr. Irek Kusmierczyk: I appreciate that update very much and that sense of urgency as well.

I was speaking with the local health unit just a couple of weeks ago, and it was saying that its wait times to provide dental care for seniors who are uninsured is literally eight months. There's a tremendous need in the community for that particular service.

I want to switch gears and go back to the tremendous announcement of the \$2.5-billion Coast Guard investment.

In my region.... Obviously, Windsor-Essex is known for automotive manufacturing. We're also known for agriculture, but we happen to have a specialty shipbuilder named Hike Metal that has received \$79 million on a search-and-rescue contract in 2015 and 2018, in addition to a lifeboat contract just a couple of years ago. The owner of the company, Steve Ingram, said that the NSS really revived and helped keep alive the shipbuilding industry in Canada, especially for the small shipyards and the small shipbuilders.

Can you speak about the economic impact that we're seeing on smaller communities and smaller builders? Is there a way to quantify the impact that it has had on job creation and on these small shipbuilders?

• (1645)

The Chair: I'm afraid that is our time. Perhaps you can get back to us in writing or in Mr. Bains' round.

Ms. Vignola, I'll pass the floor over to you for two and a half minutes, please.

[Translation]

Mrs. Julie Vignola: Thank you very much, Mr. Chair.

Minister, during the process to replace its fleet of *CP-140 Auro-ra*, a variant of the *P-3 Orion*, the government formally asked the United States about the possibility of purchasing Boeing's *P-8A Poseidon*. This issue was just raised. Keep in mind the context: Boeing announced that the production line would be shut down if there were no other buyers for that aircraft. However, by not putting out a request for proposals or conducting in-depth analyses of options on the market, the government is shutting out Bombardier and all other manufacturers. Bombardier actually has a faster aircraft with longer range than the *P-8A Poseidon*, and it goes without saying that parts for the aircraft will be available longer, since the production line won't shut down once the aircraft is built.

On the one hand, we're being told that a detailed analysis is being done, and on the other, no companies other than Boeing were approached. How do you explain that?

[English]

Hon. Helena Jaczek: Perhaps Simon Page can give us some details on that process.

As I've said, my information is that the P-8A is the only currently available aircraft that meets all of the operational requirements as specified by the Department of National Defence.

Perhaps, Simon, you can confirm that.

[Translation]

Mr. Simon Page: I'll clarify the situation.

The tendering process to replace the *CP-140 Aurora* began with a very broad and completely transparent request for information. We received a number of responses.

Once those responses were analyzed, as the minister indicated, we came to a very clear conclusion: currently, Boeing's *P-8A Poseidon* is the only aircraft that meets all the operational requirements of the Canadian Armed Forces, specifically the Royal Canadian Air

Force, as they were explained to us. Those requirements included anti-submarine warfare, command, control—

Mrs. Julie Vignola: Thank you. I apologize for interrupting you, but I want to very quickly mention something. I simply want to point out that, once the aircraft are built, the production line will be shut down. It's like buying a giant Gutenberg-style printing press, knowing that there will be few to no replacement parts available or that they won't be available for long. That's the part that worries me.

Thank you.

[English]

The Chair: Mr. Johns, go ahead, please, for two and a half minutes.

Mr. Gord Johns: Thank you, Mr. Chair.

Minister, I've raised this in the House of Commons. It's the increase in highly paid consultants, especially Deloitte. They're over \$200 million now in the last fiscal year. PricewaterhouseCoopers is \$100 million. There's \$45 million to Accenture.

You talked about your plan to reduce spending on consulting and other professional services by roughly 15% in this fiscal year. Is that on the last fiscal year—because that's a 400% increase since your government took power in 2015—or is it on the 2015 amount?

Hon. Helena Jaczek: As far as I know, it is related to spending in 2023-24, in relation to the previous year.

Mr. Gord Johns: Minister, this is not a significant cut considering you have had such a massive increase in outsourcing. Fifteen per cent doesn't even take us back by a third of what your government has done in terms of increasing reliance on highly paid consultants.

Hon. Helena Jaczek: I think we need to go back to asking why we use consultants at all. We are carefully reviewing that, as you know. The President of the Treasury Board and I have been tasked to report back by the end of June. We have asked the procurement ombudsman to look at the practice as well, but what I can say in general is that we have used consultants when there has been a lack of in-house capacity.

Mr. Gord Johns: I think I speak on behalf of all Canadians when I say we want to see this come down significantly.

We know that a lot of small rural communities are struggling to maintain their post offices because Canada Post's postmaster-provided model doesn't pay enough. The starting salary for these rural postmasters is less than \$20 per hour. Moreover, these postmasters have to provide a space for the post office, for which Canada Post provides a stipend of only \$250 a month. Postal service in rural Canada is a lifeline for many people. What concrete steps are you taking as a minister to support Canada Post's move towards a more sustainable financial model for rural post offices?

You have heard my colleague Mr. Bachrach from Skeena—Bulk-ley Valley, who was just in Atlin doing a town hall on this. Can you speak about what you're doing to do?

(1650)

Hon. Helena Jaczek: Thank you.

The Chair: Minister, I'm sorry. You have only about two seconds. Perhaps you and your officials could get back to the committee in writing on this issue, or perhaps we can follow up on it in the next round after the minister leaves and her officials stay.

Mrs. Kusie, it's over to you. Go ahead, please.

Mrs. Stephanie Kusie: Thank you, Chair.

Minister, I want to go back to the pay system. In the budget this year only \$52 million has been put aside to continue work on the next generation. That amount is actually relatively small. For example, \$63 million was put aside in 2019. This subsequent amount of \$52 million is much less than what we have seen in previous years.

I just want to verify with you that you are committed to moving on to the next generation pay system, because the numbers don't indicate that and the number allocated in this year's budget doesn't indicate that.

Hon. Helena Jaczek: As we have said, we are looking very closely at the pilots and the testing process, and a final conclusion will be the result of what we see.

I would have thought perhaps that a decrease in the budget would be appealing to you, but perhaps I can ask the president again to explain why the numbers are lower.

Mr. Sony Perron: The funding we got in the budget this year allowed us to get to the recommendation stage this year. It carried the resources we have assigned to the project to pay the firm. You mentioned Ceridian earlier. It's our main partner in there. We have paid their fee until mid-year when the testing will be finishing.

