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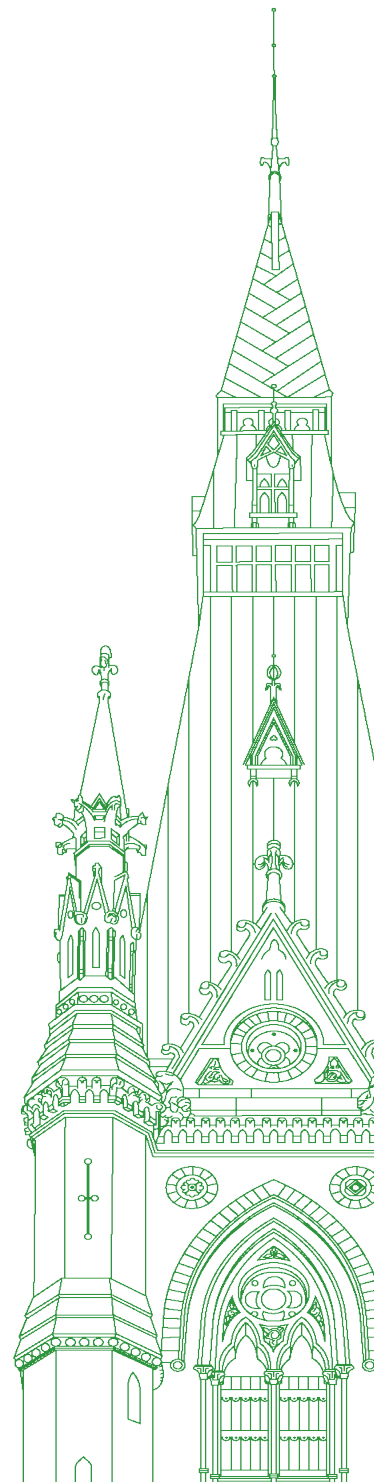
Standing Committee on Public Accounts

EVIDENCE

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Thursday, June 19, 2025

Chair: John Williamson



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• (1030)

[Translation]

The Chair (John Williamson (Saint John—St. Croix, CPC)):
Good morning, everyone.

I call the meeting to order.

I would like to welcome you to meeting number 2 of the House of Commons Standing Committee on Public Accounts.

[English]

Today's meeting is taking place in a hybrid format, pursuant to the Standing Orders.

Members, I believe, are all in the room today in person, although of course members have the option to join us remotely using the Zoom application.

Before we begin, I'd like to ask all in-person participants to read the guidelines written on the updated cards on the table. These measures are in place to help prevent audio feedback incidents and to protect the health and safety of all participants, with particular emphasis on our interpreters. You'll also notice a QR code in the card, which links to a short awareness video.

I'd like to remind participants of the following points.

Please wait until I recognize you by name before speaking. All comments should be addressed through the chair. Members, please raise your hand if you wish to speak, whether participating in person or via Zoom, and catch either my eye or the eye of the clerk. The two of us will manage a speaking order if one is necessary.

[Translation]

Pursuant to Standing Order 108(3)(g), the committee is beginning consideration of reports 1 to 4 of the Auditor General of Canada and reports 1 to 4 of the Commissioner of the Environment and Sustainable Development, published earlier this year and referred to the committee on Tuesday, June 10.

[English]

I would like to welcome our witnesses from the Office of the Auditor General. Thank you for coming in today, and thank you for agreeing to come in a little earlier.

We have Ms. Hogan here, the Auditor General of Canada. It's nice to see you. Thank you again for being here.

We have Mr. Jerry DeMarco, commissioner of the environment and sustainable development. It's nice to see you again. We also have Andrew Hayes, deputy auditor general. It's nice to see you.

We are also joined by Sami Hannoush, principal, and Nicholas Swales. It's nice to see you as well.

I understand that we will have two opening statements of five minutes each. I believe, Ms. Hogan, you will begin.

You have the floor.

Karen Hogan (Auditor General of Canada, Office of the Auditor General): Good morning. Thank you, Mr. Chair, for the opportunity to appear before the committee to discuss our recent reports.

I would like to begin by acknowledging that we are gathered on the traditional unceded territory of the Algonquin Anishinabe people.

You've introduced who is joining me today. We also have other members of our management team responsible for a few of the other audits that are present so that we can fully address any questions that the members may have.

Before turning to our reports, I would like to take a moment to briefly outline the role of my office for the benefit of members newly appointed to this committee, while also acknowledging those of you who are returning and who are already familiar with our mandate.

As Auditor General of Canada, my role is to provide Parliament with independent and objective information on how public funds, programs and services are managed on behalf of Canadians, supporting your efforts to hold government organizations to account. We do this through financial audits, performance audits and special examinations of Crown corporations.

Within my office, the commissioner of the environment and sustainable development plays a key role in auditing the federal government's actions on environmental protection and sustainable development, and in monitoring progress towards Canada's climate and sustainability commitments. Together, we are happy to support Parliament and all of its committees in any way that we can.

Your insights and feedback are vital to shaping our work. We exist to serve Parliament and strive to continuously adapt to meet your needs. For example, our update on past audits was launched in 2021 to answer Parliamentarians' questions about departments' progress in implementing our previous recommendations. We received feedback from the House of Commons and the Senate, and we will be introducing a new approach to following up on recommendations in the near future.

Turning now to our recent reports, we will be making a joint opening statement, beginning with the commissioner.

Jerry V. DeMarco (Commissioner of the Environment and Sustainable Development, Office of the Auditor General): Thank you.

The reports I am presenting today all involve issues that are fundamental to achieving sustainability.

I'll begin with our audit of Canada's national adaptation strategy, which aims to coordinate climate change adaptation action across Canada.

We found weaknesses in the strategy's design and implementation. Key elements were missing, such as a prioritization of Canada's climate change risks. We also found that the adaptation action plan, which is central to a national strategy, was not comprehensive.

• (1035)

[Translation]

Additionally, two major components of the strategy—the Federal, Provincial, and Territorial Bilateral Action Plans, and the Indigenous Climate Leadership Agenda—were still being developed.

While the 2023 release of the strategy was an important first step, it came nearly 20 years after we first recommended the development of a strategy to adapt to Canada's changing climate. Urgent action is still needed to deliver meaningful results for Canadians' health, safety and livelihoods.

Turning to our audit of Environment and Climate Change Canada, Fisheries and Oceans Canada, and Parks Canada, we examined how they identify and monitor critical habitat for species at risk. The loss and degradation of habitat is the primary threat for most species at risk.

[English]

While all three organizations used the best available information to identify critical habitats, they were often slow to gather the additional information needed to fully understand species' needs. In addition, we found that monitoring on federal land was limited, making it difficult to assess whether actions were delivering intended results.

[Translation]

This is the final audit in a series that focused on the implementation of the Species at Risk Act. Across all these audits, we observed delays and gaps in information that have hindered the protection and recovery of species at risk. To meet Canada's 2022 biodiversity commitments, departments must improve data collection and monitoring to prevent further species loss.

Our next audit examined whether Fisheries and Oceans Canada effectively led the development of an integrated approach to managing marine resources in the Pacific, Arctic, and Atlantic oceans. We found that while the department collaborated with partners in five priority regions, the resulting plans were high-level and did not lead to concrete actions.

[English]

Progress on marine spatial planning, a newer and internationally recognized process adopted by the department in 2018 to coordinate when and where human activities should take place in the oceans, has also been limited. Nearly 30 years after integrated ocean planning became law, Canadians are still waiting for meaningful implementation. With worsening climate change and increasing pressures on marine resources, the department must step up its leadership.

My final report looks back on over 30 years of federal sustainable development actions and outlines six lessons to help Canada improve its performance and build a better future.

Implementing sustainable development is proving to be an immense challenge in Canada. Despite setting national and international targets, Canada has made the least improvement among all G7 nations in meeting the United Nations sustainable development goals.

[Translation]

The report calls for a more integrated approach to sustainable development that incorporates social, economic and environmental factors in decision making, policies and programs. Other lessons include stronger national leadership and deeper collaboration—especially with Indigenous governments and peoples.

This completes the summary of my four reports.

The Auditor General will now review the key findings of her reports.

Karen Hogan: Thank you, Mr. DeMarco.

I will turn first to our audit of registration under the Indian Act. Registration gives First Nations people access to vital services such as on-reserve housing, financial support for post-secondary education and health benefits not covered by other programs.

We found that Indigenous Services Canada poorly managed the registration process. The department averaged almost 16 months to make a decision on complex registration applications, exceeding its six-month service standard. Even on applications prioritized for reasons such as medical emergencies, the department took on average about 10 months to deliver a decision.

• (1040)

[English]

Indigenous Services Canada has the mandate to gradually transfer registration responsibilities to first nations communities, working with community-based registration administrators and trusted source organizations that help people apply for registration. However, we found that funding for trusted sources was unpredictable and unstable, and that the funding formula for community-based registration administrators had not changed since 1994.

Registration under the Indian Act plays a central role in recognizing first nations people under Canadian law. It gives access to important services and benefits, but people are waiting far too long for decisions.

Our next audit examined the Department of National Defence's project to replace Canada's aging CF-18s with advanced CF-35A fighter jets. We found that the estimated costs of the future fighter capability project have significantly increased, and the project faces several risks that could jeopardize timely introduction of the new fleet.

The Department of National Defence originally estimated that the project could cost \$19 billion. The audit found that this figure was based on outdated information, and that by 2024, the projected costs had increased to \$27.7 billion, almost 50% more than the original estimate. This figure does not include essential elements needed to achieve full operational capability, such as certain infrastructure upgrades and advanced weapons, which would add at least \$5.5 billion to the total estimated cost.

[Translation]

The audit also revealed other important risks, including a potential shortage of qualified pilots and delays of over three years in the construction of two new fighter squadron facilities for the CF-35s. The resulting need to develop interim facilities solution will further increase infrastructure costs.

