

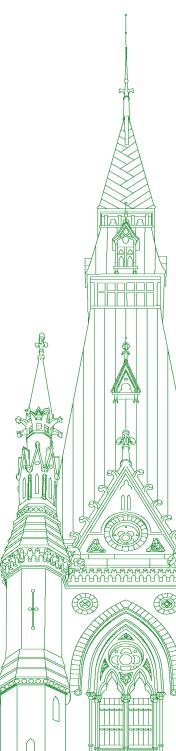
44th PARLIAMENT, 1st SESSION

Standing Committee on Government Operations and Estimates

EVIDENCE

NUMBER 088

Monday, November 27, 2023



Chair: Mr. Kelly McCauley

Standing Committee on Government Operations and Estimates

Monday, November 27, 2023

● (1105)

[English]

The Chair (Mr. Kelly McCauley (Edmonton West, CPC)): Good morning. I call this meeting to order. Thanks for joining us.

Yes, I see hands. I'll get to you.

Despite Air Canada's best efforts yesterday, I see that most of us are here.

Welcome to meeting number 88 of the House of Commons Standing Committee on Government Operations and Estimates. Pursuant to Standing Order 106(4), the committee is meeting to consider the request for contracts between the federal government and electric vehicle battery manufacturing companies.

Before we start, I'll just remind you to not put earpieces next to the microphones as this causes feedback and potential injury.

I see Mr. Perkins, Mr. Berthold and Mr. Lewis starting the speaking list.

Go ahead, Mr. Perkins.

Mr. Rick Perkins (South Shore—St. Margarets, CPC): Thank you, Mr. Chair.

We're here to discuss the Standing Order 106(4) motion with regard to the EV battery contracts, the four of them, with the Stellantis one being the one that's been most in the news. I'm not going to read the motion out. I presume it has been circulated.

Has it, Mr. Chair?

The Chair: Yes, it has.

Mr. Rick Perkins: Thank you. I'll take it as read and maybe give a brief explanation as to the why.

There are four contracts that total almost \$50 billion of taxpayer money over six years to subsidize three battery assembly plants for EVs and one small manufacturing company for a part of the EVs.

Mr. Charles Sousa (Mississauga—Lakeshore, Lib.): Excuse me. I have a point of order.

I understand that this is Kelly Block's motion, and she is not here to present it. I understand that's not how it's done.

The Chair: You are incorrect. It is allowed.

I knew this was going to come up, so I looked it up. It's on page 1036 of *House of Commons Procedure and Practice*, third edition. It's allowed. I can read it to you if you wish, but it is allowed.

Mr. Rick Perkins: I will start again.

What we have here are four contracts that begin with a controversy, the controversy being the almost \$50 billion to subsidize battery assembly plants for some of the world's largest auto manufacturing companies for the EV battery portion of their vehicles.

What has come to light over the last week or so started with meetings that were held in Windsor with officials from the South Korean government. It looks like up to 1,600 of that particular plant's employees will be taxpayer-funded foreign replacement workers.

We have had a lot of media coverage since then, as well as questions in question period. If I go back to the original announcement, the Prime Minister said this will create thousands of good jobs in southwestern Ontario. Unfortunately, apparently, that's not the case. This will create many jobs for temporary foreign workers, and maybe not so temporary, foreign-funded replacement workers, or taxpayer-funded foreign replacement workers. Minister Champagne said the same thing at the opening.

We have had all these reports that have come out from officials in Windsor as to what's going on. There's great concern, because instead of 2,500 jobs going to Canadians, 1,600 are apparently going to go to taxpayer-funded foreign replacement workers.

We're looking at a situation here where we have four contracts that all mirror each other, we're told. In my case, I have had the privilege of reading the Volkswagen contracts. There are two of them. The Stellantis deal mirrors that. It wants the exact same rights that Volkswagen has. That, obviously, includes the ability to bring in foreign workers.

What's not in those contracts is a clause that guarantees that these will only be Canadian jobs. We know that not only because of the media reports but because the company itself has confirmed a couple of different numbers.

On Tuesday, the company said there would be 2,300 good, solid Canadian jobs, and it was bringing in 900 foreign workers for the set-up, which is a big set-up. There would be 600 permanent foreign workers, foreign taxpayer-funded workers, in that plant—not the 2,500 permanent Canadian jobs that were announced by the Liberals when they said we would have construction workers in addition to that. It looks like the majority of workers at that plant are going to be from outside Canada. Even the union itself is outraged by this lack of transparency.

We need the contracts released, because we're getting different stories. The minister initially said there were one or two jobs. Apparently, the government thinks now there may be more. The Minister of Industry has now decided that he wants to meet with the company to discuss the contract he signed to find out how many foreign workers are coming in. The Minister of Natural Resources tweeted last week that, of course, there are foreign workers coming in.

The government can't seem to get its act straight. The Minister of Industry said, "Oh, there might be a few." The company says 1,600. These mirror Volkswagen, which mirrors Northvolt in Quebec as well. In fact, the Swedish company in Quebec has also said publicly on the weekend that it was bringing in taxpayer-funded foreign replacement workers.

It appears that the government, at least from what was set up, didn't do its homework. The Minister of Industry now wants to renegotiate, apparently, the contract he signed. He should have probably read it in the first place, which he clearly didn't. If he did, he would know that these companies have the right to do that, including in the Volkswagen contract.

In the transparency that's required, when you're spending a record amount of subsidy for foreign multinational companies, the best way to ensure that is to release the contracts. That's why we have this motion before us to please release the documents.

What's not in the Volkswagen contract is the ability, or a clause, that allows the government to keep that contract quiet. It's not there. It's not the government's right.

• (1110)

I know we're going to hear lots from opposition members about commercial sensitivity and all of that, but the companies themselves have the ability to exempt the few clauses that may be commercially sensitive. However, most of what's in these contracts you can read—elements of the battery subsidy in the IRA and the commitments maybe on jobs, maybe not on jobs. However, there's clearly a confusion in the government and among the companies as to how many taxpayer-funded foreign replacement workers are coming in, and how many jobs will actually go to good, unionized jobs. We have an unemployment rate in Windsor of 7%.

The governments have invested and are ready for the training. We did this in Halifax with the shipbuilding contract. On the \$30-billion shipbuilding contract—the community college, the industry, everyone—all that training was done in Canada for Canadian workers. That's what everyone expected with these contracts, so it's shocking that the Liberal government seems to be hiding their incompetence in these contracts.

This is the reason we put it forward. Canadians deserve to know how their money is being spent and whether it's being spent for jobs for replacement workers from outside Canada.

The Chair: Thanks, Mr. Perkins.

I see as well Mr. Johns and Mr. Kusmierczyk have their hands up. I've added you both to the speaking order.

Mr. Berthold, go ahead please. Welcome to OGGO.

[Translation]

Mr. Luc Berthold (Mégantic—L'Érable, CPC): Thank you very much, Mr. Chair.

The subsidies granted for these electric battery plant projects total \$50 billion in public funds, or \$3,000 in taxes provided by every Canadian family. That's a lot of money. Imagine what every Canadian family can do with \$3,000. The government chose to send this money to three companies to create what were originally called Canadian jobs.

Unfortunately, in recent weeks, we've learned that this money won't just be used to create Canadian jobs in the plants that were announced with great fanfare by the government. Two weeks ago, we learned that in Windsor, foreign replacement workers would be paid with this money provided by Canadian and Quebec families.

The Liberals first said, when we reported this, that it was disinformation and not true. Then they changed their story, saying that there would probably be only one foreign worker there to come and give advice. Now we have confirmation, from the company itself, that at least 900 taxpayer-funded foreign replacement workers will be hired to work in the Windsor plant.

From there, we also have to ask questions about what will happen in the case of the Northvolt plant to be built in Quebec. In fact, two Northvolt plants will be built in Quebec.

Following questions that have been asked, and in light of what we've learned in the media, we now know that Northvolt, in Quebec, will bring in hundreds of foreign replacement workers, who will be funded by taxpayers to fill jobs that should go to Quebecers. Northvolt will receive more than \$7 billion in public funds to carry out this project.

So we know that foreign replacement workers will be at the Stellantis plant and the Northvolt plant, and there's every reason to believe, if the trend continues, that the Volkswagen contract will also call for hundreds of foreign workers, paid for by Canadian taxpayers.

We will therefore support the motion, with good reason, to obtain a copy of these contracts.

Why do we have the right to see these contracts, you may ask? It's because they're on an unprecedented scale. They represent \$50 billion, or \$3,000 in taxes per family. This hard-earned money that families have given to the government is going to be given to these companies. We had hoped that this would create Canadian jobs, but we're learning that this will not be the case. For all these reasons, it's important that these contracts be made public. We need to know if the government took steps to ensure that this money was going to be used to create Canadian unionized and skilled jobs that are paid for by Canadians. This is absolutely essential

Of course, Mr. Chair, you're going to hear from the Liberals today that this is a contract and we can't release all the information, because that would interfere with future negotiations with other companies to attract foreign investment to Canada. However, this is Canadians' money. We're talking about \$50 billion, or \$3,000 per family. Canadians have a right to know what kind of contracts this government is signing with private companies, and they have a right to know what is being done with their money.

So it's important that we have all the contracts quickly, in their entirety, because Canadians have a right to see them. We have a right to know how sensitive this government has been to protecting jobs for Canadian and Quebec workers.

Thank you very much, Mr. Chair.

• (1115)

[English]

The Chair: Thank you, Mr. Berthold.

Go ahead, Mr. Lewis.

Mr. Chris Lewis (Essex, CPC): Thank you so much, Mr. Chair.

Thank you to the committee for allowing me to come to committee this morning.

It's obviously incredibly near and dear to my heart and incredibly concerning, Mr. Chair, because this is my own backyard. I represent an excellent riding called Essex, and that butts right up to Windsor, where the Stellantis plant is going to be.

There is one good thing about Air Canada being late, and it's that we get more time to spend on our phones with folks—at least I do. Last night I spoke to the International Brotherhood of Electrical Workers. I also spoke with the carpenters union. They said nothing less than that these are jobs that are going to be stolen from the very fingertips of Canadians.

Now we have potentially \$50 billion on the laps of each and every one of us around this table that is basically unaccounted for. We need to understand. We need to know exactly what the numbers are.

This is only about good-paying, skilled trades jobs, both unionized and non-unionized jobs. That's what it's about.

I was told last night that there are a few folks that need to come in for the programming of the computers, but the rest of this work has already been duplicated time and time again in other portions of the automotive industry, an industry that's been absolutely decimated due to COVID, an industry that drives southwestern Ontario—

not only Windsor but certainly Windsor—an industry that works very closely with our counterparts in Michigan and downriver Michigan.