There is no means for us to pass funding for future years because the decision has not been made about where this is going, so a recommendation is critical. That's why we are pressing the process to get the final conclusion regarding what we have learned from the pilots and to move toward an assessment of whether moving forward with this product might be a possibility in the future.

We have funding for one year, which will bring us to March 31, 2024.

Mrs. Stephanie Kusie: Thank you.

I would say that a decrease in the budget certainly isn't much use if our people aren't getting paid. I certainly hope you'll continue to make that a priority.

Minister, according to the 2023-24 departmental plan, PSPC is considering strengthening its integrity regime. I hope this will include reviewing the ineligibility and suspension policy. I'm sure you're aware that we've recently been studying McKinsey. You were here on this. Given the moral and ethical breaches of this organization, it's astounding to me, actually, that McKinsey passed the integrity regime.

I reviewed the regime quite extensively. To me, "Application"—section 4— seems to have far too many exemptions. I'm particularly shocked that McKinsey passed section 6, part (b)(v), where the supplier has been convicted of an offence. I recognize that, in the States, McKinsey was not convicted of an offence, but I certainly think a \$600-million payout over 49 jurisdictions is something that should make the Canadian government look twice. In addition, part (b)(vi) is "Trafficking in substance". I would say this definitely should have given the Canadian government pause and re-evaluate McKinsey.

What the current integrity regime does exclude is human rights, the rule of law and reckless disregard for the health and well-being of Canadians. I'm sure you're aware of the notice of motion I've given. I'll read it here today, although I'm not moving it, Mr. Chair:

That the committee report to the House that, in light of the government's announcement that it will join the class action lawsuit against McKinsey & Company for their role in the opioid crisis—

I'll add that your government voted against both of our motions in the House today.

—the committee calls on the government to reform the integrity regime associated with procurement in order to exclude companies that have shown reckless disregard for the health and well-being of Canadians, and for human rights and the rule of law.

Throughout testimony in this committee, we have seen McKinsey & Company consistently and repetitively do this.

What are your thoughts on this motion I have on notice, Minister?

• (1655)

Hon. Helena Jaczek: Thank you very much, Mrs. Kusie.

First of all, I want to point out that we are actively reviewing the integrity regime, which was brought in by the previous Conservative government. We're looking at areas where perhaps it's too stringent and areas where it's too lax. You feel strongly that, in this particular case, it is potentially too lax.

We are clearly abiding by the current integrity regime. The questions you're asking and the discussion at this committee are all input we value. I can assure you that we are looking at the integrity regime very carefully. In fact, it was one of the things the deputy mentioned to me when I was moved into this particular portfolio.

Mrs. Stephanie Kusie: We also brought in the Federal Accountability Act, but that didn't make the government do anything in regard to the report from OGGO in 2017. That's why we have Bill C-290.

Thank you, Mr. Chair.

The Chair: Thanks, Mrs. Kusie.

Mr. Bains, you have five minutes to finish things off.

Mr. Parm Bains (Steveston—Richmond East, Lib.): Thank you, Mr. Chair.

Thank you to the minister for joining us today, along with the department officials.

I am going to pick up my colleague's question regarding the historic investment in the national shipbuilding strategy and expanding on the economic benefits the NSS has created across the country. As you know, this investment is very important to us here in British Columbia and to our marine sector.

Could you talk a little about the economic benefits and generational jobs this will create?

Hon. Helena Jaczek: Thank you, Mr. Bains.

It was certainly a pleasure to make the announcement on the east coast. I know Minister Murray did the same out in B.C.

We have some numbers in terms of the economic benefit. The national shipbuilding strategy contracts awarded between 2012 and 2023 are estimated to have contributed more than \$25 billion, or \$2.1 billion annually, to Canada's gross domestic product and to have created or maintained more than 18,800 jobs annually between those same years. The record to date has been very successful. I think, with our announcement related to small and medium-sized vessels, you can see we're continuing to pursue this economic development, potentially for smaller communities—those on the Great Lakes, as MP Kusmierczyk alluded to, as well. This is of benefit across Canada.

It is very heartening to see, I must say, having been at the announcement at Chantier Davie. The current mayor of Lévis had his 100-year-old father at that announcement. Of course, that family has been involved in the shipbuilding industry now for generations. They look forward to that continuing, obviously, for several more generations.

Mr. Parm Bains: Thank you.

Could you tell us a bit about direct or indirect jobs through the supply chain and how many jobs may be created as a result of this in other areas?

Hon. Helena Jaczek: We have a magnificent chart here the deputy is showing me.

Would you perhaps like to respond in some depth to the question?

Mr. Paul Thompson: I would be happy to speak to it.

A lot of the benefit from the national shipbuilding strategy flows to small and medium-sized enterprises. About \$1.2 billion in small business contracts has been awarded.

They have a distribution across the country: one company in Alberta; a number of companies in British Columbia, totalling \$265 million; and \$228 million in Newfoundland and Labrador. The distribution of the national shipbuilding strategy across the country is an important aspect of the strategy, in addition to the contracts directly with the large shipyards.

Mr. Parm Bains: Thank you.

I'm going to shift a bit. I know the government is doing a lot of work in greening our government, which is important as we continue to see climate change and the earth's temperature on the rise. I'm wondering what the federal government is doing to green its own infrastructure, Minister. Could you add to that?

Hon. Helena Jaczek: PSPC has been very actively involved in this particular area.

As an example, this past year alone, PSPC reported a 57.3% reduction in greenhouse gas emissions from its own buildings compared to the 2005-06 baseline. Moreover, we are expecting a decrease of 40% by 2025 by modernizing the heating and cooling systems for up to 80 buildings in the national capital region through the energy services acquisition program.

We also have a target of over 82% greenhouse gas emissions reductions by 2025 and net-zero carbon by 2030 for the federally owned portfolio, so we're definitely on track. Obviously what we're looking at are buildings owned by PSPC, and we're very optimistic that we'll meet our targets.

(1700)

Mr. Parm Bains: Thank you.

How close are we to achieving that goal, the levels we're trying to meet?

Hon. Helena Jaczek: We're really just on track. If you look at the trend lines in what we're doing, we should be able to achieve exactly what we intend to in meeting those targets.