Maintaining a strong fighter-jet capability contributes to the safety and security of Canadians. This large multi-year project requires active and ongoing management to control risks and costs to ensure the timely rollout of the CF-35 fleet.

Our next audit looked at the federal government's efforts to right-size its office space to minimize costs and free up underused properties for potential conversion into affordable housing. In 2017, Public Services and Procurement Canada, or PSPC, estimated that half of the government's office space was underused and planned a 50% reduction by 2034.

Our audit found that PSPC had made little progress in its efforts over several years to reduce its office space. The department estimates that the office space reduction will result in savings of about \$3.9 billion over the next 10 years. However, it achieved less

than a 2% reduction from 2019 to 2024, mainly because of a lack of funding.

[English]

The Canada Mortgage and Housing Corporation, or CMHC, supported by Housing, Infrastructure and Communities Canada, is mandated to transform surplus federal office properties into affordable housing through the federal lands initiative.

The audit found that while CMHC was on track to meet the initiative's 2027-28 target to secure commitments to build 4,000 new housing units, the target is based only on commitments, and that only 49% of units will be ready for occupation by 2027-28. Public Services and Procurement Canada and federal tenants need to accelerate their efforts to reduce the office space they occupy and contribute to increasing stock for housing that is sustainable, accessible and affordable.

Our final audit examined the government contracts awarded to GC Strategies Inc., an Ottawa-based information technology staffing company.

From April 2015 to March 2024, 31 federal organizations awarded 106 contracts to GC Strategies. We found that federal organizations frequently disregarded government procurement rules meant to ensure fairness, transparency and value for Canadians.

• (1045)

[Translation]

For example, federal organizations are responsible for assessing the level of security required for a contract and for verifying that the people doing the work have the necessary security clearance. The audit found that, in 21% of contracts examined, organizations lacked documentation to show that they had confirmed security clearances.

The audit also found that federal organizations disregarded government requirements to monitor the work performed by contractors. The organizations frequently did not have evidence to show who performed the work, what work was done, or whether the people doing the work had the required experience and qualifications.

[English]

The findings of this audit echo those of previous audits that also showed deficiencies in how public servants applied federal procurement rules.

This report does not include any recommendations, because I don't believe that the federal government needs more procurement rules. Rather, organizations need to make sure that public servants understand and follow existing procurement rules.

Mr. Chair, this concludes our opening remarks. We would be pleased to answer any questions the committee may have.

The Chair: Thank you very much, Auditor General.

We'll begin our first round, and to refresh everyone's memory, the first round will consist of three members who get six minutes each. I'll remind both returning and new members that I do time and watch the clock, but I've made it a practice to try to not cut off witnesses as they're answering if they exceed the time. This is unique to this committee. I'll continue to do that unless I'm instructed to do otherwise. I find it gives our witnesses an opportunity to respond to questions in a serious manner. If it goes on too long, I will have to eventually curtail them, but I think that witnesses generally do understand that we are on a timeline here.

The caveat, though, is that you have to finish your question before your timeline ends. I will not let you go over your time to ask your question, so you do need to monitor your time. However, I do want to always give our witnesses, both the Auditor General's office and department officials who come in, time to answer in a serious manner.

We will kick things off.

Ms. Kusie, you're the first questioner of the 45th Parliament's public accounts committee. You have the floor for six minutes, please.

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

Thank you so much, Auditor General, not only for returning to the public accounts committee but for the outstanding work that you and your team continue to do for Canadians as we continue to evaluate the expenditures of this Liberal government here heading into its 11th year.

By now, all Canadians are aware of the scandal of GC Strategies. It was \$64 million across 31 departments. For you yourself, this is even the second report, not the first, relative to this scandal and GC Strategies. In addition to the reports that you have completed, the procurement ombud has made appearances across committees and indicated grave concern about procurement regulation and how this is followed. This certainly circles back to the report here today.

What GC Strategies did was egregious, and no organization, entity or corporation, big or small, should ever be able to do this to Canadians and the Canadian taxpayer. However, it's evident once again from this most recent report that this government let them do it. They weren't willing to support a motion in the House of Commons that banned GC Strategies for life; they supported, rather, a paltry seven-year ban. You yourself said in your own words that the rules are clear: that no more policies are needed, that no recommendations are needed here, that the government need only follow and enforce the rules.

Why, based upon your intense evaluation, is this Liberal government incapable of following and enforcing the rules?

• (1050)

Karen Hogan: I think that's a question that we asked ourselves through many procurement audits that we've done over the last couple of years: What is driving the behaviour that we are seeing in the public service?

I think I would point to two things. What is it about the procurement process in the federal government so that a staffing company is the mechanism that is typically used for IT services? Is it because the procurement process is complex or that those delivering those services don't want to wade through all of that and are happy to just go through a staffing company? I do think that that's something that the government needs to figure out.

There might be certain services for which staffing companies make sense and other services for which they don't. The rest, I think, then rests with the public service. Why aren't the rules known, and why aren't they being applied?

That is why I didn't see the necessity to issue new recommendations. I think it's essential to go back to the basics and understand the rules, but I also think that the government needs to figure out if there are too many rules and start taking off doubled-up rules or rules that aren't adding any value so that this can be a faster process in the future.

Stephanie Kusie: Yes, but fundamentally, it is the ministers who have oversight of the public service and must ensure the rules are being followed and enforced.

There was a new report issued today that federal managers are now required to sign an oath stating that "they thought about" it—that they've thought about the expenditures before they spend the money. Would you be able to expand upon this new regulation that has been put in place that federal managers must think about the money they're spending before signing for it?

Karen Hogan: I have to admit that I'm not sure I know the language of the oath you're talking about.

I do know, following our work on ArriveCAN, that in the first report we issued on professional services, which included contracts on McKinsey, there was a requirement added that someone in the procurement process needed to attest that they knew all of the rules they needed to follow and that they had followed them.

That's a good reminder, but in my mind, it's just another step. I really do think that it's time to decide whether there are too many rules, because after my audits or internal audits or third parties or the ombud's work, more rules are constantly added, and eventually it just becomes too much for people to be able to apply them with due diligence.

Stephanie Kusie: What I'm hearing you say, then, is that signing an oath saying that public servants thought about the expenditures will not solve the problem, according to your evaluation.

Karen Hogan: Well, I think signing an oath is important. It's a good reminder of the responsibility that comes with the delegated authority. When an individual in a department or a Crown corporation is given authority to spend taxpayer money, it's good to recognize the burden and the responsibility that comes with that, but I'm not sure that it will make sure everyone understands all the rules. I do think there is a need to go back to some training and perhaps streamline rules if necessary.

Stephanie Kusie: Indeed, and ministers do sign an oath when they take office that they will serve Canada and its citizens faithfully. We have seen here that they have failed once again.

In your estimate, then, perhaps you can expand on your comments as to how we can hold both managers and ministers, who oversee the public servants, accountable to enforce the rules, because that's all you really want to see: Are the rules followed and enforced? How can we ensure ministers will do that?

Karen Hogan: I wouldn't expect that a minister would be involved in day-to-day procurement practices in a department. There are rules that state that when a procurement goes over a certain threshold, ministers need to be involved in the approval process, but in the day-to-day.... Most of the contracts we looked at over the two audits on professional services were just about day-to-day contracting.

I do think that a minister should ask the deputy head about how they are ensuring that rules are followed and that good value for money is always achieved. It comes down to those with that delegated authority within departments to be aware of the rules, to apply them and to know why it's important to achieve value for money.

Value for money doesn't always mean the lowest price: It means the best service or best product for the government at a competitive price.

Stephanie Kusie: Thank you for your work.

Thank you, Chair.

The Chair: Thank you very much.

I want to remind people in advance that when the witness has exceeded the time but is wrapping up, members also must not interrupt. If members try to interrupt and ask a pointed question, I end it right there. There's time for the witnesses to give their answers, not for members to try to get in one last question or clarification. There'll be time for that later.

Right now, Ms. Yip, you have the floor for six minutes. Welcome back. It's nice to see you.

• (1055)

Jean Yip (Scarborough—Agincourt, Lib.): Thank you, Chair.

Good morning. It's so good to see all of you back, Auditor General and the environment commissioner. What you do is very important, and certainly the scale and breadth of the topics you study are important, and we all should see their value. Thank you for that.

I would like to turn to Report 4, which is on the professional services contracts. Thank you for your work on this report.

In your remarks, Ms. Hogan, you mentioned that the government may have too many rules. Could you elaborate on that?

Karen Hogan: Well, during our audits, we kept trying to figure out why we were seeing the behaviour that we were seeing. When we spoke to public servants, some at times were unaware of some of the requirements that existed in the procurement rules. I think that would be particularly true when we were looking at some of the lower-dollar-value contracts—contracts under \$40,000—many of which were contracts that were issued to GC Strategies.

By default, the procurement rules are competitive, because that usually ensures a better price, but there are some exemptions. One is if the contract value is under \$40,000. The requirement, however, still exists for whoever is going to issue that contract to say that they need to make sure that this is the right market rate or that they're not paying too much, so they need to do something: email other vendors or do a web search—something. We found that this was often missed, that no one confirmed whether the price was the market price. However, that is a requirement. That's why I say that there are things that seem to be basic to ensure good value for money that are not necessarily always known, which brings me back to why I believe there needs to be a good reminder of the rules and then, to make this more efficient, an analysis or triaging to see whether there are just too many.

Jean Yip: Given that no new recommendations were made, would that suggest that prior guidance is still relevant and applicable today?

Karen Hogan: I did issue recommendations in my first report on professional services contracts. There were recommendations issued in the ArriveCAN report. The procurement ombud has recommendations. I think those are very relevant still.

However, I don't see the value in telling the public service to follow the rules that are already in place, because that creates the need to put an action plan in place—to say what? Is it to say, “Yes, we will”? Well, I think it's about how to make sure that everyone knows what the rules are and how they should be followed. In my view, I think the rules are clear. Now it's about just making sure that everyone who's involved in procurement processes knows them and applies them.