To suggest for a moment that we don't open the books on this and really find out how many folks are coming here to take away good-paying Canadian jobs.... That's the question. Anything shy of that answer is not doing justice to our skilled trades jobs.

When I reflect back on it, it's not only the battery plant itself. It's the tier twos and the tier threes that are going to be affected—the same ones that have already been affected and couldn't get folks across the border on the shop floors. They had to put all the investment into this new material, this new technology, to play the game. They deserve it. They deserve the answers. The workers deserve the answers. The unions deserve the answers, and the folks of Windsor-Essex deserve the answers.

I think it would be the world's biggest mistake if we did not look at the \$50-billion investment into this.

I'll take it one last step, Mr. Chair. It's as simple as this: It's each and every family, every Canadian family, that is trying to feed the mouths of their children. If it's \$1,000 a family, or it's \$3,000 a family, whatever the number is, they deserve to know as well.

I would strongly ask that this committee take a really hard look at this and take a hard look in the mirror, because you're affecting a whole bunch of people's lives and a whole bunch of businesses.

Thanks, Chair.

• (1120)

The Chair: Thanks, Mr. Lewis.

We'll go to Mr. Scheer, and then we'll go to Mr. Johns.

Hon. Andrew Scheer (Regina—Qu'Appelle, CPC): Thank you very much, Mr. Chair.

This is a very important motion because Canadians deserve answers as to where their tax dollars are going. The Prime Minister decided to give \$15 billion to a large multinational company to set up shop here in Canada. In essence, he made every single Canadian a shareholder in this project, in the case of Stellantis, to the tune of \$1,000 per household. If you lump them all in together, that number goes up to about \$3,000 per household.

We're going to hear arguments, I suspect, and we've seen them in the media over the last few days, from Liberals saying, "We can't divulge the details of the contract because of commercial sensitivities." Well, shareholders can absolutely demand to see documents when their company does something. When CEOs make decisions, they are held accountable by their shareholders. In this case we, as members of Parliament, are the representatives of the shareholders of this country.

Having foreign replacement workers coming to Canada, thanks to taxpayer subsidies, is of interest not just to the workers in the area but also to every single Canadian family whose tax bill is underwriting this. Let's talk about workers in the area. We've heard from union representatives that there are qualified Canadians who can do this work. The Windsor area, in the case of Stellantis, is home to hundreds if not thousands of qualified Canadian workers who have worked in the auto sector, in some cases for their entire lives and in some cases for multiple generations.

The idea that there is no one in Canada who can fill these jobs is an insult to those hard-working men and women who have built those communities and worked in that industry for decades in some cases.

That is what this motion is all about. If this is such a good deal for Canadian taxpayers and such a good deal for Canadian workers, the government should want to make the details of the contract public. If they have a different story to tell as to the number of foreign workers who will be paid for out of this contract, let them come to committee. Let them explain it.

All we're asking for here is that famous prescription about sunlight being the best disinfectant. We want to bring the details of this contract out of the darkness and into the light. That is something this government has touted, as my colleague Mr. Perkins outlined.

Even though it seems as though the minister doesn't know what's in the contract, that didn't stop him from going around for weeks and months talking about its benefits. If that's the case, now that these reports are out there, it's incumbent upon us to scrutinize those and to determine whether or not this is as good a deal as the government pretended it would be.

Billions of dollars are going to multinational corporations to build a single plant in Canada. To then have those taxpayer dollars used to underwrite foreign replacement workers is very concerning. If this is the way the government is going to conduct itself in terms of an industrial strategy or a job creation strategy, then, absolutely, Canadians have a right to know.

I'm looking at the numbers for the Stellantis deal itself, and the reports indicate that up to 1,600 of these jobs will be filled by tax-payer-funded foreign replacement workers. That's out of 2,500 direct jobs from the plant. That's 1,600 out of 2,500. That's not a very good ratio if you're talking about the percentage of tax dollars going to create jobs for Canadians versus to create jobs for foreign replacement workers. That's a terrible ratio.

We need to get to the bottom of that for those reasons. It's our job to hold the government to account when it spends tax dollars. It's our job to scrutinize the details on behalf of the shareholders of this country, every single Canadian taxpayer, every single Canadian citizen. I do hope the Liberals will agree to this motion because all it concerns is getting the documents in front of this committee so we can do the job that Canadians sent us here to do, which is to defend their interests, defend their tax dollars and make sure they're getting the very best possible deal.

• (1125)

The Chair: Thanks, Mr. Scheer.

We're going to go to Mr. Johns and then Mr. Kusmierczyk.

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

I wish I were there in person, but my flight got cancelled last night due to fog from Vancouver Island. Thankfully, Dana Hawkes, the chief shop steward from B.C. Ferries, loaned me his tie so I could be here.

In all seriousness, we want transparency and we want to avoid future problems, which is why we're supporting this motion today.

I want to raise a few points as well. The government investment in the auto industry is a long-standing strategy in Canada, the U.S. and around the world. It has benefited the Canadian economy and has built the middle class in this country over many decades. The workers and the unions are the ones responsible for sustaining the industry and creating opportunities through decades of negotiations to get the industry to transform for the next technological change to electric vehicles. It's really a once-in-a-lifetime, multi-generational situation.

This government has had to meet the challenges the U.S. government created through the Inflation Reduction Act auto provisions. While doing so, they have fallen short on the disclosure and transparency that exists in the U.S. government's plan, which is why we're supporting this motion.

A national auto strategy—something the NDP has called for, for two decades—would have provided the transparency and accountability this government has decided to ignore. Over the past two weeks, from a revelation from the South Korean ambassador that 1,600 foreign workers from South Korea were coming to help build and operate a plant, there have been many questions that the government has refused to answer. Last Monday, the government said it was one job. Then on Tuesday, it was 100 jobs, and then on Thursday, it was 900 jobs, etc.

The confusion has damaged public trust and sowed division among the various unions and communities. This is a failure of leadership and it needs to be corrected. It's what we're working on today, hopefully. These investments in our auto sector are very important. They'll be transformative for the industry and create many new jobs for Canadians. Accordingly, this must have public support.

To do that, the public needs all the information on these investments and facilities across this country. This is an opportunity for the government to rebuild that public trust by demonstrating how these investments will create jobs for Canadians and new training opportunities, and employ our brightest engineers and scientists and world-leading skilled auto workers along with our highly skilled building trades professionals.

Full disclosure also means outlining how many foreign workers from countries such as South Korea, Sweden, Germany and other countries will be coming here, what jobs, paths and training they will be carrying out, and for how long. This will ensure the public has the full knowledge and understanding of the facts. Once the public has all the facts, they will support these investments and public trust will be rebuilt. That's the hope. That's what we want, ultimately.

I know that Canada's Building Trades Unions is still concerned. During all the public announcements, ribbon cutting and victory laps, neither the federal Liberals or the provincial Conservatives identified that hundreds or thousands of workers would be coming. We just want to make sure that all references to building a battery plant, training and becoming experts are going to be done here.

There are a few important things. This gives us an opportunity to understand. It can be demonstrated that if we are short some skills—which we don't believe—starting with this first project, let's learn to train our workers, who are already used to travelling to different provinces to do that work. Every community right now is struggling with housing at the moment. Why are we not using this as an opportunity to plan and create permanent housing as well?

The real fight here is for the initial bill. Let's get it going.

We, the New Democrats, have confidence the public supports clean energy jobs, transitioning the economy and being competitive. Our difference is accountability through an auto policy, so people appreciate and support the value of our partnerships. These investments need to be for workers and their families, not CEOs or shareholders as the primary beneficiaries.

One concern I have that I wanted to highlight in the motion is that it's drawing the report to come back to the House. I don't believe that's necessary at this point. I think we could order the documents from our committee. We can do that without going to the House. Normally, it would just be reported to the House and then turned into an order from the House if a committee request is ignored or broken. I would like to amend anything that refers it to the House and move that direction to report it back to OGGO.

• (1130)

I would like to move that amendment to the motion, and hopefully I can gain support for that from my colleagues.

The Chair: That is just to strip that one line about reporting it to the House, Mr. Johns.

Mr. Gord Johns: That's it. It's just reporting it back to the committee.

The Chair: Okay.

We have Mr. Genuis on the amendment.

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Thank you, Chair.

Conservatives are here pushing for transparency with regard to the expenditure of taxpayers' dollars. We certainly do not support the idea that an important safeguard like reporting this matter to the House should be stripped from the motion. This is the mechanism for ensuring that the government follows through. We've had many instances where committees have ordered the production of documents, and the government has flagrantly ignored the right of committees to order that. Committees have an important job to do, but we've seen consistently that this government does not respect the work that committees have to do through ordering documents.

We want transparency. We believe that taxpayers have a right to see all of the details of this contract. The motion we have drafted provides the safeguards to ensure that this will actually happen. The amendment proposed by the NDP would, I think, substantively allow the government to do what they have done in many other cases, and that is to simply ignore the order to produce documents to the committee.

The question before this committee is this: Are we committed to ordering these documents, and are we serious about ensuring that we actually get them? If we're serious about ensuring we actually get them, as Conservatives are, then it is important we have this mechanism of reporting it to the House as well.

The Chair: Ms. Vignola and Mr. Kusmierczyk, do you mind putting your hands down, because we're debating the amendment. I do have you on the speaking list. If you wish to chime in on Mr. Johns' amendment, leave your hands up.

We'll go back to Mr. Johns.

Mr. Gord Johns: I agree with Mr. Genuis. We want the answers.

Here is where I would like to go. We order the documents to be submitted to the committee, and if they don't, then we can go and talk about going to the nuclear option, to the House. However, I don't believe that's necessary right now. I think we need to take a look at them at our committee and decide whether that's something we want to do.

The Chair: Before I go to Mr. Scheer, we have Mr. Kusmier-czyk and Ms. Vignola.

Mr. Kusmierczyk, you still have your hand up. Is that to speak on Mr. Johns'...?

Mr. Irek Kusmierczyk (Windsor—Tecumseh, Lib.): Yes, it's for the amendment, and then I'd also like to speak to the motion.

The Chair: Yes, I have you on the list.

We have Mr. Kusmierczyk and then Mr. Scheer for the amendment.

Mr. Irek Kusmierczyk: I just want to say that we do approve of the NDP amendment. We will be supporting the amendment.

The Chair: Thanks.

Mr. Scheer.

Hon. Andrew Scheer: I'm not shocked at that.

I want to reinforce a point that my colleague Mr. Genuis made, that this is about protecting the interests of taxpayers and safe-guarding their hard-earned money.

On the idea that it's somehow the nuclear option to report this to the House, I utterly reject that. Procedurally, what that would mean is that the House would be advised. Should the government fail to abide by this duly constituted, properly passed motion, in the event that the committee adopts it, there needs to be a "what if". If the government looks at this motion and says that the committee has asked for something and they can just ignore it, then they will. They've done that in the past.