The Chair: You have time for a four-second question, Mr. Bains.

Mr. Parm Bains: I don't have a four-second question, Mr. Chair.

Thank you very much.

The Chair: Thanks, Mr. Bains.

Minister, that is your time with us. Thank you for joining us again.

We'll excuse the minister and get right back into it with her officials.

We have Mrs. Block for five minutes, please.

Mrs. Kelly Block: Thank you very much, Mr. Chair.

Again, thank you for remaining with us for whatever time we have left with you to perhaps follow up on some of the information we've been given.

I am going to return to 24 Sussex because there are still some questions in my mind around the structure among the federal government, the NCC and perhaps even the FHBRO, the Federal Heritage Building Review Office, and ultimately who is responsible for what.

The residence is designated as a "classified heritage building" by the FHBRO. The minister said when I asked who owns 24 Sussex that the NCC does. If you go to their website, it states that 24 Sussex is being "managed" by the National Capital Commission and that they have been doing this since 1988. I guess I'm wondering if you can explain what I see as a discrepancy between owning and managing.

Then, could you also perhaps tell us who is funding the abatement for 24 Sussex and ultimately, perhaps, the renovations, should they occur?

I'll leave it there.

Mr. Paul Thompson: Thank you for the question.

I should note that I can't speak on behalf of the National Capital Commission. They have the responsibility for the whole portfolio of official residences. They have commenced work on the abatement that is necessary. This work is necessary under any future scenario for the property dealing with hazardous situations, asbestos abatement, etc. That work does need to be done. It's being done by the NCC, under their direction. They have a capital fund for the maintenance of all official residences. It will be done in that regard.

With respect to future decisions, there are some implications that obviously go outside of the National Capital Commission. The Official Residences Act is an act of Parliament, so there is a legislative dimension. If that were ever to change, there would be funding that.... A major project at 24 Sussex would be beyond the approved budgets of the National Capital Commission, so there would need to be a funding source.

There are indeed some elements that go beyond the role of the NCC—you had mentioned another one, the heritage responsibility—but the NCC is the custodian, the responsible organization and the owner of the property.

Mrs. Kelly Block: Thank you. I appreciate that answer.

Perhaps you could clarify what you mean by funding requirements that go beyond what the NCC may be prepared or be able to cover. Does that mean that the Government of Canada would provide funding to that project and that ultimately it would be the tax-payers who are paying for the renovations at 24 Sussex?

• (1705)

Mr. Paul Thompson: The National Capital Commission has funding for the ongoing maintenance of its capital assets. They got a one-time injection of \$175 million over 10 years to address deferred maintenance for the entire suite of official residences, but they have not been funded to undertake large projects that were not part of their planned trajectory of work.

I guess what I'm suggesting is that a major undertaking would not be within their current allocation of funding.

Mrs. Kelly Block: I think I understand that. Where would the funding come from?

Mr. Paul Thompson: It would have to be budgeted for the NCC to undertake a significant program of work beyond the maintenance of the capital assets that they've been funded.

Mrs. Kelly Block: They would budget for that. Is there a funding source that they need to—

Mr. Paul Thompson: It would have to come from the federal budget. It would be a budget decision for the NCC.

Mrs. Kelly Block: The federal budget...so ultimately the taxpayer.

Mr. Paul Thompson: There is no other funding source that I'm aware of for such a project.

Mrs. Kelly Block: Right, but that was a really roundabout way of getting to the answer to my question. I'm just trying to make it very clear for anybody who is watching this committee that 24 Sussex and any renovations that take place there will ultimately end up being funded by the taxpayer.

When you take a look at the fact that the National Capital Commission issued warnings to the government that delays would have disastrous effects, I think it behooves the government to act responsibly and to make decisions in a timely way to mitigate those disastrous effects and to just be up front and honest with Canadians about who owns this property, ultimately, and who will end up footing the bill should the decision be made to renovate 24 Sussex.

I'm just going to put it out on the record that I really appreciate our historical buildings. I'm sitting on the long-term vision and planning group for the renovation that is taking place at Centre Block. I am pleased that we are working so hard to maintain the historical aspects of our parliamentary precinct. I am in no way making a statement of judgment on what should happen with 24 Sussex, but stories are now—

The Chair: That is our time, Mrs. Block.

Mrs. Kelly Block: Thank you.

The Chair: Mr. Jowhari, you have five minutes, please.

Mr. Majid Jowhari (Richmond Hill, Lib.): Thank you, Mr. Chair.

I'd like to welcome the department.

Mr. Thompson, the minister in her opening remarks talked about the \$4.3-billion estimates request. She mentioned that the largest portion of that was about \$3.4 billion for property and infrastructure. Actually, looking at the six items listed by the Library of Parliament, I noticed that it's the only item that has consistently increased. In 2021, we were at about \$2.8 billion. Then we went to \$3.2 billion. This year we are at \$3.4 billion. All the other items have reduced.

Can you tell me where we're planning to spend this \$3.4 billion? If you could tie it into how or whether any of that money is being used for some of the greening of the government and government building initiatives that we have, I would really appreciate it.

Mr. Paul Thompson: Indeed. Thank you for that question.

There are a number of categories of projects, I would say, within that capital envelope. A very large one is the government's office portfolio. It's close to seven million square metres of offices. We're doing an active review, in light of all the changes in the workplace, of our future needs for that space, but that space requires ongoing rejuvenation, renovation and replacement, so that's one big area.

We have other capital projects as well in what we call "engineering assets". This would be work on bridges and other assets across the country. We have the plan of work that was noted on the parliamentary precinct, which is a very large undertaking with multiple phases in the work.

Those are some of the categories of work.

I don't know if my CFO, Wojo, wants to add anything on the nature of the ups and downs of the capital envelope.

Mr. Wojo Zielonka (Assistant Deputy Minister and Chief Financial Officer, Department of Public Works and Government Services): Sure. Thank you, Deputy Thompson.

There are a lot of things that we, as a department.... As the deputy mentioned, it varies from dams to bridges and office buildings. There's 875 Heron Road; West Memorial Building, which you may be familiar with; and Timiskaming Dam. The variety of projects is quite diverse, and the timing of when capital is required for those projects depends on the particular ramp-up and ramp-down of a particular project.

Those numbers vary quite a bit over time.