Jean Yip: Have the action plans with regard to those other reports, the ones with recommendations, been implemented? Has there been progress?

Karen Hogan: The report that we just issued in June actually took us back to the exact same time frame of the other reports, so we were looking at contracts between 2015 and 2024. I know that following those first two reports, there were some changes made and some reminders and some training.

I can't tell you whether it's having an effect yet, because I went back to look at the same period of time, so I wasn't surprised to see that we had the same findings; it's because we were looking at the same period of time. I think that time will tell whether or not the reminders will have an effect, but looking at whether there should be a reduction in the rules or a streamlining of the rules is a step that has yet to be done, and I really do encourage the public service to take that step.

Jean Yip: Do you feel that some public servants may have a tough time following the rules?

● (1100)

Karen Hogan: I know that the public servants we meet simply want to do right by Canadians. That's why one of the things I talk to departments about is that there may be too many rules and that this may be slowing down the process and that in the need to serve Canadians better, individuals are going around those rules. That could be a reason, and that's why I think the public service needs to figure out exactly why.

I know that Andrew would like to add something if you would allow me, Mr. Chair, to pass the floor to him.

Andrew Hayes (Deputy Auditor General, Office of the Auditor General): One thing that I think might help public servants is if simplification can be implemented. We found in, for example, our McKinsey report—and it would apply more broadly—that the understanding of the way that standing offers are used, and particularly whether they're competitive or not, is an area that Public Services and Procurement Canada and central agencies can make easier for the public service to understand and, by virtue of that, make it easier for them to follow the rules.

Jean Yip: Do you feel that perhaps there might need to be more training in this area?

Karen Hogan: I always think that training is a good reminder, and I don't think that training, when it comes to procurement, should be a one and done. I think that it should be repeated after a certain period of time, because the rules do change or because maybe you haven't done procurement in a long time and it's a good reminder.

However, that's just one step; that's not going to cure it all. You do have to have someone who monitors, and every procurement group within a department should have its own monitoring to see internally whether or not rules are being applied. When they're not, that's when you highlight areas of, perhaps, repeat training or individuals who just need some coaching.

Training is just the beginning of what is needed to make sure that procurement is properly done.

The Chair: Thank you very much.

That is your time, Ms. Yip.

[Translation]

Mr. Lemire for six minutes.

Sébastien Lemire (Abitibi—Témiscamingue, BQ): Thank you, Mr. Chair.

Many thanks to the witnesses for their work. Indeed, it's very interesting to discover how important public accounts are and the role we can play in that regard.

Ms. Hogan, I read the GCStrategies report and I was struck by the skyrocketing costs of IT contracts, which went from \$1.3 billion in 2015 to \$2.8 billion in 2025. That's an \$18 billion increase.

In your opinion, is that something that should be subject to an in-depth review? Are there sufficient resources to do a deep dive on the IT contracts being awarded? Next, how do you audit a report? I imagine that you cannot audit all contracts totalling \$2.8 billion.

Karen Hogan: I'm going to start with the last question.

When we audit reports, obviously we cannot audit each and every one of them. Therefore, we use sampling, which is a well-established scientific tool in auditing. It consists of reviewing enough contracts to draw reliable conclusions on all the contracts as a whole. That is how we proceed.

The increased number of IT contracts is in line with the increased number of professional services contracts within the federal government, and there are reasons for that. For example, if there is a labour shortage or an unexpected increase in workload, I agree that contracting is necessary. In that case, there are good reasons for doing so. However, when contracts are awarded due to a lack of expertise, I'd like the government to determine how to transfer that expertise to the public service, to avoid always having to grant contracts to third parties.

Sébastien Lemire: Another thing that strikes me in your report is the absence of additional recommendations. I raised this point in the House of Commons, and the Liberal government essentially said it was good news, as if it was a vote of confidence on your part. We just heard a question about that too, which shows how casually the government is treating this change.

Can you share your thoughts? What motivated you not to issue any recommendations and to refer to the three reports where your recommendations were, in my opinion, highly critical?

Karen Hogan: It is extremely rare for my office to not include its recommendations in a report. Yes, I wanted it to be taken seriously and for parliamentarians, as you are doing here, to wonder why we took such an unusual position in an audit.

When an audit is glowing, no recommendations are needed. However, in this case, I didn't issue any recommendations because the regulations are clear. I don't think I need to tell the public service and the government to follow their own policies. Rather, I'm encouraging them to assess the reasons behind the deficiencies we noted, because these findings are troubling. The regulations are there to ensure transparency and accountability and to make sure taxpayers are getting good value for money.

• (1105)

Sébastien Lemire: Thank you for that answer.

When it comes to awarding contracts, I think it's important to distinguish between competitive contracts and non-competitive contracts. I get the impression that the exemption for contracts valued at less than \$40,000, even if that threshold was raised—it was under \$25,000 in June 2019—fosters a lack of accountability. You refer to this in paragraph 4.20.

Is the threshold too low? Are there abuses? Do non-competitive contracts by mutual consent go that route? Does this foster cronyism and a lack of accountability?

Karen Hogan: I think it's a good thing to have a threshold exempting some contracts from a competitive process. Sometimes, low-value contracts are needed to speed things up and it's not always necessary to go through a major contracting process.

We always verify whether there were abuses or whether departments split contracts or granted a first contract under the RFP threshold to then grant more later. However, we didn't see this with GCStrategies, as I already mentioned. I saw that kind of situation during the first audit of the professional services contracts awarded to McKinsey. I expect, too, that departments will ensure contracts aren't split to circumvent the competitive process, which should always be the first choice when it comes to procurement.

Sébastien Lemire: Would raising the threshold to \$40,000 be appropriate, to increase accountability?

Karen Hogan: In light of inflation and rates for some services, it's true that the \$40,000 threshold can be too low at times. However, it isn't up to my office to make that recommendation. Rather, it's the government's decision. Then, I can verify whether it's abiding by its own decision.

Sébastien Lemire: Quebec is conducting an in-depth investigation of SAAQclic. In your opinion, should the federal government consider striking a commission of inquiry on IT contracts and cost overruns?

Karen Hogan: The government needs to make that decision. I didn't ask for or recommend that kind of commission of inquiry. If such a commission were to be struck, perhaps it should be tied to the pandemic response, so that the country can be prepared to respond going forward. As for contracting, the public service must return to the basics and follow the rules.

Sébastien Lemire: The message is clear. Thank you very much.

The Chair: Thank you.

[English]

We will now begin our second round, which will consist of five members: two from the government, two from the official opposition and one from the third party.

[Translation]

Mr. Deltell for five minutes.

Gérard Deltell (Louis-Saint-Laurent—Akiawenhrahk, CPC): Thank you, Mr. Chair.

Colleagues, I'm delighted to see you.

Ladies and gentlemen, welcome to your House of Commons.

I'm very pleased and proud to sit on this committee. I went into politics to ensure that taxpayers' money is being managed in an intelligent and profitable way for all Canadians, with no cost overruns and money being thrown away. Unfortunately, it's clear that today's testimony is proving the exact opposite. Commitments aren't being kept and there has been a lack of rigour over the last decade. Canadians are now paying the price.

We are currently looking at GCStrategies, a company managed by two individuals working out of a basement. This company was unable to do things properly, on budget and on time, with respect to the ArriveCAN app. This is the second time the Auditor General has audited the management of GCStrategies' files. Indeed, 106 contracts were awarded to 31 government agencies, but there was a lack of rigour. Furthermore, they spent money shamelessly and with very few results.

Ms. Hogan, how do you explain this situation?

Karen Hogan: As you mentioned, this isn't the first procurement audit in which I've noted the government has ignored the rules.

Let me be clear: I'm not auditing GCStrategies, but rather the government's actions or lack of actions. There was a question I asked during both audits, and I recommended the government identify the root cause of the problems we noted. In my opinion, either individuals don't understand the rules or there are too many rules. The rules are being circumvented, and that's why I recommend the government, to improve the entire process, step back and review its procurement rules.

• (1110)

Gérard Deltell: I understand, Ms. Hogan. However, it's unbelievable that we've reached this point after 10 years. It's simply a matter of enforcing the rules. This isn't rocket science. This is about the sound management of public funding, the key aspect. No parents would manage their money properly if they did exactly what the government has been doing for the past 10 years. This is about a basic rule.

We hear about a lack of evidence, rationales and competency checks; few security measures; a lack of time sheet assessment and tender demonstration; fees that are 80% higher than usual and poorly managed absenteeism. How is it that, after 10 years, people can't even manage to follow the basic rules and ensure the sound management of taxpayer money?

Karen Hogan: Thank you for your good summary of the findings in our report.

I'm concerned that 94% of contracts require time sheets to show that the work has been done, but that some officials don't ask for these time sheets. We found a contract involving 25 resource people, but the department could provide time sheets for only one of those 25 people.

They received the money. The officials assured us that the services were rendered. Yet, as you said, it's necessary to go back to the basics to demonstrate the careful use of public funds.

Gérard Deltell: This vital department isn't entrusted to beginners. The people who led this department were highly experienced politicians and experienced ministers. Unfortunately, four of them failed to do their homework. Yet they still play a key role today. I'm talking about Mr. Mendicino, the current chief of staff of the Prime Minister of Canada and second in command in the country; the Minister of Crown-Indigenous Relations; the Minister of International Trade; and the current Minister of Foreign Affairs.

Why were four ministers rewarded by the current government and why do they remain in office, even though they turned a blind eye to this lax approach, which is totally unacceptable to Canadian taxpayers?

Karen Hogan: I won't be looking at which departments are involved and who is in charge of them. My mandate has nothing to do with the ministers' decisions, but rather with measures taken by the public service. As I said, I don't expect a minister to be involved in procurement issues on a daily basis. However, I expect the department to brief the minister on its overall procurement process. This involves taxpayer money. I expect better accountability from the public service.

The Chair: Thank you.

[English]

Next, we turn to the government side.

Ms. Tesser Derksen, you have the floor.