The reporting mechanism is very straightforward. It would inform the House that an order of the committee is being ignored. It would then be up to the House as to whether or not to adopt and concur in that report, at which point the powers of Parliament kick in.

That's really the crux of this matter. In order for the government to be forced to do something, it needs to be elevated to that level. Otherwise, we would have to wait. If we adopt this amendment, the NDP member is suggesting that this committee would then have to become seized with this issue again. The genius behind this motion is that it all gets done in one step. It orders the production...and includes a mechanism that if the will of the committee is not respected by the government, there's then an enforcement mechanism to compel them to do so. Otherwise, this would be an expression of opinion with no actual follow-up.

The reason that this is important is because Parliament is not somehow a backdrop for the Prime Minister. It's not a set in which he plays his role. We're not extras in his movie or in his productions. We have a constitutional duty to hold the government to account. That's the purpose. That's why we're all here. We're not here to enjoy the November weather in Ottawa. We're here to do a job. We're here to pore through the books, bring out the magnifying glasses and go through every detail. That is our role.

This isn't just wanting to get a few exchanges of emails from somebody. These are multi-billion dollar contracts, in which the government seems to have failed to ensure protection for Canadian workers.

It's hard to think, other than with national security issues, of other types of issues that would rise to this level of importance for parliamentarians. Poring through the books to identify how tax dollars are being spent and the impact on Canadian workers are the top two or three jobs that members of Parliament could think of having to do throughout the parliamentary day.

I don't see the problem in reporting it back to the House. In fact, I see the problem if we don't do that, because then we'll likely be back here in a few weeks.

Let's just take that off the table. Let's think of every possible scenario to get a one-stop shopping type of motion to ensure not only that we pass this motion compelling the documents, but that there's an enforcement mechanism to ensure the government respects the democratic will of this committee.

• (1135)

Mr. Garnett Genuis: Chair, on a point of order, I wonder whether Mr. Johns can clarify this.

He moved an amendment. My understanding, looking at the motion, would be that his amendment proposes to remove paragraph (g).

Just so we know what's on the table, is the amendment to remove paragraph (g) or is it something else?

The Chair: Mr. Johns, do you want to answer Mr. Garnett to confirm that it's removing paragraph (g)?

Mr. Gord Johns: It is just to remove the words in the motion, wherever they're stated, "to the House" with "committee". That's it. All it would be doing in paragraph (g) is saying "present a report to the committee".

If I could, when I get a chance, I'd like to respond to my colleague Mr. Scheer's comments.

Mr. Garnett Genuis: Okay. We need to know what we're debating. It's to replace the word "House" with the word "committee" in paragraph (g). That's the amendment.

Mr. Gord Johns: Yes.

Mr. Garnett Genuis: Okay. Thank you.

The Chair: It's Mr. Sousa, then back to you, Mr. Johns, then over to Mr. Genuis.

Go ahead, Mr. Sousa, on the amendment.

Mr. Charles Sousa: Thank you, Mr. Chair.

On the amendment, I'm a little shocked that we have an opportunity here to continue to enable foreign direct investment. These are confidential matters. The members opposite appreciate that, and I appreciate members' desire to review the contracts and determine—

The Chair: I'm going to interrupt you, Mr. Sousa. We're discussing the amendment.

Mr. Charles Sousa: It's on the amendment. I understand.

This is why it's important that we maintain the confidentiality of these contracts in enabling us to continue to track these investments. For us to provide them, then expose them to others, puts at risk.... It jeopardizes the very existence of the enablement of these investments coming to Canada.

I would ask us not to make this...to the House, as a result. However, I'll allow the members the opportunity to review it.

● (1140)

The Chair: Mr. Johns.

Mr. Gord Johns: First of all, I can't imagine how that would play out, if we start doing that at this committee—ordering all documents directly to the House. We're starting from a position.... If we send it directly to the House, we're just stating that requests we make at OGGO will be ignored. I don't know why we're assuming this. Going through the House can also be slower. The committee can order the documents today. Kicking it to the House means reporting to the House—perhaps later this week—and debating it sometime next week, or whenever.

I think this is a starting point. Getting the documents to the committee is the normal procedure. If we don't have positive results, I'm happy to entertain having conversation about taking it to the next level. From a procedural standpoint, I think that, if we start doing this with our committee, it is going to be a big problem for us. It's undermining...as well. It's just bad faith to start with. I don't believe in that.

We need to start from the position that the request needs to be honoured. That's where I want to start on this.

The Chair: Thanks, Mr. Johns.

It's Mr. Genuis, then Mr. Housefather and Ms. Vignola.

Mr. Garnett Genuis: I see where this is going.

The Chair: Go ahead, Mr. Housefather, on the amendment.

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

I'd like some clarification, as well, because I think this is a bit confusing.

Paragraph (g) says, "the Chair be instructed to present a report to the House". It is clear Mr. Johns is suggesting this be changed. I don't know that you would need to present a report to the committee, because the committee is aware this would be adopted. I think the right intention would be to remove paragraph (g), but I leave that to Mr. Johns.

Then there's paragraph (h), which refers to the same thing. It talks about what happens in the event the documents are not produced as ordered by the committee, then states this would then go to the House. It sounds to me as if Mr. Johns would like to reconsider this, in the event it is not done—not have it in this motion right now. There's also the amendment Mr. Johns proposed. It would also have to deal with paragraph (h).

I'd ask my colleague Mr. Johns to reread paragraph (g) and paragraph (h), and to provide some clarity as to what the amendment would do. It makes no sense to me that we wouldn't also be amending paragraph (h), because he was globally amending it to remove references to the House at this stage. We're not supposed to presume the documents won't come as the committee requested.

I leave that, again, to Mr. Johns to clarify.

Thank you, Mr. Chair.

The Chair: Mr. Johns, do you want to take a stab at clarifying that?

Then we'll go to Ms. Vignola and Mr. Genuis.

Mr. Gord Johns: It makes more sense—I think Mr. Genuis raised this, as well—to remove paragraph (g), because it won't be necessary.

Looking at paragraph (h), I think we could look at.... I would be open to—

The Chair: I'm sorry, Mr. Johns. We can't change your amendment. I think Mr. Housefather was looking for clarification from you on what you were trying to do, originally.

Mr. Gord Johns: What I was trying to do was get the documents produced and reported back to the committee. I was hoping we would have the conversation from there.

I'm open to a friendly subamendment by Mr. Housefather to paragraph (h).

The Chair: A friendly amendment to the subamendment....

We're going to go to Ms. Vignola and then to Mr. Genuis.

[Translation]

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

[English]

The Chair: It's on the original amendment, please.

[Translation]

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

I've missed something, I think. I'm going to speak to Mr. Gord Johns' amendment, because I need some clarification.

As I understand it, if we pass the original motion, any member of the committee can recall the report to the House of Commons for a three-hour debate on the matter. However, this in no way prevents the committee from receiving the requested documents and studying them in depth afterwards.

Is my analysis of the original motion correct? Am I wrong that tabling the report saying we've passed the motion—that's all the report says—could lead to a three-hour debate?

• (1145)

[English]

The Chair: I'm sorry. Can you repeat that? I'm having trouble with the interpretation.

Just repeat the question, please.

[Translation]

Mrs. Julie Vignola: If I understand correctly, keeping the original motion as is, without Mr. Johns' amendment, any member of the committee could ask the House that the report be debated for three hours

Have I understood correctly?

[English]

The Chair: No. I'm going to step in here.

I'll step back because it seems to have been adjusted as we go. When I look back at the original, from what I can see, it was not to remove (g) and (h), but to remove the part where it says, "the Chair shall be instructed to present as soon as possible a further report to the House recommending that an Order of the House do issue for the foregoing documents".

I think that is what Mr. Johns was intending or was originally—

Mr. Garnett Genuis: I have a point of order.

The Chair: I'll get to you. I'm sorry.

[Translation]

Mrs. Julie Vignola: Could I have a copy of the motion? [*English*]

The Chair: Colleagues, I'm going to suspend for two seconds. We're going to go back and double-check the transcript just to confirm things. Again, we end up with subamendments to subamendments of things that were apparently never intended to begin with.

We'll suspend for two seconds, colleagues.

• (1145) (Pause)

• (1145)

The Chair: We're back.

Mr. Johns, go ahead briefly.

Mr. Gord Johns: I'm going to withdraw. **The Chair:** You're going to withdraw.

We need consent for Mr. Johns to withdraw that.

Some hon. members: Agreed.

(Amendment withdrawn)

The Chair: Thank you.

We're going to go back to the original speaking order, now that the amendment has been withdrawn.

We are with Mr. Kusmierczyk, so we're back on the original debate.

Go ahead, Mr. Kusmierczyk.

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

Can I ask for a brief suspension? Can you give us one quick minute, Mr. Chair?

• (1150)

The Chair: For what purpose, please?

Mr. Irek Kusmierczyk: I need to clarify our direction here moving forward. We just need a quick suspension, please.

Mr. Garnett Genuis: I have a point of order.

From whom do you need direction?

The Chair: I'm not going to suspend for that. We have quite a—

Mr. Irek Kusmierczyk: I need clarification on what just transpired.

The Chair: We're not going to suspend. I can clarify that for you.

I will repeat that Mr. Johns has withdrawn his amendment, and now we're back to the original speaking order on the motion.

Mr. Irek Kusmierczyk: Okay. I'm happy to do that.

The Chair: Thanks.

Mr. Irek Kusmierczyk: Mr. Chair, as a Windsorite, I think that this is the most important investment in the history of our community. It is important that, when we talk about it, we talk about this investment in facts, not in political games, not in what we're seeing—false information and confusion being sown by the Conservative Party, by Conservative members. This is not the place to play politics—with people's livelihoods, with this investment that is the most important investment in the history of my community.

By way of a little bit of context, eight years ago my community of Windsor had an unemployment rate of 11.2% under the Conservative government. The present leader of the Conservative opposition was the then minister of employment, but he might as well have been the minister of unemployment for manufacturing communities like mine, which had 11.2% unemployment. There was 11.2% unemployment in my community.

This investment, this battery plant, is the single most important investment in the history of my community. It is important that when members of Parliament talk about it, they speak in facts. I want to put forward some of those facts.

I spoke last week with the current president of Unifor Local 444, Dave Cassidy. I also had a chance to speak this weekend with the CEO of the NextStar battery plant. Here are the facts.

There will be 2,500 full-time jobs building batteries, building two million batteries every year at that battery plant, the Stellantis battery plant. Those workers will be local, will be Canadian and will be unionized. There are 900 workers currently building the battery plant. When all is said and done, there will be 2,300 workers building the battery plant. I had a chance to tour it. Those workers are all local. They're all Canadian.