(1710)

Mr. Majid Jowhari: Is the focus of these investments on maintenance, refurbishment or greening, or is it a combination?

Mr. Wojo Zielonka: It is a combination. We have some very large projects like, for example, the ESAP project, which is something here in the national capital area that is very focused on greening. It is to upgrade the centralized heating and air conditioning facilities for the federal government, and it will have a huge benefit in reducing greenhouse emissions. That's one example.

There are other projects where we are refurbishing existing assets, in particular in the office portfolio. Promenade du Portage is one that may be quite visible for any person who's crossing over the river. They will see a major construction project that is ongoing there. That would be an example of a refurbishment.

As well, we have ongoing maintenance that is typically done to maintain the quality of the assets so that they do not fall into disrepair.

Mr. Majid Jowhari: Thank you.

I want to ask what percentage of the \$3.4 billion is focused on greening...roughly. I'm not going to hold you to it. I just want to get a sense of it.

Mr. Paul Thompson: I'd be reluctant to put a number on the table. We could certainly look at that.

As my colleague, Wojo, was suggesting, greening is a core element of many projects that we're doing, particularly on the energy source. That's the biggest bang for the buck, if you will. If we can

change to lower-carbon sources of energy for heating and cooling....

We have the district heating and cooling project in the national capital area, and we are buying renewable energy certificates across the country as well. Those are the biggest sources of greenhouse gas reductions in our investment portfolio right now.

Mr. Majid Jowhari: I'm out of time.

Thank you.

The Chair: Thank you, sir.

We'll have Ms. Vignola for two and a half minutes.

[Translation]

Mrs. Julie Vignola: Thank you, Mr. Chair.

I don't have much time, but I just want to share my concerns about the *CP-140 Aurora* replacement. We're talking about the only aircraft currently available to replace this model, but it's already been announced that production of the replacement aircraft will end. There's no talk about the future, about what's coming or what will be available in the short and medium term. Personally, I'm concerned.

That said, I'd like to ask Mr. Perron a question.

With regard to cloud computing, there are various initiatives to improve the services provided to partner departments. I would hope that all departments are partners and that they're not in competition.

What business cloud computing services is PSPC considering authorizing? Who provides those services?

Mr. Sony Perron: All departments have access to cloud solutions. Across the country, eight vendors who meet our safety standards have prequalified.

The demand is very diverse. Some departments will want to use cloud computing to place outside services on these platforms, which have a great deal of elasticity. Other departments will want to use cloud platforms to build information services for the purpose of sharing information with Canadians or with external partners. There are multiple needs.

The beauty of cloud computing is its elasticity and its ability to meet the demand during the peak period, without clients having to build a monster infrastructure, so that they only pay for what is consumed.

Your question leads me to say that cloud computing has experienced significant growth. Annual expenditures in this area have gone from \$3 million three years ago to just over \$100 million last year.

There has been a large increase, but the needs are varied. A number of departments use cloud computing on a very specialized basis. About 4% or 5% of our application operations are in cloud computing, or even 8%, according to the latest figures I saw. So it's very variable.

(1715)

Mrs. Julie Vignola: You mentioned that eight companies had prequalified. Have any arrangements been made with them in terms of procurement? If so, are these arrangements for the next 80 years, as we've seen elsewhere?

Mr. Sony Perron: No, these are agreements that we have to renew periodically. We are currently developing a process to refresh those agreements. We are in the engagement phase with industry to review our tools.

Obviously, when a department deals with a vendor to install an application, we don't want to have to transition every two or three years. So we need these agreements to apply for a good period of time. This does not mean that no other vendors will be able to enter into the circle in the future.

A number of governments elsewhere in the world have reached exclusive agreements in order to have better rates and better arrangements with vendors. We'll have to take a serious look at those options to see who is giving us the best bang for our buck when we use cloud services.

[English]

The Chair: Thank you very much.

Go ahead, Mr. Johns.

Mr. Gord Johns: Thank you again for being here and for the important work you do.

Through you, Mr. Chair, I would like to ask the witnesses if they would be willing to table the staffing plan around the payments and accounting and the federal pay administration question I had earlier, which the minister didn't have a chance to respond to, as well as the postmaster-provided model question that I had from Canada Post. I'd like to ask for permission from the chair if the committee would support that request.

The Chair: Is it agreed, colleagues?

Some hon. members: Agreed.

The Chair: It is so.

Mr. Gord Johns: That's super. Thank you.

Can you talk about what the process will be for assessing the 3% in cuts to public services proposed in section 6.1 of the budget? Who will be consulted and informed, and what will be the priorities and the terms of reference as well?

Mr. Paul Thompson: Thank you for the question.

These initiatives, as you know, were announced in the budget. They're being coordinated by the Treasury Board Secretariat, and each department will receive essentially its target for both the operating expenditure reduction and the one you mentioned earlier, Mr. Johns, on the reduction in professional services as well. Those are both being coordinated, and each department will receive its in-

structions, essentially, or the targets for reductions in their own spending areas in those two areas.

Mr. Gord Johns: Will labour be consulted through this process?

Mr. Paul Thompson: With respect to professional services in particular?

Mr. Gord Johns: Yes. What's the process for assessing which previously promised programs will be delayed or cancelled? Also, given that your government's commitment is cutting billions from contracting out and management consulting in the latter part of your answer, who's going to do this work moving forward? Is it coming back in-house? Where is the money in the budget for that? Was this work unnecessary all along?

Mr. Paul Thompson: As the minister indicated, there is this review going on regarding the use. It includes the McKinsey review, but it has broader connections into the use of management consultants more broadly. Minister Jaczek and Minister Fortier will be tabling their report on their findings of the internal review, but it will have some connections to how decisions are made and whether or not a given task should be contracted versus done in-house. These are value-for-money decisions that public servants make every day on how we are going to execute a particular task. There are a number of scenarios we talked about earlier where outside resources are needed, such as if it's a specialized skill set we don't have access to or a time-limited requirement, so—

Mr. Gord Johns: The 400% for highly paid consultants is quite outrageous, I think.

Thanks.

The Chair: Thanks, Mr. Johns.

Next is Mrs. Kusie, please, for five minutes, and then we'll finish up with Ms. Thompson for five.

Mrs. Stephanie Kusie: Thank you, Chair.