Kristina Tesser Derksen (Milton East—Halton Hills South, Lib.): Thanks very much, Mr. Chair.

Thanks to all my colleagues around the committee table.

As a new member of Parliament, I found the reports you submitted very helpful, and I thank you for all of the work you do. I certainly don't want you to feel like you're refereeing a political tennis match here, so I'm going to ask just one question. It's on your report about the professional services contracts.

I don't think anyone's denying that there are serious problems with what happened here, and you have identified that there were certain procurement rules that were not followed.

We all know that nothing happens in a vacuum. Would you be able to provide comment on contextual factors, either internally or externally, on what was going on in the world at the time that may have created a fog within the department and that may have contributed to the relegation of rule-following?

• (1115)

Karen Hogan: When I look at the work I did on professional services contracts, both the previous one and the one we're talking about today with GC Strategies, it covers a long period of time, from 2015 to 2024.

That does include the time of the pandemic, and I recognize that at the beginning of the pandemic there was a lot of uncertainty for public servants, who were not sure where to go, and there was a call for them to really step up and deliver different programs. The secretary of the Treasury Board at the time issued a letter to all of the public service, saying that during a time of crisis, in the time of a health emergency, we needed to focus on service and that they could make some of the processes faster, but that they shouldn't forget to be accountable.

However, I do believe that a pandemic is not a reason to forget certain basic rules, and what we found is that some of these rules were ignored. It wasn't just during that period—it was before and after—and that is why I believe that the government needs to figure out why this behaviour is happening.

As I said, why is a staffing company the procurement mechanism? Is that because it's a burdensome procurement process for smaller businesses or an individual who is an IT expert who wants to support the government to get into government contracts? Is that a reason?

I really do think that the government has to look into that more closely, but then we do have to worry about the behaviours we're seeing in the public service and understand why. It goes back to reminders of the rules and some good training, and I do believe that streamlining will help with the complexities we see in procurements.

Kristina Tesser Derksen: Thank you.

I said that I would ask only one question about this, but I do have just a quick follow-up, because you mentioned the timeline.

There were problems prior to the pandemic and during the pandemic. Can you give us some idea of the proportional ratio of where more of the problems were happening in that timeline?

Karen Hogan: I didn't do the triaging by years, I have to admit, but if I look at the first report we did, there were 10 departments and 10 Crown corporations on the professional services contracts with McKinsey, and in almost every case there was an issue. There were a few that were doing a good job, but for the most part, there were issues.

In this report, there were 31 federal organizations, and we had a concern with every contract we looked at, so I don't think you want to link it to time periods. I think you have to link it to its being more pervasive and to figuring out why that behaviour is happening.

Kristina Tesser Derksen: That's great. Thanks very much.

I'm going to move on to Mr. DeMarco for his report.

I want to focus on the environment and sustainable development report. I did read it through. I take note that in your report about the national adaptation strategy, you found problems with the design and implementation. You mentioned that in your opening remarks as well.

There were three components, if I understand correctly. The federal, provincial and territorial bilateral action plans and the indigenous climate leadership agenda were the two that were particularly problematic, if I'm remembering correctly. I'm presuming that the third, the "Government of Canada Adaptation Action Plan", was satisfactorily established. Is that correct?

Jerry V. DeMarco: Yes. If you look at exhibit 1.4, you see that the national adaptation strategy was essentially intended to be a three-legged stool, with the three components that you just talked about. Only one of those legs is in place, so it's a precarious strategy at the moment, with only one of those legs.

That federal action plan, which was the central component of the strategy, is in place, so I can confirm that there's a check mark for that. However, we do, later in the report, talk about gaps within that action plan. I wouldn't say that even that leg is a perfectly sturdy one. There are the problems outlined, including a prioritization of risks, an economic analysis and—a theme today—a value-for-money analysis, so there are issues associated with that one leg that is in place.

[Translation]

The Chair: Thank you.

Mr. Lemire, you have the floor for two and a half minutes.

Sébastien Lemire: Thank you, Mr. Chair.

Ms. Hogan, since I'm also the Bloc Québécois critic for indigenous relations, I would like to talk about the report on registration under the Indian Act. I find this issue particularly significant.

In recent years, a number of people have falsely claimed to be of indigenous descent. Your report states that the department hasn't always been able to prove that registration decisions were made by duly accredited officers. Who should make these decisions? Are self-declarations sufficient? Shouldn't we give the communities the power to determine who is and who isn't indigenous, and give them sufficient resources to do so?

• (1120)

Karen Hogan: The registrar is currently responsible for making decisions on any registration under the Indian Act. Yes, Indigenous Services Canada is responsible for transferring all registration responsibilities to indigenous communities. As part of our audit, we looked at its relationship with the organizations designated as reliable sources that help indigenous people apply for registration.

However, we found that the budgets of these organizations weren't updated and were insufficient. It's impossible to transfer the responsibilities without ensuring that the communities have the funding and skills to manage everything. We made a number of recommendations to support the department in this area.

Sébastien Lemire: The impact is significant. The delays mean that study projects are being postponed. Of course, this means that indigenous people won't be able to receive medical care, such as surgery, for example.

Don't you think that it's basically a two-tier system and that people are being personally left behind, given the government's lack of action in this area?

Karen Hogan: I'm concerned that it takes so long to communicate a decision on a registration application. It takes 16 months on average, which is really too long. Even for priority cases, such as individuals with medical issues, as you said, the time frame is around 10 months.

The government must ask itself why it can issue a Canadian passport so much faster than it renders a decision on a registration application. The public service can send out something important within a more reasonable time frame.

Sébastien Lemire: Thank you.

The Chair: Thank you.

[English]

Mr. Kuruc, you have the floor for five minutes, please.

Ned Kuruc (Hamilton East—Stoney Creek, CPC): Thank you. I appreciate this.

This is exciting for me, because at constituents' doors, we heard a lot of what was going on with GC Strategies, so I can finally bring the voice of my riding to this public accounts committee. It's quite exciting.

I want to touch upon—and I thank you for touching upon—value for money. This is very important to me personally and to Canadians and Conservatives, I think. I want to touch upon how we had some success, in that we passed the motion to get \$64 million back for taxpayers, and I'd like to thank our member from the Bloc for supporting that as well.

Therefore, my line of questioning will be around value for money. On page 8 of your report, you mention that federal organizations hired by GC Strategies were hired for their "specialized expertise", but on page 9, you noted that in 33% of the contracts you reviewed, those same organizations could not show that the contractors actually had the necessary experience and qualifications.

We all know that GC Strategies is a two-person company that simply outsources the work that it receives. Is it standard practice for government departments to not check the skills and qualifications of people hired through their outsourcing contracts?

Karen Hogan: I would tell you that the rules require the public service to look at that, and that's why I say that the rules are clear. You have to put in a contract the skills and competencies that you believe are necessary to deliver the work that you need done.

GC Strategies does not do any of the IT work. It subcontracts that out, but the expectation is to then receive the résumés of the resources or a description of previous work that resources have done. As you pointed out, in 33% of the contracts we looked at, that documentation had not been maintained, so it was difficult for us to be able to conclude that the resource that did the work actually had the skills and competencies that were required and was, hence, being paid at the right rate.

The work was done, but we can't tell you whether it was good value for money, and neither could the departments, because they didn't have the evidence to support that the right skills did the work.

• (1125)

Ned Kuruc: Thank you for clarifying that. Maybe that recalls some of the behaviour you mentioned over the last few years, which I would maybe call bad behaviour of this government over the last few years.

I have another question. On page 11 of your report, you highlighted that the government contractors must prove they did the work before getting paid, yet your findings show that in over 40% of the contracts examined, there was "little to no" proof that the work was actually done. However, the government departments still approved routine payments to GC Strategies.

I find that very concerning. I know that my constituents found that very concerning during the election. That was the question: If they're not doing the work, how are they getting paid? Who's looking at this? What's the oversight?

Is this normal, and how is this the case?

Karen Hogan: I would have told you that it is not normal to sign off and certify that payments should be made when there isn't proof that the work was done, and this was one of the concerning behaviours that we saw.

Again, the rules here are very clear. An individual who is going to certify that an authorized payment is to be made has to have made sure that the work was done, that the deliverables were received, and that the rates charged are accurate rates. Not seeing that made us ask a lot of questions, and many of the public servants told us, "Well, we know it happened, but we just don't have it here to show you and demonstrate it." That's why the procurement rules exist: to make sure that you leave that trail to show due diligence and to show value for money.

We're not saying that the work was not done; we're just saying that the public service could not show us that the work was done.

Ned Kuruc: That's fair enough. Thank you for your answer. I guess we could chalk that up to bad behaviour again.

There is another question I have here, and I'm shortly running out of time.

With regard to value for money, how is it possible that, before signing off on millions of taxpayers' dollars in payments, 31 federal departments got it wrong under the purview of this government?

Karen Hogan: I believe that points to one of my findings: that I had no reason to believe that this is limited to a specific vendor. I don't have a reason to believe that we are seeing this behaviour because it was contracts with GC Strategies. This is because it is across so many organizations, and it echoes the findings in my first report, which looked at contracts with McKinsey & Company.

I do believe that it's about going back to the basics, honestly, of knowing what the procurement rules are and really appreciating why they're put in place. Most contracts—94% of the contracts—required a time sheet, and to not collect them is a bit of a head-scratcher, because that's the easiest way to show who did what.

The Chair: Thank you very much.

Mr. Housefather, it's nice to have you back at committee as a full-time member.

You have the floor for five minutes, sir.

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

Thank you so much to all of you for all of the work that you do.

I don't want to put you into a political ping-pong match. I was going to ask you generally about the F-35s, but before I do that, I have some questions based on the last round of questions.

My Conservative colleague talked about the House passing a motion to recover \$64 million, which, as I understand it, is the entire amount paid to GC Strategies. Ms. Hogan, is there any legal basis whatsoever to reclaim the entire amount of money paid to that company, essentially claiming that no work was done whatsoever?