Don't take my word for it. Dave Cassidy, the president of Unifor Local 444, which will represent the 2,500 permanent workers at the battery plant—the person who represents all the Stellantis workers at the Windsor Assembly Plant—says: "We are going to have 2,500...Unifor 444 workers building batteries in that facility", and they will be building those batteries for generations to come. This is what else he says: "The Koreans are going to come over, and they're going to assist in the building of the proprietary equipment [that will go into that building]—and [that is] nothing new." What he means by that is this: Anyone who has ever set foot in a manufacturing factory will know that, when you install machinery or equipment from abroad, the companies from abroad send their workers to help install that machinery and equipment because they have the know-how. They built it. They have the know-how, and they have the proprietary information. The equipment is proprietary.

It's the same way in Windsor. When you have local companies, such as CenterLine or Valiant—Windsor companies—installing equipment, whether it's in Alabama, Germany or Japan, they will fly Windsor workers to install the equipment, to test the equipment and to debug the equipment. It is part of the contract. They are contractually obligated to do so to maintain the warranty of that equipment.

(1155)

Dave Cassidy goes on to say that this is nothing but "political hay" and a "circus" given the misinformation being shared with the committee and Canadians. Dave Cassidy goes on to say that, if Pierre Poilievre had his way, this battery plant wouldn't even be built—wouldn't even be built.

The president of Unifor Canada, Lana Payne, published an article this weekend with the headline, "Canadians deserve better than misinformed battery plant debate". This is the president of Unifor, the largest private sector union in Canada representing hundreds of thousands of workers, including automotive workers at Stellantis and at Ford.

This is what Lana Payne writes: "Anyone who knows anything about the start-up of major industrial projects knows that it takes a lot of different people, in many different jobs, to pull these things together."

That didn't stop the information mill from working overtime, referring to the Conservative misinformation mill.

Ms. Payne, president of Unifor, goes on to say, "Conservative leader, Pierre Poilievre, the ringleader of this media circus, went so far as to call for a national inquiry into the matter." Lana Payne, the president of Unifor, goes on to say:

For one thing, there is nothing new about Canadian firms leaning on foreign professionals when launching new industrial projects.

Anyone who has spent half-a-second studying the auto industry knows there isn't a single, mass-scale battery cell production facility operating in Canada. This is the reason Stellantis opted for a joint venture with LG Energy in the first place: to tap into this technical expertise.

This is no different than what happens during a new vehicle product launch. In fact, teams of U.S. workers were temporarily brought over the border to help get the GM Ingersoll plant up and running and building new EV delivery vans. This plant also received substantial government investment. No one batted an eye.

She continues—and this, again, is the president of Unifor, Lana Payne—"It's embarrassing, quite frankly, the tenor of political debate on this issue", and this is the important part to me and to every resident of Windsor:

And it's doing a disservice to all of us who have been scratching and clawing to rebuild the auto industry into the powerhouse it once was—no thanks to harmful Conservative trade policy or economic ideology....

No one has more at stake in this matter than Canadian autoworkers.

These are the Canadian autoworkers that Unifor represents.

I don't understand, quite frankly. I don't understand why the opposition MPs around this table ignore what the president of Unifor says. I don't understand why the opposition members around this table are ignoring what David Cassidy says. Dave Cassidy is the president of Local Unifor 444 in Windsor, representing thousands of auto workers at Stellantis in Windsor, the Windsor assembly plant, and will be representing 2,500 workers who will be perma-

nently building batteries in the battery plant in Windsor. I don't understand it. I don't understand it.

Our message, of course, when I met with NextStar was to say that—

(1200)

Mr. Garnett Genuis: I have a point of order, Chair, on relevance

The Chair: Continue, Mr. Kusmierczyk.

Mr. Irek Kusmierczyk: I appreciate that very much.

The Chair: I would mention that there is much repetition, and I'd appreciate if we could get back to the point of the motion.

Mr. Irek Kusmierczyk: I think, Mr. Chair, you can appreciate how important this debate is to me and to my community in Windsor—Tecumseh.

The truth of the matter is, the reason why we're here is that the success of electric vehicles and the success of EV battery plants are a direct threat to Conservatives, a direct threat. They don't believe in climate change. Conservatives don't believe in electric vehicles. They never supported from day one the Stellantis—

Mr. Rick Perkins: I have a point of order.

The Chair: I would ask that we stay away from the more insulting stuff and just stick to the motion, please, Mr. Kusmierczyk.

Mr. Irek Kusmierczyk: Mr. Chair, it's not insulting. This is the truth.

The Chair: Mr. Kusmierczyk, I'm going to interrupt you again. Could you please just stick to the motion.

Mr. Irek Kusmierczyk: The truth of the matter is the battery plant demonstrates that when you have an environmental policy you have an economic policy and you have jobs, and that's what the battery plant represents. Again, the facts are: two and a half thousand full-time Canadian, local workers building battery plants for generations; 2,300 construction workers building the battery plant, local Canadian workers. Yes, we are partnering with our Korean partners at LG to install the machinery and the equipment. There will be 900 Korean workers who will come in and help us, share their knowledge and install the machinery and equipment and get it up and running as soon as possible. But there will be 700 Canadian trades helping with that installation at its peak. We know that. Those are the facts. That's been known for months.

That's the fact. Those are the facts. We are partnering with our Korean partners because we've never built a battery plant in Canada before. We are starting an industry from absolute scratch. We don't have the expertise so we're leaning on our partners in Korea, LG, because they are the world leaders. They have been building batteries for 30 years; they have over 24,000 patents on the construction of batteries; they are the experts and they are coming here to help us get the battery plant up and running as quickly as possible and to share their knowledge and expertise with us. They are temporary and they will leave and what will remain are two and a half thousand Canadian local workers building batteries.

Mr. Chair, I do have an amendment that I would like to put forward to this motion. I wanted to emphasize, again, this is the most important investment in the history of my community. This is why, again, I ask and I beseech my colleagues around the table to speak with facts about it, to keep the politics and the games and the misinformation out of it. I do have a motion.

The Chair: Are you reading it in, Mr. Kusmierczyk?

Mr. Irek Kusmierczyk: I have an amendment, pardon me, to the motion.

The Chair: Go ahead, please. Because you're not in person, the clerk is going to jot it down so don't go too fast but please start, Mr. Kusmierczyk.

Mr. Irek Kusmierczyk: I would like to start by striking (g) and (h) from the original motion.

The Chair: You said start. Is there more? Mr. Irek Kusmierczyk: Yes, there is. The Chair: We have that. Go ahead.

Mr. Irek Kusmierczyk: We can vote on that first and then actually vote on a subsequent subamendment as well. I will just put that amendment forward, please.

The Chair: Okay, we'll start a speaking list on that amendment.

Mr. Genuis.

● (1205)

Mr. Garnett Genuis: Thank you, Mr. Chair.

The Chair: Sorry, Ms. Vignola, I see your hand up. Is that for the amendment, or is that for...?

[Translation]

Mrs. Julie Vignola: I wanted to talk about the amendment to the original motion. It's an amendment to what Mr. Gord Johns said earlier. So it's the same comment as a few minutes ago.

[English]

The Chair: Mr. Johns has withdrawn his, but you're on the speaking order of the original amendment after Mr. Kusmierczyk.

Go ahead, Mr. Genuis.

Mr. Garnett Genuis: Thank you, Chair.

Mr. Kusmierczyk said he would start with an amendment to strike paragraphs (g) and (h). I suppose his next proposed amendment will be to strike paragraphs (a) through (f), which would achieve the objective that he has made clear he wants, which is that he does not want taxpayers to be able to see what's in this contract.

If he takes matters seriously, as he purports to, I think he would take seriously the role of taxpayers in looking at these documents.

Look, Chair, Conservatives put forward this motion. We believe the motion is good as is and should be supported as is. I do think it's important to make a distinction between (g) and (h), in that (g) is to provide an immediate report to the House on these matters, which is something that we think is worthwhile, and (h) is to say that in the event the documents are not produced there would be a follow-up from the committee.

In our view, these are both important, but (h) is substantially more important, because (h) provides a safety valve if the government doesn't provide the documents. By proposing to remove (g) and (h), Mr. Kusmierczyk has made it clear that the government's intention is to not provide these documents even if the committee orders them, because he doesn't want there to be any safety valve. I think it was evident in his comments that he doesn't think these documents should be provided, and he has proposed the removal of any kind of safety valve mechanism that would allow that.

I want to propose a subamendment—that is, to undelete (h)—which I think, though not rendering it perfect, substantially improves the amendment.

The Chair: Thank you, Mr. Genuis.

We'll start a speaking list on the subamendment to the amendment.

Mr. Kusmierczyk, did you want to respond?

Mr. Irek Kusmierczyk: No, not at all. My subamendment is quite clear and I'm not sure why Mr. Genuis wants to waste the committee's time.

Hon. Andrew Scheer: We're ready to vote, Chair.

The Chair: Mr. Johns, go ahead.

We have Mr. Johns on the subamendment to the amendment.

Mr. Gord Johns: I'm fine with removing (h).

I mean, the safety valve is that the committee orders something and if it isn't complied with the committee gets to decide what to do next about it. I support removing (h). If we don't get the documents.... I'm worried about the "one week" because of translation. I think that two weeks would make sure we get the documents. I want to get the documents. If we don't get the documents, then we can look at next steps, but I think ordering the documents for the committee would be the first step, so I'll support this.

The Chair: Are you supporting Mr. Genuis's or are you referring to the original amendment?

Mr. Gord Johns: It's the original.

The Chair: Thank you.

Mr. Gord Johns: I don't think we need to leave (h) in. It's a little early for that.

The Chair: We're on the subamendment.

Mr. Genuis, go ahead, please.

Mr. Garnett Genuis: This is a little bit disappointing, and I think it's important to just make the case very clearly.

Liberals have said that they do not believe they should provide these documents, which is mind-boggling but typical of this government. They don't believe that they owe taxpayers an explanation of how taxpayers' money is being spent.

I would hope that we would have had some agreement from the opposition that these documents should be provided. The removal of (g) and (h), as proposed by the Liberals, has the effect of removing the mechanism by which the committee can actually substantively follow up and insist that these documents come. Without those provisions in there, we know what's going to happen. The documents are not going to be provided, effectively, as was made clear by Mr. Kusmierczyk's comments, and then, when they're not provided, the most we can do is propose another motion, to which likely the Liberals will insert additional roadblocks, and they'll try to lean on their coalition partners again to prevent this moving forward.

Paragraph (h) provides a mechanism by which this committee can ensure those documents come. Liberals don't want (h) to be in there because they don't want the documents to be provided. They don't plan to provide the documents. We've put (h) in there because we believe the documents should be provided and we need a mechanism to ensure those documents will be provided. If the opposition parties actually want these documents to be provided, we need (h) in there. If they don't want these documents provided, if other opposition parties want to go along with the Liberals in covering up these documents, then they'll support Mr. Kusmierczyk's amendment.