I'm wondering how real property spending this year will be affected by the full implementation of the common hybrid work model for the federal public service in March 2023. How will real property spending be affected, given this new policy?

● (1720)

Mr. Paul Thompson: Thank you for that excellent question.

This is a very dynamic area for all organizations to figure out what kind of office portfolio is needed for the future.

We are renewing our 10-year plan for offices and taking into account the new hybrid work model. It obviously reduces the overall requirement for office space, which is being taken into account in the decisions we make on lease renewals and what buildings in the Crown-owned portfolio we will retain versus dispose of. Obviously we see an opportunity for a fairly significant reduction of office space in the coming years.

There were opportunities even before the pandemic because we weren't using them optimally. Add on to that the hybrid work models and we see a significant opportunity to consolidate office space and at the same time pursue greening, accessibility and some of the others, in order to have a smaller footprint but be more built for purpose. That project is continuing, with every department specifying their future needs.

Mrs. Stephanie Kusie: Perhaps you could expand on that for the committee, in terms of what the plan looks like, to first of all determine the space that might be over what is required and then the asset management of what the space that is no longer required looks like. If I could go even one step further, perhaps you could tell us what projected revenues might be five years, 10 years and 25 years out.

Could you give an overview as to what that process looks like, please?

Mr. Paul Thompson: We're midstream in that process, so I don't have the final results.

There will be a track of potential savings, obviously, from terminating leases that will be no longer required. There would be some revenues from the disposal of assets that are no longer required. There are also investments needed along the way. Even if you're disposing of a building, you sometimes need to invest in it to get the market value.

All of that work is being undertaken in conjunction with departments, which are specifying the actual floor space they can best anticipate needing in the coming years. There's a lot of consolidation of departmental plans that is going on and coming together into an updated strategy.

Our previous target was to reduce the portfolio by 40%. We now think we can reduce it closer to 50%, as a target.

Mrs. Stephanie Kusie: That is super exciting—50%. Thank you.

It was brought up previously, but I want to once again bring up the \$2.3 billion for professional and special services, including contract personnel. Of course, this is the second-highest dollar value of any federal entity after the Department of National Defence and the second-highest percentage of total spending.

Why is professional and special services spending so high at PSPC compared to other departments, please?

Mr. Paul Thompson: Thank you for that question.

There's a wide range of activity in the department, so that speaks to some of the high numbers. In particular, in areas like construction, as you can appreciate, when a building is designed—take the parliamentary precinct project—we don't have in-house architects or designers who would do that work. We do that on contract.

We spoke earlier about ship retrofit and repair. Again, those are contracted services. We have other maintenance services for our real property portfolio.

There's a wide range of activity that we, over many years, have done through contracts and not through the in-house activities of government. That's the main reason you'll see PSPC as having generally a pretty high number of professional services contracts.

Mrs. Stephanie Kusie: Is there any expertise that you would hope to develop internally eventually, or in some cases is it not possible?

Mr. Paul Thompson: In some cases, the expertise is so specific and time limited that the best value is to get an outside expert in to do it. If you need a building designed or need particular expertise for an intensive period of work, the professional services contract is often the best way to go.

As I said, every public servant ought to be doing that analysis as to where the best value is for any given task that needs to be done.

Mrs. Stephanie Kusie: Thank you.

Thank you, Mr. Chair.

The Chair: Thanks, Mrs. Kusie.

Ms. Thompson, go ahead for five minutes, please.

Ms. Joanne Thompson: Thank you.

In April of 2023 a report from the Standing Committee on National Defence recommended that government rapidly increase the pace of development and deployment of clean and renewable energy sources for the Canadian Arctic in order to provide the clean energy necessary to support NORAD modernization and to supply local energy infrastructure needs.

Are you able to speak to how Defence Construction Canada has improved its green energy infrastructure expertise, as clearly would have been done in recent years?

• (1725)

Mr. Paul Thompson: Thank you for that question.

Unfortunately Defence Construction Canada is an arm's-length corporation with their own responsibilities, so I can't speak to their efforts. I do know that they're active in this area. They're making great strides not only in greening but also in indigenous procurement. They are one of the leading organizations in terms of indigenous contracting as well.

I can't comment beyond that. Perhaps my colleague Simon has something to add on Defence Construction in the work in support of DND.

Mr. Simon Page: Thank you for the question.

I don't have anything to add actually. All the relationships and the contracting through Defence Construction do not fall under the defence and marine portfolio of PSPC. We do monitor the projects with them, because many of the infrastructure projects complement the equipment projects, but that's about the extent of our relationship.

Ms. Joanne Thompson: Thank you.

Perhaps I could touch on the indigenous contracts in the 2023-24 departmental plan. In that, 8.3% of total contract values were awarded to indigenous businesses, exceeding the mandatory target of 5%. Are you able to speak to the major contracts that were provided to indigenous businesses?

Mr. Paul Thompson: The work continues to find as many opportunities as we can for contracting with indigenous organizations and to meet the 5% target. We have some very interesting success stories including, as you just mentioned, in work in the north. Our North Warning System sustainment contract of over \$500 million was issued to an indigenous owned and operated company, so that's one example of a large opportunity that was found. Work in the rest of the government continues.

We have three phases of implementation of the reporting requirement on the 5%, and we're in the midst of the first phase right now. Some departments, I must say, are doing better than others and there are some commodity areas in which the government is more successful. Shared Services Canada is one organization that is doing quite well in the IT space in terms of indigenous procurement.

Sony, I don't know if you want to add anything on that.

Mr. Sony Perron: Yes. Thank you for the question.

Because digital economy is a growing business, we see more and more indigenous businesses coming and making offers in the sector. At Shared Services Canada, when we are establishing new procurement vehicles in some areas, we will deliberately create what we call an indigenous set-aside. We will have a master vehicle to procure a certain type of product or service with Canadian businesses or with businesses in general. We will have another stream that is specialized for indigenous businesses trying to leverage the capacity to develop the various indigenous groups in Canada to occupy that space.

We have been doing well with 6.3% of the value in 2021-22 and 7.8% of the funded contracts. This is progress. I think there is more potential than that, so we need to continue to make our procurement needs clear so there will be more indigenous business interest.