Karen Hogan: I couldn't speak to the specifics in each of those contracts. There are 106 contracts, so from a legal perspective, the departments would have to look at that.

However, as I said, we saw contracts where the work was done—

Anthony Housefather: Some of the money—

Karen Hogan: There was proper support and documentation, so I think an evaluation is needed.

Anthony Housefather: Based on your report, for some of the money that was paid, work was actually done. You have no basis to know that any work wasn't done. All we know is that our standards weren't met, in the sense that they couldn't document, through time sheets or other things that were required under the contract, that the work was done.

I'm not arguing that it wasn't shoddy. I'm not arguing that we should be giving contracts to consultants to do HR hiring that we could do ourselves, but we have to put things in perspective. That's what I want to get from you.

Karen Hogan: I know Andrew will want to add something here, but every good auditor will tell you that when you don't leave a trail, there is no proof that things have been done. All I can tell you is the attestations I have of public servants, but the lack of supporting evidence is always concerning.

Andrew, did you want to add something?

• (1130)

Andrew Hayes: Yes. With the proviso that it's not for us to provide a legal opinion, what I would say is that the Financial Administration Act certification, which requires a delegated official to release payment, would basically be seen by our office as that person saying that they got the services—or the goods, in the case of a goods contract—that were supposed to be provided. That's a problem when there isn't a paper trail: The government is in a tough spot going after a person for whom they've authorized payment and certified that the goods and services were received.

Our message to the public service is make sure that you document your files when you sign off on the release of public funds to a contractor.

Anthony Housefather: As somebody who used to be a general counsel, I very strongly believe in strong contracts and being able to show that you followed those contracts.

What I'm also trying to talk about, though, is a question of legal liability. I don't know how the Government of Canada could purport to recover the full \$64 million paid to GC Strategies. One would be led to believe by some of my colleagues' comments that there's \$64 million sitting in a GC Strategies bank account that the Government of Canada paid out. No: GC Strategies essentially paid its subcontractors. GC Strategies was hired to hire other individuals to do work. We have no evidence that GC Strategies didn't use this money, other than its profit margin, to pay out the subcontractors.

Is that correct?

Karen Hogan: As I said, I did not look into the actions of GC Strategies, but I would assume that if all of its subcontractors had not been paid, the federal government would have been hearing about it.

Anthony Housefather: That's right. Essentially, there's no \$64 million sitting in GC Strategies for the Government of Canada to reclaim. Is that correct, as far as you know?

Karen Hogan: I can't comment on—

Anthony Housefather: I mean, based on a reasonable person's assumption—

Karen Hogan: I can't comment on what's on the books at GC Strategies. I did not audit that company.

Anthony Housefather: That's not what I'm asking you. I'm saying, as a reasonable person, as you just said, they likely paid all of their subcontractors the monies they were supposed to be paid. They didn't earn \$64 million in profits from the federal government; they were paid a total amount of \$64 million, with which we know they hired subcontractors, and some of the different contracts were fulfilled. We have no proof that the others weren't fulfilled. We just know they didn't meet the written requirements or the requirements of the contract for you to know, on an auditing basis, that they were fulfilled.

Is that correct?

Andrew Hayes: What I would say about this is, first, in our mandate, we don't have the ability to follow through with the contracting. We're at arm's length. We can't go and look at how GC Strategies engaged with the subcontractors.

It's fair to assume that if the subcontractors weren't being paid, they would have pursued both GC Strategies, and probably the government, as a defendant in seeking their compensation.

Anthony Housefather: Did you find any actions that were taken?

Andrew Hayes: We did not do a litigation search or a court search. Again, our point in this is that we can't say exactly what has been provided to the government in terms of services and deliverables when there isn't evidence in the file—

Anthony Housefather: Again, nobody is arguing that was good, just—

The Chair: That is the time, Mr. Housefather. Thank you very much. I appreciate that exchange.

We're beginning our third round now. Again, it will consist of five members, which will probably take us to the top of the hour.

Ms. Kusie, you have the floor again for five minutes.

Stephanie Kusie: Thank you very much, Chair.

I want to go back to how 54% could not prove deliverables were received. You and I had a brief conversation about this previously. As a former public servant, this is absurd to me, considering that the process of signing sections 32, 33 and 34 requires that you must receive the deliverables before payment is released. You must sign the section 33 before the payment is released in the section 34.

Similarly, my colleague mentioned that we've put forward a motion to try to get the money back. Since it's pretty evident here that in 54% of cases they could not prove that deliverables were received, I think it is a reasonable assumption that all of the work was not completed—all of the deliverables were not received—and therefore it would be reasonable to ask for the money back, and for many other reasons, but I think the greatest piece of evidence to ask for the money back lies within that.

In addition, in the last Parliament, I asked the previous Treasury Board president if she would make it an obligation to get the money back. She said she would. We have yet to see a single cent. In the committee of the whole last week, I asked the new President of the Treasury Board—actually, the fourth during my time in this shadow role—if he would make the commitment to the Canadian people to get the money back.

The motion passed, but given all of these lapses—the inability of the previous President of the Treasury Board to get the money back, the weak commitment of the current President of the Treasury Board to get the money back—and going back to your reference to the nuts and bolts, to the paperwork of the public servants themselves, it's astounding, as I said, that a section 33 would have been signed for a financial release in section 34 when 54% could not prove deliverables were received.

This is all leading to my question. In your opinion, at what point are ministers accountable for the funds going out? We have seen in testimony again and again with GC Strategies and procurement that the rules are not being enforced and followed, as you've indicated yourself, yet there seems to be no one who is ultimately accountable for this. It seems to me that the ministers, as my colleague has pointed out, who have been retained in this government and have been promoted in this government, are not even being held responsible for these funds. At what point do you believe ministers are accountable for these funds that are paid out, for which we can't even prove we received a deliverable?

Thank you.

• (1135)

Karen Hogan: If I may, Mr. Chair, just to clarify one of the percentages, it is in 46% of the cases that we found little to no evidence that supported deliverables. I believe the honourable member gave a different number.

I think it's ultimately up to this committee and other parliamentarians to hold ministers to account. It is my responsibility to ensure that deputy ministers, who are the accounting officers of departments, are ultimately accountable for all of the decisions and actions that happen in their organization.

The member is absolutely correct that there's a delegation made to an individual in the organization to authorize that funds be disbursed, and that comes with responsibility. We would expect that

when that certification is done, they leave a paper trail to ensure they can demonstrate that they acted with the best interests of government and spent funds wisely. Ultimately, that's why I think deputy ministers should be coming here to speak to why their procurement processes and their procurement officers were not following procurement rules.

Stephanie Kusie: Thank you.

In addition, 82% of federal organizations could not prove that fees did not exceed market rates. Again, in my time in the public service, three quotes were required. You had to take the lowest. Were any policies violated in not obtaining these?

Also, are there best practices in other jurisdictions that exist to ensure this does not happen again?

Karen Hogan: The finding about not being able to demonstrate that the fees paid were at market rates is a unique one here, as many of these contracts were low-dollar-value contracts, as I mentioned previously, or they were contracts for which only one valid bid was received. While the exemption exists that you don't need to have a competitive process, there is still a requirement to make sure that the price paid is at market value and is not inflated.

This is one of the areas where I think this is why the finding was so high and why, so many times, we didn't see this done. Many public servants didn't know that this requirement existed, but it is one to double-check. Even though you don't go through the competitive process, you should do something to make sure that the price you're paying is a market rate.

The Chair: Thank you very much, Ms. Kusie.

Stephanie Kusie: Thank you.

The Chair: Up next is Mr. Osborne. You have the floor for five minutes.

Tom Osborne (Cape Spear, Lib.): Thank you.

Not to continue to toss the football, which seems to have become a political football, but you've indicated that the government ignored the rules. When you say "government", sometimes the general public looks at the legislature as the government.

When you say the government fell out and either chose to ignore the rules or did not understand them, do you mean parliamentarians or do you mean individuals within organizations?

• (1140)

Karen Hogan: I apologize. At times, I probably use those interchangeably, but in this case, we audit the actions of the public service. It's ultimately the policies put in place by the public service that get approved and should be followed. However, the government, the elected officials, have to make sure that the public service is putting these rules in place and following those rules.

I apologize if I caused some confusion. Here, we were looking at the actions of the public service, and they did not follow the rules that they themselves had in place.

Tom Osborne: Thank you.

You also indicated that ministers should not be involved in the day-to-day part of the tendering process. While there were some times when rules were either not followed or not clearly understood, there are individuals who are trying to make this look like a minister did not do their job.

The real issue here, as I understand it, is that there are perhaps too many rules, and over the course of a number of years or decades, rules keep getting put in place. Perhaps there needs to be a streamlining of rules and a better understanding by and education of public servants of what the rules are.

Can you clarify that?

Karen Hogan: I'm happy that your question kept building on that. It allows me to expand on my response that I gave earlier. The Financial Administration Act, which a previous member was referring to when she mentioned sections 32, 33 and 34, is a law. That is something that the government put in place, and then the rules that the public service put in place are how to operationalize it.

The requirement that you must have evidence when you certify is part of the law. It is part of the Financial Administration Act. How that's done is what's in the rules and regulations. That's where I think there's confusion. There are very many rules added on to how to operationalize that, which I think is why we're seeing the behaviour now of the rules not being followed. It's because they may not be known, or they slow down the process and people might try to work around them to expedite a procurement process.

I hope that helps the member, Mr. Chair.

Tom Osborne: Thank you.

Building on that further, over the course of years or decades, regardless of the administration, ministers put rules in place. Under the Financial Administration Act, those rules need to be followed. We need to ensure that time sheets are signed off, and so on.

What would your recommendations be in this regard? In the last round, there were no recommendations.

There are already enough rules in place. However, for the time sheets that were not signed off on, for example, and the verification that money was being spent as it should be or there was value for money, where does that responsibility rest, knowing that the rules have been put in place?