We're very much interested in working with others on this. If two weeks is preferable to one week—

An hon. member: Up to two weeks....

Mr. Garnett Genuis: —up to two weeks—sure, we can support that change, but the removal of (h) will have the effect of allowing the government to do what they have clearly indicated they intend to do, which is to prevent these documents from coming to light.

We Conservatives will insist that these documents do come to light, and I hope we'll have the support of other parties in ensuring the mechanism is in this motion to follow up if the documents are not provided.

I'll end there.

● (1210)

The Chair: Ms. Vignola, your hand is up.

Is it on the subamendment that we're discussing right now, Mr. Genuis's subamendment?

Please go ahead.

[Translation]

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

We're also part of the parties. It would be nice not to be forgotten in the discussions.

Personally, I would keep paragraphs (g) and (h) of the motion, precisely in order to give us a safety net in this situation.

In my humble opinion, if we were to discuss this for three hours in the House of Commons, it wouldn't be a waste of time. After all, we're talking about 1,600 workers. I heard Mr. Kusmierczyk talk about the need for specialized workers. I understand all that. Some Canadian companies are doing exactly the same thing elsewhere in the world. However, I've never seen a Canadian company send 1,600 workers to a plant.

So I'd like some clarification on that. We're talking billions of dollars, and a decade before full profitability for Canadians.

[English]

The Chair: Ms. Vignola, can I interrupt for a moment?

[Translation]

Mrs. Julie Vignola: I would therefore keep paragraphs (g) and (h).

[English]

The Chair: That's perfect. You are next on the speaking order when we get back to the motion after this.

We're done with speakers. Mr. Genuis's subamendment was to delete the deletion of (h). We'll go right to a vote on that.

Mr. Kusmierczyk's amendment was to delete paragraphs (g) and (h); Mr. Genuis' was to change that to just delete (g).

Are we clear on what we're voting on? Okay.

We'll go to a recorded vote.

(Subamendment negatived: nays 6; yeas 4 [See Minutes of Proceedings])

The Chair: The subamendment is defeated.

We'll restart our speaking order for the amendment.

We left it with Mr. Genuis with a subamendment. I don't have a speaking list, but I see Mr. Scheer....

Mr. Scheer.

(1215)

Hon. Andrew Scheer: I just want to make sure that we're clear on a few things.

I know there's some conversation about the issue itself that we've outlined, but listening to my colleague from the NDP, I just want to clarify—because he's used the expression a few times—that these documents don't need to go to the House. They can just stay here in committee. Just to be crystal clear, this motion calls for the committee to receive these documents, not for these documents to be tabled in the House or delivered to the House.

All that would go to the House, as this motion is written, is kind of one thing for sure and one thing if necessary. The thing that would happen for sure if this motion is adopted is that the chair will present a report to the House notifying the House that this motion has been adopted. It's just an FYI. It doesn't automatically come with a debate. He would just get up during routine proceedings and table the report.

I don't see how that uses up House time or committee time. We've been in the House before when chairs table reports—sometimes it takes a few seconds. There's nothing that would automatically flow from that, so I don't see how (g) would be a procedural problem for anybody. It's very innocuous. Reports come from committees on a near daily basis.

That brings us to (h):

in the event the documents have not been produced as ordered by the Committee, to the Chair's satisfaction, the Chair shall be instructed to present as soon as possible a further report to the House recommending that an Order of the House do issue for the foregoing documents....

That is really the crux of this. It would ensure that the government must comply. Again, Parliament is the body that holds the government to account. It's our job to shine a light on everything from how taxpayers' dollars are spent to what kinds of agreements were contained in this and whether or not, in fact, there were safeguards protecting Canadian jobs.

That is the step that's included here—to save committee time, to anticipate a possibility that would be in contempt of the committee and, in one tidy motion, to provide for a course of action in the event that the government ignores this motion.

If all goes well, if the government respects the democratic expression of this committee in terms of the adoption of this motion, we'll never need paragraph (h). It will never come into play. The report to the House saying that the government has defied an order of the committee will never need to be made because they will have respected it.

In the event that they don't respect that, I hope my NDP colleague would agree with us that it would be an affront to this committee. It would be an affront to the principle of parliamentary accountability, an affront to the taxpayers who are paying for this and an affront to the qualified Canadian workers who are being left out in the cold as taxpayer-funded foreign replacement workers fill the jobs that their tax dollars went to create in the first place.

I implore my NDP colleague not to think that somehow this motion should not be supported because it anticipates a potential problem and solves for it. In the event that this motion is ignored in the first place, I would hope that he would fight for his rights as a member to have committee decisions respected and would vote to support a version of (h) anyway.

Let's just deal with this all at once. We've been talking about this for a little over an hour now. I know there's a lot of business before this committee, and there are lots of issues that we should be seized with. Let's take care of this. This is an ultra-efficient motion that will save the committee time down the road, and it will save the House time as well if the government ignores us. If the government

doesn't ignore this motion, then there's no problem, and life will can go on.

The Chair: Thank you, Mr. Scheer.

Does anyone else wish to speak on the amendment?

Mr. Perkins.

• (1220)

Mr. Rick Perkins: I'll make one quick reference just so that everyone is up to speed on the translation issue, which is an important thing.

The Volkswagen contract is already translated. It was translated in the spring when the industry committee got a look at it. Regarding the Stellantis contract, if it's not already translated for signing, it's on its way to being translated and will be done shortly, according to the government.

The Chair: Thanks.

Shall we move to the vote then, members?

Mr. Jones, go ahead.

Mr. Gord Johns: That just brings up a point that Mr. Perkins raised. Maybe he can help me with this.

If this is already at the industry committee, why is it coming to OGGO? Can someone maybe chime in from the Conservative bench?

The Chair: We're actually on the two amendments, not what's going on in other committees. Can we address the amendments, and move to the votes on the amendments, Mr. Johns?

Go ahead, Mr. Genuis, on the amendment.

Mr. Garnett Genuis: I think it's important to underline where we are process-wise with the amendment. This is a motion that the Conservatives have put forward, because an enormous amount of taxpayer dollars are being spent in a process that involves bringing in replacement workers. Conservatives are saying that we need to see the contracts—not only parliamentarians but Canadians, the people we represent. We're here representing people who have elected us and who have a right to look at how their hard-earned tax dollars are being spent.

What's been striking in the conversation at the committee up until now is that that Liberals have been clear that the call for basic accountability is, in their eyes, a political game. The very existence of a parliamentary committee process looking for accountability and for information and documents is something they consider a political game. Obviously, that's just nonsense. It's the nonsense we typically hear from Liberals. Anything that at any time we're trying to hold the government accountable for, a government that's clearly struggling in popular support, and get information to the public, the Liberals diminish that as insignificant or unimportant. We're saying that we need to get these contracts.

The Liberal member, Mr. Kusmierczyk, made clear in his arguments that he doesn't think these documents should be provided. Mr. Souza threw in the point that there is confidentiality involved, and so forth. He doesn't believe Canadians should be seeing these contracts. The Liberals have been clear about their position.

Conservatives believe that Canadians should see these documents. Liberals believe that Canadians should not see these documents. I think the Bloc is with us, as well, in saying these documents should be seen.

The swing vote for the outcome of this is the NDP. I think the position of the NDP, in light of what's happened, is either shifting or—to put it charitably—is a bit unclear. After saying outright that they do not think the public should be able to see these documents, the Liberals then moved an amendment that dishonestly doesn't actually take the issue of production of documents. I'll withdraw the dishonestly part, out of deference for you, Chair.

The Chair: I'll advise all to stick to the motion.

Mr. Garnett Genuis: Thank you, Chair.

I will proceed.

What they have done is to not actually directly engage the production issue. They have said, well, we're going to take out a couple of these additional sections such that if the documents—and these two paragraphs, (g) and (h), deal with the follow-up that would happen if the documents were not produced—are not produced, there has to be a process of follow-up, or else the government is just going to not produce the documents, which is their stated intention anyway.

But rather than directly change the motion to remove the document production order, they have tried to change the motion to remove the enforcement mechanism, the necessary follow-up enforcement mechanism that would actually ensure these documents are provided.

We have heard some say well, if the documents aren't provided, then we can consider what we're going to do at that point. Well, I say this committee has important work to do later. Let's put in the automatic follow-up mechanism because we know what's going to happen.

We know that in a week or two weeks, based on what the government has said, they will not provide these documents even if they are ordered to, if there's no enforcement mechanism, and then we will have to bring it back to this committee at that point, and at that point we will see the same kinds of efforts from the government side to tie this up.

This is why this amendment should not pass. It is quite evidently an attempt by the Liberals to undermine this whole effort. I predict that if this amendment passes, they will not provide the documents, and then we will be back here again and Conservatives will be saying I told you so. Then we will have to repeat this whole discussion at that point. Hey, maybe I will be surprised. Maybe they will finally come through on something, but I suspect, and it's clear from what they are saying, that they do not intend to provide these documents unless we take the steps required to force them. Frankly, if they wanted to provide the documents, they would have already. We will continue to insist on the provision of the documents.

The Conservative position is clear. I think the Liberal position is clear. Now, if the other parties are serious about accessing these documents, we're open to identifying a reasoned compromise, but

we need a mechanism to ensure that these documents will actually be provided.

I will leave it there.

Thanks.

(1225)

The Chair: Thank you, sir.

Mr. Bains, go ahead on the amendment.

Mr. Parm Bains (Steveston—Richmond East, Lib.): Yes. There is a lot being said here. I just want to mention that Mr. Genuis is saying that we don't want to bring this information forward, the Liberal members don't want to bring this forward. Mr. Perkins also mentioned already that these documents are available, translated, and everything and are being studied in another committee already.

Just for the record, I want to make sure it's being said that the other committee requested that the contract with Stellantis regarding the electric vehicle battery manufacturing facility in Windsor, Ontario, with job numbers, unredacted and in both official languages be available at the clerk's office for viewing by committee members for a minimum of 48 hours before the meeting, under the supervision of the clerk, and that no personal mobile, electronic, or recording device of any kind be permitted in the room that week, and that no notes be taken out of the room, to protect the security of this contract, that the committee meet with ISED officials in camera following the viewing of the contract, etc., and that a number of members be invited to that committee along with the ambassador of South Korea, including the Minister of Innovation and Science for two hours and the Minister of Finance.

The information will come forward, so I think we should get on with what's being proposed here.

Thank you.

The Chair: Mr. Kusmierczyk, go ahead on the amendment. Then we have Mr. Berthold, Mr. Perkins, Mr. Johns and Mr. Scheer.