We have also written to our 15 largest vendors and partners to let them know that we have some social objectives we want to achieve and to invite them to think seriously about their own indigenous procurement to create the industry out there that will support them and become available so Canada can procure directly from indigenous businesses.

In the areas of procuring hardware, equipment and professional services, we have seen growth with indigenous businesses in Canada.

Ms. Joanne Thompson: Thank you.

That certainly is very positive. We've heard often in committee about the importance of moving to a digitalized government, and it's so helpful that you've exceeded the targets with indigenous groups, which is incredibly important.

In the 2023-24 departmental plan the government has said it would like to improve results for Canadians by supporting departments and agencies to effectively implement outcome-based policies and program approaches in key priority areas such as public health and climate action. Can you describe some of these initiatives?

● (1730)

The Chair: Very briefly, or perhaps in writing...?

Mr. Paul Thompson: Mr. Chair, I've spoken to the greening initiatives at some length already, with a 57% reduction of our carbon footprint already, the district heating and cooling in the national capital region and regional energy certificates. That's essentially the suite of greening investments that we have.

We're very active in other areas in making sure our buildings are accessible and meeting or exceeding the highest standards of accessibility, as well as working on other aspects of workplace inclusion and how buildings are designed. That's how I'd summarize it.

The Chair: Thanks, Mr. Thompson.

Ms. Thompson, are you fine with that? Would you like anything tabled to the committee?

Ms. Joanne Thompson: No. That's perfect. It's just nice to have it on the record.

Thank you.

The Chair: Thanks.

Just before you go—thanks for being with us—I have a couple of quick questions, if you don't mind.

Ms. Vignola was asking about the P-8. We've heard the comment "at this time" repeated often. I'm just curious. If "at this time" the contract was signed based on what the RCAF specs were as provided, when would the first plane be delivered to DND or the RCAF?

Mr. Paul Thompson: That's a little bit speculative, I think. Since we're in discussions on option analysis right now, it's hard to pin down—

The Chair: That leads into a second question. When we talk about "at this time", it could be two years or five years before we could work with something to get a deal signed and a plane produced and delivered to Canada. Would that time then allow other companies, perhaps a Bombardier or someone—I'm not pushing for them—or perhaps another company to bid and have a project that would meet the specs?

Mr. Paul Thompson: I don't know if there's anything Simon wants to add, but I would just note that the requirements we were given had some urgency in terms of needing an aircraft to meet those specifications now, and there's quite a difference between the off-the-shelf timeline associated with the P-8 and a developmental solution.

The Chair: If there is an urgency, when, then, would the RCAF expect to receive the P-8 if it is as urgent as you just commented?

Mr. Paul Thompson: It is an existing aircraft in production.

I don't know, Simon, if there's anything we can add for the committee's benefit on the availability of that aircraft.

Mr. Simon Page: The only thing I would add would be that this is part of the information-gathering process that we're conducting now.

On your second question—about knowing if a developmental option would be faster than the current option—this is a request for information in the information-gathering process that we're doing at this time. To back up my deputy minister's comment there, it remains quite a bit speculative. We're just making sure right now that we have all of the information to make sure the right decision can be put forward.

The Chair: Thanks so much for your answer. I appreciate that.

We are going to excuse you. Thank you for joining us.

Colleagues, we're going to suspend to allow them to leave. We do have to get to the estimate votes. It should not take that long. I'm going to suggest that we suspend for about two minutes to allow these folks to leave, and then I'll accept, if we can have unanimous consent, to continue.

I have Mr. Barrett.

Mr. Michael Barrett (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC): Mr. Chair, I see that there are bells. Maybe we can forgo the suspension and just carry on.

• (1735)

The Chair: We probably can, if you don't mind. It's relatively in-

If I have consent, we will continue until five minutes before the vote's due to start.

Some hon. members: Agreed.

The Chair: Wonderful. We're going to go right to the votes.

Does the committee wish to vote on the main estimates now?

Some hon. members: Agreed.

The Chair: As I mentioned, and we received consent before, we will group the departments together.

CANADA POST CORPORATION

Vote 1—Payments to the Corporation for special purposes........\$22,210,000

(Vote 1 agreed to on division)

CANADA SCHOOL OF PUBLIC SERVICE

Vote 1—Program expenditures......\$63,502,781

(Vote 1 agreed to on division)

CANADIAN INTERGOVERNMENTAL CONFERENCE SECRETARIAT

Vote 1-Program expenditures.....\$5,638,744

(Vote 1 agreed to on division)

CANADIAN TRANSPORTATION ACCIDENT INVESTIGATION AND SAFETY BOARD

Vote 1—Program expenditures......\$31,469,976

(Vote 1 agreed to on division)

DEPARTMENT OF PUBLIC WORKS AND GOVERNMENT SERVICES

Vote 1—Operating expenditures......\$2,633,766,246

Vote 5-Capital expenditures......\$1,559,955,319

(Votes 1 and 5 agreed to on division)

NATIONAL CAPITAL COMMISSION

Vote 5—Payments to the Commission for capital expenditures.......\$25,040,049

(Votes 1 and 5 agreed to on division)

OFFICE OF THE GOVERNOR GENERAL'S SECRETARY

Vote 1—Program expenditures.....\$20,677,200

Mrs. Kelly Block: Mr. Chair, I will be moving a motion to reduce the funding allocated to the office of the Governor General.

I will just explain. Canadians are currently facing an inflation crisis, which has been fuelled by this government's out of control spending. Canadians are struggling to keep up with the rising cost of living because of this Liberal inflationary crisis and the Liberal carbon tax. With a second tax soon to be added, it will become even harder for them to keep up.

With record levels of inflation, home prices doubling and mortgage rates and rental prices skyrocketing, the cost of living is getting out of control. As I said earlier today, 1.5 million Canadians are visiting food banks on a monthly basis, and one in five Canadians is skipping meals because food is too expensive.

Just this week, Chair, the food bank in Saskatoon held a food drive as the usage is higher than it's ever been, with 24,000 people. That's about the seating capacity of Madison Square Garden accessing food monthly.