Karen Hogan: If I walk down the web of rules, ministers are accountable and answer to Parliament. In turn, ministers hold deputy ministers accountable for delivering all of the programs and ser-

vices and following all the rules and acts that exist. Deputy ministers delegate that somewhere in their organization, and the responsibility then rests with a responsible person overseeing procurement in each and every department, agency and Crown corporation.

The requirement of getting a time sheet comes from two places. There's that delegation, but then if the contract calls for it, there's also the enforcement of the terms and conditions of the contract that the departments would have put in place. Ultimately, it flows its way back up through the organization, but it starts with the individual managing the contract and the procurement process.

The Chair: You have just a few seconds. Why don't we hold off until next time and I'll keep that in mind?

Thank you, Mr. Osborne. I appreciate it.

[Translation]

Mr. Lemire, you now have the floor for two and a half minutes.

• (1145)

Sébastien Lemire: Thank you, Mr. Chair.

Mr. DeMarco, I think that it's important to make the most of your attendance here in the committee today. I'll speak on behalf of my colleague from Repentigny, Patrick Bonin, who is basically wondering the following.

In your report 4, you state that the federal government is struggling to implement sustainable development in Canada. You also note that Canada holds the lowest score in terms of improving performance on sustainable development indicators. Why is Canada so slow to make progress and among the worst countries at achieving sustainable development goals? It's as bad as the United States. How can we turn things around?

Jerry V. DeMarco: Exhibit 4.7 in report 4 shows that Canada is improving a bit. The good news is that we aren't heading in the wrong direction. However, the level of improvement is the lowest of the seven G7 countries.

There are 17 sustainable development goals. The four goals that Canada has had the most difficulty improving since 2000 are goal 2, zero hunger; goal 12, responsible consumption and production; goal 13, climate action, which I've often spoken about here or in other committees; and goal 15, biodiversity and life on land. Canada isn't stepping up its progress on these four goals compared to the six other G7 countries. This is one reason why Canada has improved by only 4%.

Sébastien Lemire: Bill C-5 is currently being passed under a gag order. This bill limits the implementation of a number of pieces of legislation and gives the Privy Council the power to ignore provincial environmental legislation. Some of that legislation is much stricter than federal legislation and biodiversity legislation. I'm thinking in particular of the work done by the Bureau d'audiences publiques sur l'environnement in Quebec.

Are you concerned about the potential impact? Will it set Canada back in terms of indicators?

Jerry V. DeMarco: As I said last week, I haven't reviewed the bill. I'll review it when it's passed and becomes law. However, two of our reports are relevant. Report 3 concerns integrated ocean management. It shows that not much progress has been made in determining where to implement new projects in the oceans. Exhibit 3.4 of this report shows that, without studying the areas where energy projects may or may not be permitted and where critical habitats and important carbon storage sites are located, it's harder to make a good decision. People don't have the necessary information.

These two reports and our report on critical minerals last year show that people don't have enough information to make informed decisions. It's concerning. It's time to speed up the implementation of our recommendations to maximize the potential to make good decisions with this information.

The Chair: Thank you.

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

Gérard Deltell: Thank you, Mr. Chair.

Ms. Hogan, when you tabled your report last week, you said something at a press conference that caught my attention. I don't think that I'm the only one in Canada. People in my constituency spoke to me about it last week. You said that your office found issues in almost all the contracts that it reviewed. This showed you that there was no reason to believe that these issues were limited to the two targeted organizations, McKinsey and GCStrategies.

Could you elaborate on this? Does this mean that, given the rule of three, we may see a loss of hundreds of millions of taxpayer dollars?

Karen Hogan: As I said, I completed two audits on professional contracts. The one that I released last week focused on the GC-Strategies contracts, but another audit focused on McKinsey. If we look at the approximately 50 departments and Crown corporations listed in these two reports, I have no reason to believe that the issue is limited to two suppliers. I think that the public service has forgotten or ignored the procurement rules, which I believe are quite clear. It's vital to get back to basics and to ensure compliance with the rules. However, this doesn't mean that no services or products have been received. There's currently a lack of accountability.

• (1150)

Gérard Deltell: This boils down to ministerial responsibility, a basic principle of Canadian democracy. We must preserve it.

The ministers are responsible for the money taken from taxpayers' pockets and for its management. I understand that some public servants may or may not be doing their jobs. I understand that some managers look the other way rather than deal with the issues. However, ultimately, the elected officials are responsible because they collect taxes from people in accordance with the laws and obligations.

When I see that four ministers have taken turns leading this key department, and that today, the Prime Minister's chief of staff, meaning Canada's second in command, and other seasoned ministers, including the minister responsible for trade with the United

States, still play a major role in this government, I think to myself that we can't overlook this and blame public servants.

Let me remind you that a minister once lost her job over a \$16 glass of orange juice. This case involves tens of millions of taxpayer dollars. You're telling me that nothing shows that the same thing hasn't happened in other places. Don't you think that the ministers have a responsibility?

Karen Hogan: Our audits covered a period of about a decade, from 2015 to 2025. That's a long time. Public servants report to their deputy ministers, and deputy ministers report to ministers, who in turn report to Parliament and Canadians. There's a common thread that starts with a public servant and ends with a minister.

Gérard Deltell: We've been seeing this disgraceful lax approach for the past 10 years. The people responsible for it are still in the government and in key positions. Are the taxpayers tuning in today getting their money's worth? No, and that's the problem. You also spoke about the F-35 program. There were cost overruns and people didn't do their jobs properly. For 10 years, people let things get out of hand.

Ms. Hogan, what does it say to Canadians when cost overruns occur at every turn and when there's no accountability to elected officials who then take money out of taxpayers' pockets?

Karen Hogan: I would like to set the record straight. I was just told that our first audit of professional service contracts dates back to 2011, so it covers more than a decade. I like to give accurate answers.

This shows that, over the years, the added rules have probably complicated the procurement process. However, I agree that every public servant, every deputy minister and every minister is indeed accountable to all Canadians.

This process involves verifying that services were received. However, the public service can't demonstrate that services were indeed received in all cases.

The Chair: Mr. Deltell, you have time to ask a quick question.

Gérard Deltell: I see that I'm at five minutes and six seconds, so I'll stop here.

[English]

The Chair: Thank you.

We're running out of time.

Ms. Yip, you have the floor for five minutes.

Jean Yip: In your report, Ms. Hogan, we see that there have been a series of amendments to the Indian Act aimed at rectifying inequities. What are the amendments, and how have they increased the number of registration applications?

Karen Hogan: I think it was back in 2017 and 2019 that there were amendments made to the Indian Act to remove the historical systemic discrimination that existed. In particular, if women married outside of their community, they would lose their Indian status, and their children would also. There were legislative changes made that rectified that. Individuals then had to apply.

What that caused was an increase in applications. The period we looked at was between 2019 and 2024. In that time frame, there were 140,000 requests for registration that were looked at, which was an increase over previous years, for sure. Those priority cases—if that's what you want to call them, because they were sort of righting past wrongs—were not treated any differently from all the other requests for registration. Some of them are sitting in the backlog. Many of them waited 16 months, on average, to receive a decision.

Really, regardless of what your situation is, that is too long a period of time to be waiting to hear about your status.

● (1155)

Jean Yip: Why could these registrations not be processed faster?

Karen Hogan: We found a few reasons. One was the increase in registrations because of the changes to the act, so obviously there was a resourcing issue. There is an opportunity here for Indigenous Services Canada to find some efficiencies in their processes, which is why we issued several recommendations. We saw that at times, for non-complex applications, a decision could be rendered in one day, so there is the ability to make this more efficient. That's why they need to look at it.

I think what you also have to factor in is that the time we're talking about doesn't include the time that the department might be waiting for a province or territory to provide documentation. An individual is actually waiting longer than 16 months, because at times there is a pause to make sure that official documents are received. That's really too long. That's why I encourage them to compare and look at how quickly passports can be processed and what efficiencies they can find there to bring to this process.

Jean Yip: You mentioned that there were resource issues.

Karen Hogan: We didn't look at their resourcing challenges, but that is what Indigenous Services Canada highlighted, because of the increase. They triage the applications. The non-complex ones are given to regional offices. The more complex ones are kept in the head office to deal with.

We saw a difference. When they were not complex, they were processed in 44 days, on average, but about 20% or so were done in one day. In the more complex ones that involved adoption or lengthy periods of time or ancestry, it was taking about 16 months.

Jean Yip: Do you feel that they had the technological infrastructure to support these registrations, or were they still bound by a more traditional system of paper filing and whatnot?

Karen Hogan: Most of the process was paper-based. I do know that the department is looking to automate, which I think would

help with efficiency. That's why our recommendations are around dissecting what's slowing them down.

Finding where they have bottlenecks will help them identify ways to fix things, but an IT system is just a tool to help you be more efficient. You still need to have trained individuals and you have to show that they've done the proper training and that they've made decisions that have been reviewed before they can make decisions on their own. There are lots of elements in our recommendations that will help them improve their process.

Jean Yip: Did the priority applications include seniors or health problems?

Karen Hogan: We did look at what the department triaged as priority cases. It included older individuals and elders in communities, but also individuals who had health concerns. We found that they were still exceeding their service standard of six months. On average, those priority files were taking about 10 months. That's a really long time if you're waiting for funding to be able to be transported out of community for a health procedure. I would hope that they would speed up the process on priority cases because of the nature of some of the priority cases.

Jean Yip: What improvements can be targeted for those priority cases? That's a long time if you need a medical procedure. It could just get worse.

● (1200)

Karen Hogan: It is a very long time. I think part of it is that every file goes through the same process. Even though it's identified as priority, it still follows the exact same steps. That's why they need to figure out a way to streamline what they do and make it more efficient.

Jean Yip: Thank you.

The Chair: If you have a last question, you're welcome to ask it.

Jean Yip: Sure.

Going back to the sustainable development report, Mr. DeMarco, it was good to see that Parks Canada monitored 100% of planned actions. How can the other organizations improve the monitoring of their planned actions?