Mr. Irek Kusmierczyk: Thank you, Mr. Chair.
The Chair: That's on your original amendment.
Mr. Irek Kusmierczyk: Yes. Thank you, Mr. Chair.

I want to state that I disagree with what my colleague, Mr. Genuis, stated and the way he characterized our position.

We have shared the information and the contracts with the INDU committee. That information is being shared as we speak. There are six committee meetings dedicated to studying these very contracts.

What we oppose, Mr. Chair, is what the president of Unifor characterized as a mill of misinformation that is working overtime. That is what we object to.

Because of the sensitivity of this investment and how important it is to my community and to communities across Canada, we speak in facts and we do everything possible to refrain as much as possible from misinformation and disinformation. We speak in facts. That's the part that we oppose.

Again, I want to emphasize that we have already voted in support of other committees looking at the documents, looking at the contracts and studying them.

I want this information to be shared with Canadians because they will be proud that we have a Liberal government that has delivered \$30 billion of investments in the automotive sector in just the last three years that will be creating tens of thousands of jobs across Canada. These include the 2,500 permanent jobs at Stellantis in Windsor, the 5,000 permanent jobs in St. Thomas because of Volkswagen, the 3,000 jobs at Northvolt in Quebec and the hundreds of jobs being created in Maple Ridge, B.C. All of those investments were delivered by the Liberal government for Canada.

I want Canadians to get the information, because they will see that these are agreements they will be proud of, which are creating thousands of jobs in communities across Canada.

Thank you.

• (1230)

The Chair: I have Mr. Berthold on the amendment.

[Translation]

Mr. Luc Berthold: Thank you very much, Mr. Chair.

I'm glad to know that my colleague also wants Canadians to be able to see the contracts. I hope this will be reflected when we vote on the motion. This will give him the opportunity to withdraw his amendment. If he really wants Canadians to see the contracts, the way to do it is as described in the motion. It sets out a very clear and precise process to ensure that these documents are disclosed first and foremost here, to the Standing Committee on Government Operations and Estimates. Then, if the documents are not produced in accordance with the motion, it provides that we will have recourse to the House to ensure that the Liberals do not once again shirk accountability.

The Liberals have accustomed us to this, since they do it regularly. I need only recall the famous saga of the National Microbiology Laboratory documents in Winnipeg. I can also mention the McKinsey documents. The Liberals take advantage of every loophole, no matter how small, to avoid making documents public and accountable to Canadians for their mismanagement and incompetence in awarding contracts. They'll do anything to avoid making contracts public.

My colleague talked about misinformation, but in the case of the issues we're currently dealing with, the misinformation came first and foremost from the Liberals. There's no doubt about that, and I can give some blatant examples. This is why we absolutely must defeat this amendment and adopt the motion as we have presented it.

I want to remind you of two things. First of all, two weeks ago, in Windsor, we learned that foreign replacement workers were going to be brought in, paid for by taxpayers. Who told us this? It was the chief of police, who was warned that 1,600 South Korean workers were coming to fill jobs that had been promised to Canadian workers.

[English]

Mr. Charles Sousa: Mr. Chair, can we deal with the subamendment? We're doing another [*Inaudible—Editor*] here.

The Chair: Is this a point of order, Mr. Sousa?

Mr. Charles Sousa: Yes, it's a point of order.

The Chair: Thank you. I allowed a bit of leeway for Mr. Bains, I'll allow a bit of leeway this way, thanks.

Mr. Charles Sousa: All right, thank you.

[Translation]

Mr. Luc Berthold: Mr. Chair, I'm speaking specifically on the proposed amendment before us. It's very important because we've been talking about disinformation.

The Minister of Employment, Workforce Development and Official Languages first told us that there was only one foreign worker. Later, there was talk of a small number of foreign workers. We now have confirmation from the company hiring the workers that at least 900 taxpayer-funded replacement workers will be brought in to work at this plant.

We recently learned that the Northvolt project in Quebec will benefit from a \$7-billion public subsidy. CBC/Radio-Canada revealed that hundreds of workers—we don't know how many—would be brought to work in Quebec to fill jobs that would normally be filled by Canadians, and particularly Quebeckers.

As I mentioned at the outset, the Liberals have accustomed us to the fact that, if there's no pressure, if there's no timetable, if there's no way to access the contracts, they'll find a way not to respond to this committee's request.

Let me remind you of paragraphs (g) and (h) of Ms. Block's notice of motion that the Liberals want to abolish.

I'll start with paragraph (g):

the chair be instructed to present a report to the House forthwith advising it that it has adopted this motion, and

This motion calls for the production of documents. These documents are contracts. They are contracts that will give four international companies billions of dollars of Canadian money to create jobs that were thought to be Canadian jobs.

If \$50 billion in funding isn't enough for us to have a three-hour debate in the House about the appropriateness of these contracts and the appropriateness of producing documents, I don't know what could possibly justify a three-hour debate in the House of Commons.

I'm talking about \$50 billion, which represents \$3,000 per family, when right now, as we know, there are endless lines at food banks.

People are suffering, people are hungry, and all the while, the government is willing to take taxpayers' money. If it was to create wealth and if he's so proud of these contracts, let him show them to the public. He shouldn't be afraid to make them public. He could explain why he's taking \$3,000 per family to create these plans. If it's to create wealth and help all of Canada, we want to see it. Canadians have a right to know, because it's their money.

Paragraph (h) of Ms. Block's notice of motion is precisely the point that is absolutely necessary, and my message is particularly addressed to our NDP colleague Mr. Johns because I know that my Bloc Québécois colleague Ms. Vignola has already announced that she agrees with paragraphs (g) and (h).

I'm going to read paragraph (h) that the amendment seeks to eliminate. We haven't had a chance to talk much about it yet in French.

Here's what paragraph (h) says:

(h) in the event the documents have not been produced as ordered by the committee, to the chair's satisfaction, the chair shall be instructed to present as soon as possible a further report to the House recommending that an Order of the House do issue for the foregoing documents, provided that they shall be laid upon the Table, in both official languages and without redaction, within one sitting day of the adoption of the Order and thereupon be deemed permanently referred to this committee.

What does this mean?

If, for any reason, the Liberals prevent or deny this committee access to the documents, we will notify the House, and by extension all Canadians, that the Liberals refuse to do so. We will ask the House to issue an order of reference so that the documents can be produced and sent back to this committee so that we can study them.

It seems to me that this is the basis, that this is simple and that this is the way to proceed with committee review, given the Liberal past, which we know well, when it comes to the production of documents.

Mr. Chair, you will understand that I will be voting against the amendment proposed by my Liberal colleague.

I hope that all the opposition parties who are here to hold this government to account will also vote against this amendment. These points are an insurance policy to ensure that documents are produced for the committee. It's an insurance policy so that we can have access to them.

• (1235)

Thank you, Mr. Chair.

[English]

The Chair: Thank you, Mr. Berthold.

I have Mr. Perkins and then it will be over to you, Mr. Johns, on the amendment.

Mr. Rick Perkins: Thank you, Mr. Chair.

I spoke at the beginning when I introduced this motion, and now we have this amendment. I'd like to address the second part of the amendment, which concerns paragraph (h).

Actually, before I do that, perhaps I could address this issue in relation to the industry committee, as I believe I'm the only member of the industry committee who's here.

On the Volkswagen contract, our original request last year was for it to be released publicly, and the government amended it to make it secret so that we could only view it under in camera conditions. Our proposal last week for all of these contracts was to make it public, and the government amended the motion to keep them secret, to keep them behind. Contrary to the impression that was left that these documents will be made public, they will not be made public under what's going on at the industry committee, and they will not be made public to provide the clarity that the Liberal MP for Windsor—Tecumseh mentioned that he thinks all Canadians should have access to.

Of course, they should have access to it. The only way to have access and to clear up the confusion here is to deal with this and make them public. It was the Hon. François-Philippe Champagne who said at the start that all the jobs in construction and all the jobs that are permanent would be Canadian union jobs, which turns out not to be the case. How do we know that? It's because the ambassador for South Korea went to the community and met with officials and said they needed housing for 1,600 South Koreans who are coming here to work at the plant.

Paragraph (h), the document request that the Liberals are trying to remove, reads:

in the event the documents have not been produced as ordered by the Committee, to the Chair's satisfaction, the Chair shall be instructed to present as soon as possible a further report to the House recommending that an Order of the House do issue for the foregoing documents, provided that they shall be laid upon the Table, in both official languages and without redaction, within one sitting day of the adoption of the Order and thereupon be deemed permanently referred to this committee.

So what the heck would that mean for everybody if the paragraph were removed? It would mean that the government would not produce these documents in spite of an order from this committee that this has to go to the House. That's in the event that the documents aren't produced. I don't see what the risk is of having this in the motion because if the government produces a document, then this is not necessary. But it's absolutely necessary in the case that the government does not produce the documents, because we know that the government was given eight weeks to produce the McKinsey documents for this committee and refused to do so on committee order.

Where did this committee end up? It had no ability to report back to the House given the way the government reacted. The government already has a history of ignoring document production requests. The member from Windsor—Tecumseh, as I understand it, was at the forefront of refusing and arguing that those documents not be produced. So, yes, there's a history of ensuring that we don't have transparency about the expenditure of taxpayer dollars. If he's so proud of these jobs and this initiative in his riding, he should be proud of the contract. He should be proud that the contract requires Canadian workers, which apparently it doesn't.

The question before us is, why would you want to hide this? The company, presumably, has the ability in the contract to take out the few bits of it they might think are commercially sensitive, but large parts of these contracts are not commercially sensitive because the Minister has talked in generalities about them before. But he's been very confused, because at the beginning he said that these would all be Canadian jobs, and then as recently as this weekend, the Hon. François-Philippe Champagne admitted that he didn't guarantee that the jobs would be for Canadians when he signed this \$15 billion deal with Stellantis. Now he's saying he wants to sit down. That's the implication. Why would the minister need to sit down with Stellantis and NextStar to figure out what the job situation is of foreign workers if foreign workers were not allowed in this contract in such massive numbers—1,600 out of 2,500 workers.

(1240)

He's contradicting himself. At the beginning, these were Canadian workers. Now he says that obviously he needs to sit down and clarify the contract that he signed—that perhaps he didn't read—and whether or not it allows us—

Mr. Charles Sousa: I have a point of order.

Mr. Rick Perkins: So this is the transparency—

Mr. Charles Sousa: Mr. Chair, I have a point of order.

The Chair: Excuse me-

Mr. Charles Sousa: We're going through a diatribe again. Let's just stick to the subamendment and then move on.

The Chair: Excuse me for a second, Mr. Perkins. We're on the amendment, but I hear Mr. Sousa,

I think Mr. Perkins is addressing some of these issues.

Please continue, Mr. Perkins.