Given this current situation, reports of irresponsible spending by the office of the Governor General have caused outrage. The Governor General charged taxpayers for extravagant in-flight catering when she travelled to the Middle East. At this very committee, we heard about hundreds of dollars for lemon and lime slices. It's an absurd cost that taxpayers had to foot the bill for. The Governor General has shown a lack of respect for taxpayers and the Canadians she is meant to represent, and the job with which she is tasked has become a means to expense an extravagant lifestyle. The Governor General has billed almost \$40,000 in clothing expenses to taxpayers since taking office. As my colleague, the member for Edmonton West, stated, MPs pay for their own tuxedos. I would expect that any business-style clothing, shoes, t-shirts—anything—should be paid for with their own very well compensated salary.

The Governor General is paid an annual salary of \$351,000, and this salary has been increased by \$48,000—almost \$49,000—over the last five years. The Governor General's extravagance is obviously something that Canadians find unacceptable, and we, as members of Parliament, must act to curtail this outrageous extravagance.

As the said, "People expect us to manage their money with transparency. That obviously includes members and senators, the government and the Governor General."

That is why I would like to move that vote 1 under Office of the Governor General's Secretary in the amount of \$20,677,200, less the amount of \$5,169,300 granted in interim supply, be reduced by \$136,986.31 to \$15,370,913.69.

The Chair: Thank you, Mrs. Block.

Just to clarify, there's \$20,677,200 and \$5,169,300 was already granted in the interim supply.

Go ahead, Mr. Johns.

Mr. Gord Johns: First, I appreciate my colleague for bringing forward this motion. We all have similar concerns, which is why we're doing a study on it.

We're at eight studies, I think, or are we at nine? Maybe. It feels like it.

My concern is that we're now getting motions here at committee that should be in the study so that we can make really good recommendations, and I think some of those recommendations should certainly be about how the Governor General's spending taxpayers' dollars.

My concern is now we're getting a lot of motions pre-empting the very studies we're doing. I'm not saying that I'm opposed to them at all. In fact, I'd like to learn more.

My colleague who moved this motion was in government. Stephen Harper appointed the Right Honourable David Johnston not once, but twice, and didn't do this cut. I'd like to know why that didn't happen under the Conservative government. Why is it this number? Where did this arbitrary number come from? I'd like to understand that.

Shouldn't this be something that is included in the study so that we can make some good policy decisions and recommendations moving forward? That's something that I'd like to hear from my colleague, whom I respect a lot. I just want some answers on that.

I appreciate her bringing this forward.

• (1740)

The Chair: Ms. Vignola, you have the floor.

[Translation]

Mrs. Julie Vignola: Thank you, Mr. Chair.

I completely agree. No one here will doubt that, if it were up to me, we would establish a republic where there would be no governor general or connection to the monarchy. However, the Constitution seems to be sacrosanct.

My colleague can confirm or deny my calculations, but the amount of \$136,986.31 seems to correspond, to the penny, to the total cost of meals on board the Middle East flight and clothing. Is that correct?

Mrs. Kelly Block: That's correct.

Mrs. Julie Vignola: So I was able to calculate that in 30 seconds

In this case, we do indeed agree with reducing the vote, since we consider this to be abuse. When a person earns \$340,000 or \$350,000 a year, they are able to pay for \$40,000 in clothing, if they insist on it. We do not earn that salary and we pay for our own clothing. There was a time when there were six of us at home, with a total income of \$70,000, and we still paid for our clothing. So for someone earning \$350,000, I don't think that's a problem.

[English]

The Chair: Thank you.

Can we vote, colleagues?

I'm sorry, Mr. Housefather; I didn't see you there.

Mr. Anthony Housefather (Mount Royal, Lib.): Thank you, Mr. Chair.

I think we all have our own views about the Governor General, and I don't think that my feeling in the long run is that much different from Ms. Vignola's in terms of who I would rather see as the head of government in Canada. Right now, we have a Governor General. We have a monarchy. We have people in these positions, and there is a budget allocated for these positions. The fact that we would cut some undetermined amount or the amount Mrs. Block has laid out in her motion doesn't mean that the money won't be used for clothes. The \$142,000 or whatever the amount is could be used to cut staff positions. It could be used for anything else.

I don't know that there are specific line items in the budget we received. I don't believe that they are related to the Governor General. We're not just cutting a clothing line item. This is simply a proposal to arbitrarily cut an amount in the budget without having studied this properly to understand what that money is to be used for specifically. Would it mean that the Governor General would do one less trip in the year but that all the other trips would be the same amount of spending as previously, as opposed to cutting the spending on all trips in the way the committee is suggesting in our report?

What we should be doing is properly finishing our Governor General's report, making recommendations that, for as long as we have a Governor General, this is the way she should travel. I would support a line in the report saying it shouldn't be used for clothing allowances. I don't think that arbitrarily chopping up figures in a budget without having looked at it from a line item point of view and cutting line items is the way to go.

Given that we didn't even discuss this before the meeting and that Mrs. Block chose not to socialize this motion with Liberal members of this committee before the meeting, which could have been done very easily, I certainly won't be supporting this motion.

Thank you, Mr. Chair.

• (1745)

The Chair: Thank you, Mr. Housefather.

Mr. Johns, you have the floor.

Mr. Gord Johns: I have another question that I'm hoping Mrs. Block can help me with.

In 2012 the Governor General was paid \$137,939 a year, and that salary doubled in the next year to \$270,602. While we're having discussions about cutting the Governor General's budget, why did we double the pay to the Governor General in that period of time?

Was it the transfer, or is there some explanation for that?

The Chair: Mrs. Block is next.

Something that happened 10 years ago is not relevant to today's estimates that we're voting on.

Mr. Gord Johns: We're making decisions about cutting an increase, and I'd like to know how these decisions were made.

The average was around \$125,000 for several years, and then suddenly the Conservative government decided to double David Johnston's salary—he was the Governor General for 2012 to 2013—by \$130,000, doubling his pay. That's absurd too.

I think we should get back to the study and figure out what we're doing. I think we're probably a lot more on the same page here than we're not in figuring out what our plan is, but we need to do the study. Let's get a study done, one study. Maybe we can just finish this study.

The Chair: We have Mrs. Block and then Mr. Kusmierczyk.

Mrs. Kelly Block: Thank you very much, Mr. Chair.

This is the purpose of the government operations and estimates committee. Its purpose is to be studying the mains, reviewing them and then making a decision. That is our job, and we don't need a study to determine whether or not we believe that the estimates should be reduced. That's really the only thing we can do. We can't increase. We can keep the budget the same, or we can reduce it.