Jerry V. DeMarco: Thank you for the question.

In the critical habitat report, exhibit 2.4 shows that only 57% of the conservation actions on federal land were clearly monitored, but as you pointed out, the average isn't a very good measure. Parks Canada is batting a thousand at 100%, while both Fisheries and Oceans and Environment and Climate Change are only in the teens.

A simple answer would be for DFO and Environment and Climate Change Canada to copy a little bit of the success story from Parks Canada. They have a database that tracks all their actions on federal land and consolidates that information. That's why they got the check mark from us.

The simple answer would be for Fisheries and Oceans and Environment and Climate Change Canada to take it as seriously as Parks Canada does and consider employing the same sort of tracking and database system that Parks Canada employs. It's not the only solution, but it would be the simplest solution.

Jean Yip: Thank you.

The Chair: Thank you, Ms. Yip.

I think we're spot on time, or maybe a minute over.

Ms. Hogan, I want to thank you and your team for coming in today on relatively quick notice and for tabling your report so promptly when Parliament got back to work last week. Thank you. We will see you again soon. Have a nice rest of the day, and a good weekend as you head into the weekend.

You are excused.

Members, I'm going to suspend for five minutes so that we can let everyone who is leaving clear the room. The next meeting, though, is in public, and I'll bring us back in five minutes.

Thank you.

This meeting is suspended.

● (1200) _____ (Pause) _____

● (1205)

The Chair: I will bring this meeting back to order for what I am going to call some routine committee business.

First, I just want to say, "gold star". I think everyone demonstrated how a committee should operate. There was some to-and-fro with the witnesses on both sides, and there were no volleys coming in from the opposite side of the committee.

Obviously, the time members have is their time, and they're allowed to listen to the witnesses or challenge them or stop them. That was well done, but importantly, it's the member's own time and it is not to be interrupted by another member. I know it happens. I don't like it when it happens and I will scold those who do it, not only repeatedly but when they do it. Today it was a model committee, for those who are watching, so I thank you. I hope that continues.

Could I just run through a couple of items that I really consider routine business? If there is any discussion, of course we will have it.

First up is a budget item that was sent to you for today's meeting. Just as a point of clarification, which I learned as chair—but not right away—we have a requested amount here for \$500, which includes some of the coffee and some of the items we need to run the meetings. Whatever we don't spend comes back to us, so even

though it's an allocation for \$500, we will not spend anywhere near that today.

Do I need to have someone move it, Clerk? Could I have agreement that we will approve this budget? I'm seeing hands up.

Some hon. members: Agreed.

The Chair: Next up, there were three proposed routine motions.

I understand that I caused a bit of a flurry with some of the whips when I proposed one last week that was not previously indicated. I want to assure members here that it was a routine motion from a previous PACP committee. It was not my intention to move ahead without consulting members, but I think we handled it well.

Today there are three more that were sent to you, which I tabled last time. They needed a little investigation. I want to stress that these are motions that are coming from the clerk and the analysts, so if you have questions, I'm going to defer to them. These are motions that were adopted at the start of the 44th Parliament and probably in the Parliament before that.

I'll open things up with Mr. Housefather.

You will address these through me if you have those kinds of questions, but I'll probably have the analysts answer as to why they're structured this way.

● (1210)

Anthony Housefather: Mr. Chair, my only question is related to the first motion. I've been in a lot of committees, and I've never seen this adopted as a routine motion.

I've seen us, with respect to specific witnesses, give a shorter time period or a longer time period, but I don't really understand why we would have an equal time period for every single issue and every single witness. I don't think that's reasonable. I'd rather do it case by case.

I just want to understand. Do you know of any other committees or many other committees that have this? I have not seen it as a routine motion on any committee I've ever sat on.

The Chair: Could I just interject, Mr. Housefather, and ask them why it's here? We'll get an answer, and in the meantime, we can find out what other committees do. We're not bound by what other committees do, obviously. This is a unique committee in that it's an oversight committee that looks at public accounts.

Would you like to hear the answer as to why? Then we can examine what other committees do.

You're indicating it's okay.

Go ahead, please, analysts.

Mahdi Benmoussa (Committee Researcher): Thank you, sir.

Here at public accounts we have a very specific process for the study of the reports. The answers that are received are needed in order to write the report and to follow up on specific recommendations. This is why we gave this timeline of three weeks in, I believe, a couple of Parliaments ago.

We just keep the same structure so that departments are aware of the three weeks and can follow up on this regularly. Whatever the reports, whatever the issue, they have the exact same framework in order to avoid confusion, mistakes, miscommunication and that sort of thing.

The Chair: Mr. Housefather, I don't know if that question about what other committees do was anticipated. I will see if the clerk can provide some direction or an answer on that.

Yes, apparently she can, so I'll turn things over to the clerk.

The Clerk of the Committee (Natalie Jeanneault): I did a quick search while the analyst was speaking, and it looks like the government operations committee adopted a similar motion in 44-1. PACP and OGGO had this motion in 44-1 as a routine motion. There was no other committee that I could find in my quick search.

The Chair: I think it's probably obvious, Mr. Housefather. In the 44-1 session, your members were in the driver's seat of this committee, so that's a motion that would have been brought up in the 41st Parliament, which is when the Conservative government was in office. This routine motion has obviously existed since then.

Anthony Housefather: I thought, Mr. Chair, that the clerk mentioned that it was the 44-1 session.

The Chair: Did you say "44-1"? Oh, pardon me. I heard "41".

Excuse me, Mr. Housefather; I'm sorry about that. I will have my hearing checked.

I undercut my argument, so there you are.

Again, it is always my intent to try to bridge the divide whenever I can to make these motions as palatable as possible, because I know that sometimes motions come along that are more difficult, so....

• (1215)

[Translation]

Mr. Lemire, you have the floor.

Sébastien Lemire: Thank you, Mr. Chair.

Regarding the routine motions we received this morning, I want to inform you that the Bloc Québécois will be voting against the first motion, for the same reasons mentioned by my colleague Mr. Housefather. We believe the time period should be determined case by case.

In my experience, particularly when it came to Hockey Canada and Canada Soccer, we sometimes have to set much shorter time periods to ensure that the committee's work runs smoothly. If we constrain ourselves with a motion that specifies a date, it could be more harmful than beneficial to the committee's work.

The Chair: Okay. Are there any other comments?

[English]

All right, then, let me just give some background.

When I took over in the last Parliament, I actually was not aware that there was a kind of explicit motion like this. The practice was that witnesses are given three weeks. Generally, the vast majority of the time, they comply with it. One thing I never did was just call them up on my own if they didn't comply. We always, as a committee, returned to it and discussed it, and sometimes the witnesses would get a nudge from this side of the table. If that was not deemed sufficient, a more formal letter might come from me, and ultimately a motion would be proposed from members.

I wouldn't deviate from that. Whether this motion passes or not, I would still continue to use my discretion. I don't think we go from Defcon 5 to Defcon 1 in a single blow, particularly when witnesses do come before this committee and we try to work with them to get answers. However you decide to vote on this, I want to put that out there.

[Translation]

This motion is not going to change the way we've operated up until now. If there are witnesses who don't provide answers, we will discuss that.

[English]

Again, I would never just hit the three-week mark and call a witness in on my own. I don't think that would be appropriate, because sometimes things happen.

Ms. Kusie, do you want to make a comment?

Stephanie Kusie: I think the spirit of this is fine. I think it's to show a form of accountability for those who indicate they will provide further information or a written response, and then a mechanism to follow up if this is not the case. I am fine with this as a standard practice, but more importantly, I do not think that eliminating it as a routine motion stops, prohibits or does not allow the committee to provide for shorter time frames for documents to be provided, as well as for the process and severity of the process to demand a follow-up for these.

Certainly, while I am fine with the disposing of routine motion one, I do not think it does dispose of our ability to demand documents in a series of different time frames and to escalate the demand for these documents in a manner of different formats.

Thank you.

The Chair: Thank you.

Ms. Tesser Derksen, you have the floor, please.

Kristina Tesser Derksen: Thanks very much, Mr. Chair.

If you and the committee will indulge me as a new member, you mentioned that there were some rare instances in the past when there was some follow-up required, but generally, do we see a problem with witnesses providing their undertakings in a reasonable time? Is there a pattern of problematic behaviour among witnesses that would require this motion?

The Chair: I wouldn't say it's a pattern, but it has happened.

Of course, there was the explosive testimony of one witness who appeared before the House of Commons for failure to provide information. It does happen, but it's usually something that is resolved with some push-and-pull, and ultimately, if a motion is passed, the information comes quickly. I don't think we've had to call witnesses in to explain why they haven't provided information, with the exception of that one, but I don't think that was even at this committee. It's more something....

This motion is here, I think, as a fail-safe measure, if you like. It signals to everyone who has agreed to provide information to the committee that they will do so and be bound to do so. This is generally understood, which is why I'm not too fussed by this motion one way or the other.

Ultimately, if we feel the information provided is not sufficient—even if they give us information and we don't think it's correct—we can still call them in. We can still request more information. I think this is just a signal to everyone at the outset what our powers are. Whether this motion passes or not, we still retain them.

Go ahead, Mr. Osborne.

• (1220)

Tom Osborne: Can I move a motion that we vote against it and dispense with it?

The Chair: Why don't I just call a vote? All right.

I think I'll do a roll call vote, since I'm hearing yeas and nays.

Clerk, proceed with the roll call, please.

(Motion negated: nays 5; yeas 3 [*See Minutes of Proceedings*])

The Chair: Mr. Housefather, you have my word that in the next Parliament, when you're in opposition, if I'm on this committee, I will vote to bring this motion back with you.

Let's go to the second routine motion, which you have before you. I'll see if there are any questions or comments. I'll give it a couple seconds, and if I see none, I'll move to a vote.

[*Translation*]

Mr. Lemire, do you have any comments?

Sébastien Lemire: We are in favour of the other two motions.

[*English*]

The Chair: Okay, let's take them one at a time. I'll just call it. I don't think we need a roll call for this.