• (1245)

Mr. Rick Perkins: I appreciate that, Mr. Chair, and I appreciate the point of order.

However, that is the issue. The heart of the issue is transparency. The government has a history in this committee, and quite frankly with the Winnipeg labs as well, of ignoring production of documents motions.

So yes, we're skeptical that the government will actually comply with a nice motion that doesn't include these things. "Trust us. Don't worry. We've made sure that they're secret in the industry committee, but we don't want them to go public here. We're going to maybe ignore this, using the excuse from government members that it's already in another committee and nobody will be able to talk about it publicly. Let's just sit down to see how that goes and ignore what this committee does."

They have the out here, of course, with the French translation. I'm sure it will take them an awful long time, with the 100,000 new bureaucrats since they were elected, to actually translate these documents.

The issue is that they will use every trick in the book to not produce these documents. They did not vote to have these public at the industry committee; in fact, they voted the opposite, to keep them

secret. That's what the members of the government, the Liberal side, are trying to do here today, to make them secret.

For everybody, for all Canadian taxpayers, it's important to know whether what the minister said when he announced this deal in the spring or what he said this weekend...which version of the truth it is that the contract supports.

There's only one way to do it, which is to produce them. The problem is that we don't trust that the government is going to do that because of their history.

In paragraph (g), which says that the chair will be instructed "to present a report to the House...advising that it has adopted this motion", it's important, obviously, that the House be aware, through the work of this committee, that these documents have been requested. It's important, given the track record of this government, that all 338 members of the House of Commons are aware that this committee has asked for these documents to be made public, and that if they're not made public, there will be a report back to those same elected members of Parliament that they have refused, once again, to produce documents as compelled by a House of Commons committee and have ignored the will of Parliament.

Mr. Chair, I'll leave it there on this amendment for now. Thank you.

The Chair: Thanks.

We'll hear from Mr. Johns on the amendment, please, and then Mr. Scheer and Ms. Vignola.

Mr. Gord Johns: I'm going to pass.

The Chair: Mr. Scheer is next, and then Ms. Vignola.

Hon. Andrew Scheer: I just want to address some of the statements made. The Liberal MP moving this amendment said that he opposes this production order because he wants to stick to the facts. This order would get the facts. This production order, if passed, would produce the documents. I don't imagine there's a lot of editorialization in the documents. I'm not sure if the Prime Minister is going to write a cover letter with the documents to put some of the government's spin on it. The contract itself would be the fact, and that should speak for itself. That's the part that's so puzzling here.

They're saying there's misinformation out there. Okay, what's wrong, and who's wrong? The local union rep said that there were qualified Canadian workers who could fill those jobs, but they would be left in the cold as taxpayer-funded foreign replacement workers come to fill jobs that should otherwise go to Canadians. Is he wrong? The police representative said that they were asked to prepare for up to 1,600 foreign workers to come in to the Windsor area. Was he wrong? Is the reporter who first cited the number of 1,600 wrong? Is it closer to 1,200, or is it closer to 2,000?

There could very well be some details being discussed publicly that could be off the mark. What better way to ensure that we're all dealing with facts than to get the contract itself and to see exactly how many jobs the Liberal government guaranteed would go to local Canadian qualified unionized workers and how many jobs it allowed the manufacturing company to fill with workers who would come from overseas? Once we get the contract and once we can see it, then we can have a conversation about whether it's letting in too many replacement workers and whether Stellantis needs more. We could actually have a discussion based on the facts once we get the contract in front of us.

This comparison to the production order passed in another committee is totally bogus, because it doesn't count if you can't inform the Canadian people themselves. Basically, what they're doing is like what they've done, by the way, in many other instances where they said they will allow the actual information to be shared with parliamentarians, but they're going to force them to keep it secret. They will to let them look at the contract, but they can't take notes. They can't talk to anybody else about it. They can't inform Canadians as to where their tax dollars are actually going. That's no way to run a government.

Then, I'd like to address the idea that somehow sharing this information with the public would somehow be injurious or would damage the overall deal. The government chose to make Canadians shareholders in this deal by signing this contract. If we put ourselves in the shoes of shareholders in a private sector company—let's take Stellantis as an example—and if we owned shares in Stellantis, we could show up at an AGM, and we could demand to see the details of the contract. We could demand to know what the board of directors had decided to do with our investment dollars. It would only be fair for taxpayers to have the same rights as Stellantis shareholders because taxpayers are the shareholders on the government side of the equation.

Informing Canadians what has happened with their tax dollar should be just as important as Stellantis shareholders knowing what has happened with their investment dollars. Why should the Canadian taxpayers be treated almost as second-class shareholders versus what the shareholders in the private sector company have as their rights? Why should Canadian taxpayers have fewer rights to get to the bottom of this decision than Stellantis shareholders have?

That's what Conservatives are fighting for here. We're fighting to get the facts. We're fighting to protect the interest of tax dollars. If the government is so proud of what it's done, and if it's so sure this is a good deal for Canadians, then it's certainly not acting like it. It's acting like it's embarrassed of this. They're acting like they're afraid of what's going to come to light.

• (1250)

If I were in the shoes of my Liberal counterparts, I would be eager to get this published. In fact, I think my Liberal counterpart actually said he wanted more Canadians to know about this deal. That's great. Let's make sure every Canadian knows every aspect of this deal. Let's publish the contract and—this brings me to the actual amendment itself—let's make sure this motion actually comes to fruition and actually gets results. We've seen too many examples

where there have been orders like this that don't include an enforcement mechanism and the government just ignores it.

We've seen them say things. Remember, with the SNC-Lavalin scandal, they said they were going waive attorney-client privilege, but not for cabinet confidences. We still don't actually know what type of pressure was applied to Jody Wilson-Raybould during that whole scandal because even in that example they refused to waive all cabinet confidences.

We've seen this with the McKinsey production orders. Remember that sordid affair? The government failed to comply with production orders to get to the bottom of McKinsey's role in government consulting, its involvement in big pharmaceutical companies and the role it played in causing the opioid crisis.

It seems like there's a lot of agreement that the facts should come to light. We're all agreed on that. It sounds like the Liberals at least pretend they are. They claim they are. They said it. We all agree on that.

We should all agree on the important role that committees play, as parliamentarians and if we take off our partisan hats. No matter what the order is, once a committee adopts it, we should all agree, even if we voted the wrong way on it, that the will of the committee should be respected. When Parliament exercises its privilege on behalf of Canadians and on behalf of Canadian taxpayers to inform the public as to what has happened with the tax dollars, we should all agree on that principle as well.

If we agree that the facts need to be made public, that the work of parliamentary committees is important as they pass motions and issue instructions and production orders, and that those orders should be respected, and if we agree with the important role that Parliament plays in protecting tax dollars and informing the public as to decision making, this should pass unanimously. Unamended, this should be a routine motion. We should have talked about this for maybe five minutes and then moved on with the committee's work because we all agree on those principles—unless there are some people on the committee who are pretending they agree with those principles, but in reality they are not and it's just a phony smoke screen for covering up the Prime Minister's error on this.

I hope my colleague, the NDP member who opposed this motion, will have some time to reflect on what the problem would be with passing it unamended and in its original form. I really do think it achieves the objectives he stated.

I know we're coming to the end of the allotted time here.

• (1255)

The Chair: I'm just going to interrupt you there.

Colleagues, I'm going to suspend because I think we are kind of at the end of our rope, so to speak. We are suspended. We'll continue this at a later time.

Thanks, everyone.

• (1255) (Pause)_____

• (1835)

The Chair: Good evening, everyone. We are back in session.

We are continuing with the debate on Mr. Kusmierczyk's amendment

We have a speaking list. It's Mr. Fortin, Mr. Genuis, Mr. Sousa, and Mr. Kusmierczyk. This is the speaking order on Mr. Kusmierczyk's amendment.

Mr. Fortin, welcome to OGGO. The floor is yours.

[Translation]

Mr. Rhéal Éloi Fortin (Rivière-du-Nord, BQ): Thank you, Mr. Chair.

I'm pleased to be here. Mrs. Vignola will be with us as soon as possible. She'll be here in a few minutes, I hope. She's on her way back from Quebec City.

Mr. Chair, in the meantime, I'd like to propose an amendment to this motion on behalf of Mrs. Vignola. However, I understand that this is not the time to do so, if I correctly understood the discussion we had. We are currently working on other amendments to remove paragraphs (g) and (h) from the motion. Is that it? That's where we're at.

I'll tell you right now, then, that I'll propose an amendment to this motion, but I'll hold back, and I'll table it when we've completed our work on paragraphs (g) and (h).

Mr. Chair, I would respectfully submit that, in our view, these provisions are unnecessary. In fact, paragraph (g) in particular is unnecessary, and we'd be more in favour of keeping paragraph (h) in the document. Paragraph (g) doesn't seem useful to me at this stage. We won't get into a long debate about it. We'll defer to what the committee as a whole wishes, but, if we have to vote, I'll announce right away that we'll vote in favour of withdrawing paragraph (g) and in favour of retaining paragraph (h).

[English]

The Chair: Thank you very much, Mr. Fortin.

Next, we have Mr. Genuis on the amendment.

Mr. Garnett Genuis: Thank you, Chair.

Because we're continuing from an earlier committee meeting this morning, I want to reiterate where we're at and the lines in the sand from our perspective in the Conservative party.

Chair, we have put before the committee today a motion to get contracts for our awareness and the awareness of the public about how billions of dollars of taxpayers' money is being spent effectively in corporate subsidies. We have proposals from the government for billions of dollars worth of corporate subsidies, and we hold to the fairly modest proposal that people should be able to see the details of those agreements.

We note that it has recently come to light that, in one particular case at least, there appears to be a very large number of foreign replacement workers being brought in to work as part of this subsidized project. As such, we feel that it is reasonable and urgent for this committee to request access to these documents so that Canadians—the taxpayers, the people whose money we are spending, at the end of the day—can understand the terms of those agreements and what is going to be the impact of them.

We've heard in this discussion that Liberals do not want these contracts to be requested. They oppose this motion and, in the meantime, they will do everything they can to water it down, because they do not believe that the taxpayers have a right to this information. This is consistent with what we've been seeing for the last eight years, which is the complete lack of respect for taxpayers' money from this government.

In the process of trying to water this down, they have effectively tried to take the teeth out of this motion. That is, they've said, "Okay, if we request the documents, then we don't want to have a mechanism for the committee to follow up to ensure that those documents are delivered." We have added a provision such that, if the documents are not provided, the chair may make a report to the House, and this would initiate proceedings that provide the committee and the House with tools for insisting on the production of the said documents.

If we do not have provisions (g) or (h) in this motion, then there is no mechanism for ensuring that those contracts will be delivered. This is, of course, what the Liberals want. Ideally they would prefer there be no motion at all requesting this contract, because they do not want to share this information with the public.