We've done the study. We're at the point of looking at recommendations. We already know what has been spent in an extravagant way. I'm just hoping that my motion gets passed by this committee, because our job is to hold departments accountable and this is one way we can do it.

The Chair: Go ahead, Mr. Kusmierczyk.

Mr. Irek Kusmierczyk: Thank you, Mr. Chair.

I'm in full agreement with the argument that was made by Mr. Johns, my colleague. Even though we share certain sentiments, obviously, about the cost overruns, and though we have significant concerns and questions about some of the expenditures of the Governor General, at the end of the day, we're putting the cart before the horse here.

We need to do a study. We need to complete the conclusions and the recommendations of the study that's before us. That study is only half finished. We still have work to do. We haven't come up with all of the recommendations. We haven't approved it. There is much to be discussed.

Again, I just heard a couple of seconds ago my colleague across the way saying that we don't need a study. It's the same argument that underlies the notion that we don't need a briefing on national security to understand national security. I mean, this is how you govern. You get briefings, you look at facts, you conduct studies and you make an informed decision based on the information that you've gathered and the debates that you've held.

I don't quite understand coming in with a motion—again, as my colleague said—without even giving the Liberal side a heads-up that this motion was coming forward. That's not collaboration. That's not working together. That's not trying to get to the bottom of things. That's not trying to make an informed decision.

Again, for that matter, I fully support what Mr. Johns has brought forward. He has once again brought forward a pragmatic, responsible suggestion, which is to complete the study first, and then talk about the next steps in terms of what rules and frameworks need to change for the operation of the Governor General's office. I will be voting against.

● (1750)

The Chair: Mr. Barrett.

Mr. Michael Barrett: Thanks, Chair.

There are a couple of things that I'll cover off.

I disagree respectfully with my colleague from the Bloc with respect to the office of Governor General and our transitioning to a republic, but I'm pleased that she seems to have found some consensus with her colleague from Mount Royal, who seems to be looking for that transition to happen. I'm quite pleased with the established practices that we have and am proud to be part of the Commonwealth, and God save the King.

That being said, I think the Governor General could save some money. It's important that we pay attention to the amount, with respect to Mr. Housefather's comments, that the Governor General didn't spend. To my reading, there were hundreds of thousands of dollars, more than three-quarters of a million dollars, in lapsed funding from the Governor General's office. We have the ability to make a reduction of \$136,986.31 because that's an amount that was identified, through the work of this committee, as excess and luxuries that are incompatible with the expectations of Canadians. We don't need to produce a study on that.

While with all due respect I appreciate the history lesson from Mr. Johns on what happened more than 10 years ago, we've had a Liberal government for eight years. If, by voting against this motion, the NDP wants to effectively support luxury and excess for the Governor General in having an extra \$136,986.31 for champagne and caviar, that's certainly their prerogative, but I wasn't here in 2012. I'm here in 2023. I'm going to vote to reduce the budget by \$136,986.31, because what we've seen from her office is not consistent with what's acceptable when Canadians are facing the hardships they're facing.

The Chair: Thanks, Mr. Barrett.

Mr. Housefather is next.

Mr. Anthony Housefather: Thanks, Mr. Chair.

I'm glad my friend Mr. Barrett takes such notice of my words. All I said was that my preference would be to eventually have a Canadian head of state. It's not that I think we can amend the Constitution now, or that it should be a priority, but I would rather have a Canadian head of state one day. It's just my view.

When it comes to attacking the institutions of the monarchy and the Governor General, this reduction in budget with no real explanation is to me a very insensitive way of treating the current Governor General, because essentially it's an attack on her. It's an attack on her spending. It's an attack on how she has been doing things.

Again, I believe this committee is able to have a proper report that doesn't arbitrarily take away funds when we don't understand why. I was a mayor and a councillor for many years. We would never look at a budget and not have any idea of the line breakdown of a budget or have a member show up at the last minute at a meeting and ask for monies to be taken away without having socialized it with other council members. We've done no study of the Governor General's budget specifically. I don't recall one question being asked about this amount—today even— and I just don't think it's the right way to go about it. We should finish our report properly.

I'm perfectly prepared to say again in the report that the Governor General shouldn't have a clothing allowance and that the salary of the Governor General should generally cover clothing. I believe we should make recommendations related to all travel of the Governor General and go through all of the things and the points we set out in our study and properly line them up in a report, which, again, we never seem to get to, because different members bring up motions constantly to have new studies about everything, and we never finish anything.

In the end, Mr. Chair, again, I don't think this is the right way to go about this type of motion, in my personal view.

Thank you, Mr. Chair.

• (1755)

The Chair: Next is Mr. Johns.

Mr. Gord Johns: I have a couple of things.

First, I know that Mr. Barrett doesn't want me to go back 10 years, in that he wasn't here, but his leader was here. In fact, he was in cabinet when they doubled the pay to the Governor General, so yes, I think it is relevant in that we have a conversation about how we do things.

I'm feeling a little blindsided about this too. It's like Mr. Housefather said. You cut a certain amount and there are no details about it—whether this is going to be about travel, about staff or about clothing or whatever expenses come in.

I'm open to the conversation. I want to have this conversation. Like Mr. Housefather, I also sat in local government. Even at the local government level, you actually look at things. You do a report with your staff, you come back and then you make decisions, instead of arbitrarily deciding on this certain amount of money that could not do what we actually want it to do.

If we want to cut in certain areas, then let's do that, but let's do it right. We have a study we're doing that we're not doing—instead, we're constantly reacting.

We have eight studies, Mr. Chair. We have not completed a single study in two years—

The Chair: I'm going to interrupt you, Mr. Johns. I'm going to adjourn.

Mr. Gord Johns: It has been two years.

The Chair: Yes.

Mr. Gord Johns: It's like a double-double, Mr. Chair. I know Conservatives understand that language.

The Chair: I'm going to adjourn because we have to go and vote.

I will bring up the fact that, if you look at past OGGOs, you'll see that your previous colleagues did very similar in reducing the estimates.... That is our role.

Anyway, we are adjourned. I'm disappointed that we did not get to a vote. That is our job in this committee, but that is life.

We are adjourning so we can go and vote. The estimates will be deemed reported tomorrow.

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