(Motion agreed to [*See Minutes of Proceedings*])

The Chair: Motion number two is passed. Thank you.

I'll turn now to number three and give a few seconds for people to catch my eye if they wish to speak to it.

Is there any opposition to the proposed motion number three on your sheet?

(Motion agreed to [*See Minutes of Proceedings*])

The Chair: Thank you very much.

I'm going to be as brief as I can with this, and we can talk about it off-line. You're welcome to ask the clerk as well.

There is the upcoming meeting of the Canadian Council of Public Accounts Committees, which twins with a meeting of auditors general from across the country, in September. I'm happy to talk about this trip in public, because my voters will look at me and say, "So you're planning to go to Saskatchewan in September to meet with other public accounts committee members and 11 auditors general from across Canada?" They'll take a breath and say, "That's fine."

This is a working meeting of auditors general and other committee chairs. It is about as vanilla as it gets. I'm bringing this up because I don't want to be the obstacle to members attending. This is actually an interesting conference, particularly for new members, because the Auditor General and her team will be there, as well as provincial auditors, and, as I said, committee members at the provincial level.

There are some hurdles we have to go through. Again, I'm in the hands of the committee. A budget was sent to you at the start of the meeting. It is for five members, one analyst and the clerk to attend. The other reason I'm bringing this up is that because we are the federal public accounts committee, we are seen as the first among equals of committees. We do set the tone, in a way, at these meetings. Our input is sought, and the work that we do is both of national relevance and, at times, newsworthy as well.

The process that this has to go through is a bit murky, because the liaison committee hasn't met yet. The liaison subcommittee hasn't met. The third option is to go to the Board of Internal Economy. The budget for this meeting is just over \$30,000. We can discuss it. We can vote to approve it. That will just be the first step. It then has to go to the other parties for review and approval, and then it goes to Parliament. I'm not sure how that's going to work, because the meeting is before Parliament comes back, but sometimes they can have retroactive votes.

Again, I don't want to be the person to hold up this opportunity for members to both learn and to play the leadership role that we do.

If there's any debate, I'll hear it, and if there's none, I will turn to a vote to approve what I think is a routine expenditure amount.

[Translation]

Mr. Lemire, you have the floor.

• (1225)

Sébastien Lemire: From a personal standpoint, I think it is indeed relevant to be at the meeting. However, we will probably be in pre-session caucus. I would like to attend the first day of the meeting, but I won't be able to attend the other days. I could even use one of my travel points, since it's within the bounds of what we can do.

Can the committee pay the registration fees, even if I only go for a day?

The Chair: I think so.

[English]

Are there any other comments?

[Translation]

Gérard Deltell: On a point of clarification, Mr. Chair, how many people will there be in total?

The Chair: There will be five.

Gérard Deltell: So it's the analyst, you—

The Chair: It's actually five members.

Gérard Deltell: This meeting isn't taking place in Jamaica—we agree on that—but in Canada. That said, it seems to me that five members are a lot.

The Chair: That's the maximum, but it's rare that five members—

Gérard Deltell: How many members are usually invited on this type of trip?

The Chair: For our committee, it's five members.

[English]

Is there anyone who dissents to this budget item going to either the liaison committee or the Board of Internal Economy for review?

(Motion agreed to [See Minutes of Proceedings])

The Chair: Thank you very much. Very good.

Over the next couple of weeks, the analysts will be emailing you. There was a draft copy that went out on outstanding reports. You might have seen it. I've just made some tweaks to it and cleaned up the language a bit, because it indicated that decisions were made by the last Parliament. You'll have that again to review.

Going forward, I'm trying to get a little feedback.

This is obviously an oversight committee. Our practice has been to meet generally when the House is sitting, but it is not uncommon for this committee to meet outside of that as well. I'm going to speak with the vice-chairs and consult with them over the next couple of weeks about priorities and what we want to look at.

We have a number of reports that were just tabled. The committee has always put the emphasis on the Auditor General's reports.

The environment reports can be studied, but the environment committee will also pick up those reports. We are the only committee that will look at the Auditor General's reports. The others are not out of bounds, but our priority is generally the Auditor General's reports.

We have the four that she just tabled, but there are also a number that were tabled at the end of last year that we did not get a chance to review over the winter because Parliament was dissolved. I'll have discussions with Ms. Yip, Monsieur Lemire and Madam Kusie to see how we will advance.

Generally, I try to get input from the parties on study priorities and then come out with a work plan that encompasses them so that everyone has a bit of skin in the game and some interest about which reports they would like to study.

Go ahead, Ms. Yip.

• (1230)

Jean Yip: I think we should have a subcommittee meeting in the fall to decide on which reports we should review.

As a point, the environment committee rarely looks at the commissioner's reports, and we have studied those reports in the past.

The Chair: As I said, we can certainly pick them up. I'm not aware of the rarity. I've been informed that the environment committee does look at them, but if that's not true, I will speak with their chair to pick them up, since the commissioner has numerous reports and there is no way we can get to them all. I'll review that.

We will have a subcommittee meeting, then, to begin to tackle that.

Are there any other comments?

[Translation]

Sébastien Lemire: Can you give us a timeline on when you think that would happen? Would it be early summer, late summer or the first committee meeting in September?

The Chair: Are you talking about the subcommittee meeting?

Sébastien Lemire: Yes.

The Chair: That could be done tomorrow, since we've made a request to hold a subcommittee meeting. Otherwise, I think it will be early summer. That said, I am well aware that you will soon be celebrating a very important national holiday, so I will avoid that date.

Sébastien Lemire: Yes, absolutely. National Indigenous Peoples Day is Saturday, and Quebec's national holiday is a little later. I'm available tomorrow. I just wanted to make sure that we don't run out of regular committee meetings in September to have subcommittee meetings.

The Chair: Okay, thank you very much.

[English]

All right; I will—

Go ahead, Ms. Yip.

Jean Yip: Could you clarify when the subcommittee meeting will meet? Is it in the fall?

The Chair: No. I will have it well before the fall. Monsieur Lemire's point was to have the meeting so that we don't....

There are things we have to plan for, Ms. Yip, and I can't be calling witnesses if the subcommittee has not met. I might even try to have it tomorrow, but if not, it'll be at the start of the summer, and the four of us will probably join by Zoom.

Go ahead, Mr. Lemire.

[Translation]

Sébastien Lemire: If I may, I would like to formally move the motion for which I gave notice on June 16. It reads:

That, pursuant to Standing Order 108(3)(g) of the House of Commons, the Committee recommend that the Auditor General of Canada conduct a performance audit of the federal Additions to Reserve (ATR) process, as administered by Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), in order to assess:

- (a) the effectiveness and efficiency of ATR application processing;
- (b) the average processing times at each stage of the process as well as the causes of persistent delays;
- (c) the transparency, predictability and clarity of assessment criteria applicable to First Nations;
- (d) the coordination among CIRNAC, Indigenous Services Canada, provinces, municipalities and affected First Nations;
- (e) compliance with the commitments outlined in the Policy on ATR and Designated Lands; and
- (f) the results achieved in terms of self-determination, community development and equitable access to public services following the addition of land to a reserve;

and that this audit contribute to the responsible, transparent and effective management of public funds consistent with the Government of Canada's commitments to First Nations and in support of the reconciliation process.

Let me explain the purpose of my motion. In my riding and elsewhere, there are indigenous communities that have reserve lands, which means that they receive resources from the government, obviously. I'm thinking of children's services, particularly for education and health, and legal services, among other things. However, many other communities don't have reserve status, which creates injustice and inequality. I would therefore like to better understand these mechanisms and take corrective action. I think that's one of the objectives of the Standing Committee on Public Accounts.

The Chair: Your motion was already formally submitted to the committee when you sent it to the clerk a few days ago, but we can debate it now to move forward. Maybe it will be brief. I think it would be preferable to do so at a future meeting, but it's your motion, and you have the right to request that we debate it right away.

• (1235)

Sébastien Lemire: I would like it to be adopted, since it would allow the analysts to do some preliminary work this summer. The schedules and formalities could be discussed in subcommittee.

The Chair: Okay, but if I understand correctly, your motion calls for the Auditor General to conduct a study. It therefore does not concern our analysts, and I can't put it to a vote until there has been a debate here to see if our committee supports it.

[English]

I will say for new members, if I may, that the Auditor General receives many requests from ordinary Canadians, organizations and parliamentarians to pick up audits. This committee has also passed motions asking the Auditor General to look at subject matters, as has Parliament. The auditor does prioritize, obviously, the requests from Parliament itself and takes motions from this committee under advisement and very seriously. We have had examples of her accepting the motions from this committee, and we have examples of her declining them, for whatever reasons. There's correspondence on that, if you would like to read it.

We are in a privileged position as the public accounts committee to send motions to the auditor. I don't think they should be done quickly or lightly. I do think they should be discussed.

[Translation]

Mr. Lemire, I think a number of members will want to know why this should be a priority not only for you but also for our committee. As a member of Parliament, you are free to send your request to the Auditor General and, as a member of this committee, you can also ask us to join you. However, I don't think this is a decision that should be made quickly.

[English]

I could be wrong.

[Translation]

However, it's not up to me to decide either.

Sébastien Lemire: If it's unanimous, let's pass it. If we need to discuss it, we can come back to it in the fall or in subcommittee. I have no problem with that.

The Chair: Okay.

[English]

Let me turn to Ms. Yip.

Jean Yip: Yes, we need time to ask questions and so forth.

[Translation]

The Chair: Okay. So I think we should wait a bit, rather than vote on it today.

Mr. Lemire, I think committee members need to do a little research and talk to you about it directly as well.

Sébastien Lemire: I'm fine with that. I'm pleased that this is being said publicly, because I think it sends a good message to the people concerned. We will take steps in due course.

[English]

The Chair: Give me one second, please.

It is my intention to adjourn this meeting. We'll see you all soon in Parliament, and have a nice summer.

This meeting is adjourned.

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