If there must be such a motion, they would rather the motion be toothless and have no enforcement mechanism, because it will be their intention not to provide these contracts, certainly not in a way that's transparent and will allow the public to access this information. They have moved an amendment to remove (g) and (h) from the motion, trying to remove teeth and enforcement capacity from this motion.

As we have said earlier, provision (g), the request for an immediate report to the House, is nice to have, but it's ultimately less important. Provision (h) is crucial. Provision (h) only kicks in if the documents are not provided. If documents are provided as requested, provision (h) is irrelevant.

The fact that Liberals are keen to remove paragraph (h) underlines that they intend to not provide these contracts to the committee. If they intend to provide the contacts to the committee, leave (h) in. It's no big deal. It's only a provision that applies in the event that the documents are not provided, but, because Liberals are so keen to have (h) removed, they are making clear to the committee that they do not intend to provide these documents. The Conservative position on this is clear. The Liberal position is now clear.

The question, then, is where the other parties—where our friends in the NDP and the Bloc—stand on this matter. I believe that the Bloc have made clear that—and I'm pleased by that—they agree with us that at least provision (h) should remain in the motion. It is not an automatic report to the House. It is simply a provision that kicks in if, and only if, the government does not provide these documents.

The deciding vote on this will swing to the NDP, whether the NDP sides with the other opposition parties in insisting on accountability and transparency in asserting that sunlight is the best disinfectant or whether the NDP votes with the government in a way that facilitates the bearing of these contracts.

(1840)

The government has made clear that their intention is not to provide these contracts, which is why they want paragraph (h) removed. Therefore, the NDP now have to decide if they will vote with us to keep paragraph (h) in and insist that the documents be provided and that there is a mechanism for ensuring that the documents are provided, or whether they will vote with the government for the removal of paragraph (h), which, in effect, will mean that the government will not provide the documents to the committee and that the government will stymie subsequent attempts to hold the government accountable for it.

I hope that this committee votes in the majority to order the production of contracts that provide details on corporate subsidy deals worth billions of dollars. Parties that stand for the interests of tax-payers and parties that put the interests of people ahead of the interests of corporations will vote for transparency and to keep paragraph (h) in this motion and will, therefore, oppose the amendment from the Liberals to strike it.

Thank you, Mr. Chair. **The Chair:** Thank you.

Now we have Mr. Sousa, please, on the amendment.

Mr. Charles Sousa: Yes, it's on the amendment. I have a lot more to say, obviously, on the general motion. However, on this amendment, we already have paragraph (f), which states that we will supply the documents to the clerk within the period of time that I think is being suggested—and we may amend that as well—"and without redaction". That's how it's being presented at this point.

By deleting paragraphs (g) and (h), we're also being sensitive to some of the confidentiality matters of the documents. The members will have the opportunity to review them more in depth—and I think that's appropriate—without compromising the situation and the competitiveness of what foreign direct investment requires.

I find it rather surprising that the members continue to ask this to be provided, when we already have other committees requesting the same documents going forward. I, therefore, reinforce the issue that it is being asked that the documents be presented, which we'll be obliging, and that's that.

The Chair: Thank you.

Mr. Kusmierczyk, you're next on the list on your amendment.

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

The Chair: You probably put yourself on the list about eight hours ago.

Mr. Irek Kusmierczyk: Yes, exactly—when it began eight hours ago.

Thank you, Mr. Chair.

I just want to say that, again, we're interested in facts. We've said from the very beginning that there are 2,500 full-time, permanent jobs building batteries at the battery plant that are going to local, Canadian and unionized workers. We know that there will be up to 2,300 construction jobs in building the battery plant. Those will go to local, Canadian workers. We also know that close to 50% of the jobs for the installation of equipment will be going to local, Canadian workers.

Those are the facts, and we're interested in establishing and sharing those facts and supporting those facts with Canadians because this is good news. It's not just good news for Windsor. It's very good news for other areas that have landed a battery plant thanks to federal leadership, whether it's the Umicore battery plant near Kingston, the Northvolt battery plant in Montreal or the battery plant in B.C. We are eager to share the good news about the thousands of jobs that are being created in those communities.

At the same time, in the industry committee, we've already stated that we are interested in making sure that the information about the contracts is shared with MPs. We voted for that. There are six studies being conducted at the industry committee to study those investments

Again, like I said, our interest is to make sure that facts and information are being shared with Canadians because, again, these are investments that are changing the future for communities like ours, communities that, eight years ago under the Conservatives, had 11.2% unemployment. Today, we have workers working, and we have 2,500 permanent jobs coming to communities like mine.

I just want to say, at the same time, that we also want to balance the information in the contracts with the fact that we don't want put these investments at risk. We know that there's commercially sensitive information in those contracts. We want to make sure that we don't risk the current agreements and investments but also future investments that we know are on our doorstep. In the case of Windsor, we know that there are billions of dollars on our doorstep from suppliers that want to locate in Windsor. They want to supply the battery plant. We just want to make sure that we're not taking any false steps that put those additional investments in jeopardy.

Thank you very much, Mr. Chair.

● (1845)

The Chair: Thank you, Mr. Kusmierczyk.

Next, we have the other half of Windsor.

Mr. Masse, welcome back to OGGO.

Go ahead, please.

Mr. Brian Masse (Windsor West, NDP): Thanks, I'm a repeat offender, I suppose.

(1850)

The Chair: We get a lot of repeat offenders.

Mr. Brian Masse (Windsor West, NDP): Thanks.

I appreciate the committee, and the work it's doing on this. We've had a couple of our members here from the industry committee. I listened as I did another committee at the same time this morning. I appreciate the hours the committee has put in on this.

I'm going to be direct, because it's the best way to deal with this. I came here tonight trying to, hopefully, get answers for the public as best I can.

There are a number of different things I intend to do tonight. We don't support (g) and (h), because we don't support concurrence motions in the House that will cause problems. We do support, though, making sure the government is going to follow through with this commitment.

I would be a bit concerned, hearing there might be an amendment about translation later on. I know it would be pertinent for documents to be translated sooner rather than later, but maybe one week is too much. We'll see. I hope there wouldn't be any issues with that.

As well, I'll tell you this much that, tonight, I won't be supporting some of the preamble language proposed to me after seeing the amendments by both the Conservative and Liberal parties. The reason being is that it's basically an opinion as to what's out there. I want to find some more facts here to restore public confidence in the investments that are taking place, but I believe we need to try to be as transparent as possible.

I'm also concerned. I do have an amendment at some time to work through it if I can, and, hopefully, find consensus like we did at the industry committee about how we can get the actual information of the foreign workers who are coming, the foreign workers who will operate the plant, and also the specific foreign workers who will be doing the training of the Canadian workers, and for how long. Is there a way to protect proprietary information? Can it be done in a trustworthy way? I worry about handing all of that over to companies and the government, so I'm trying to find a way to do all of those things, and I know there are other amendments coming.

To be clear, we won't support (g) and (h) at this particular point, but I take the reservation the Conservatives sincerely have about it concerning whether we're going to get the information or not. I believe we can under (h), and I believe there will be the political will to do so, because the companies, which are noted in this thing right here, don't want this story to continue to go on and on in perpetuity.

I think the government will be understanding of that, because if it doesn't produce these documents as soon as possible, it's going to continue to undermine public confidence in the materials here. I will be supporting the amendment to remove (g) and (h), but I have

high expectations that they will be deliverable in terms of the rest of the motion.

Much like I did at the industry committee, I will be voting to get rid of the preamble, and just get to the contracts. I'm searching for ways to bring some consensus to the fact that we do want as much information as possible, and not unilaterally turning over the entire keys of the operation for redaction to the companies and the government. I'm working on those elements to see if I can find a way as we go through this day.

Again, we won't be supporting (g) and (h) at this particular time.

The Chair: Thank you, Mr. Masse.

That exhausts our speaking list on Mr. Kusmierczyk's amendment.

We'll go to a recorded vote on the amendment.

[Translation]

Mr. Rhéal Éloi Fortin: Mr. Chair, could we have two separate votes, since the withdrawal of paragraph (h) and the withdrawal of paragraph (g) are two different amendments?

[English]

The Chair: No. It's one amendment to delete both (g) and (h).

(Amendment agreed to: yeas 6; nays 4 [See Minutes of Proceedings])

The Chair: We're back to the original motion without (g) and (h).

We'll start our speaking list with Mr. Perkins.

Mr. Rick Perkins: Thank you, Mr. Chair.

I live in hope that the government will live up to the words they've said, which are open transparency. I'm not surprised that there seems to be some confusion among the Liberal members about what actually is being seen at the industry committee, since that committee is not seeing public documents. It's a secret, hidden process that tries to ensure that members are unable to ask questions, once they see the contracts, about what's in them.

Having read the Volkswagen contract, I can tell you what's not in it. What's not in it is a commitment to Canadian jobs, contrary to what the Liberal members say. That contract has no commitment to hiring jobs for Canadians. I can also tell you what else isn't in it—a power of the government to redact the contract on request of it being public. Those are facts. Those aren't in the contract, and since the minister has said these marry with each other, we know that that's the case in Stellantis. Why would anyone want to presuppose what should be released by picking and choosing contracts, which most members here have not seen, and by picking and choosing which clauses should be public? They don't know what clauses should be public, because they haven't seen the contract.

There are provisions in most normal commercial contracts with the government that allow when you're getting taxpayer money, particularly in this case more than \$15 billion of taxpayers' money, \$1,000 per household, that you expect when you're doing business with the Government of Canada, that elements of your contracts will be open and transparent. That's part of doing business. If you don't want to do that business, then don't take taxpayer money if you want to be secret and hide from what you're trying to do.

The question here before us in this main motion is that we have a motion that simply asks for transparency. I just came from questioning theMinister of Industry in the finance committee on this contract. When I asked him if he read the contract, he gave a "Bernadette Jordan" type of answer. You remember Bernadette, the former fisheries minister, whom I beat. She was asked if she had read the Marshall decision, a pretty fundamental thing for the fishery, and she said no before committee. Do you know what the minister said? He said he'd been apprised of it and has been kept informed about what's in the contract.

The minister, a corporate lawyer, has the department approve a \$15-billion contract, which he hasn't read. Obviously, that's why he's confused, because the ambassador from South Korea said there are 1,600 South Koreans coming as foreign replacement workers. They're going to need housing, and that's why he met with everybody. At the same time, the minister—this minister—has said only a couple of days ago that there are only a few jobs, contradicting the South Korean ambassador, who I don't think was freelancing.

Then we had another minister, the Minister of Natural Resources, saying on Twitter last Thursday that of course there were foreign workers coming from South Korea.

We've had the company in the space of a week give out three or four different numbers about what's coming. Is it 900, is it 600, or is it 1,600? Every day they seem to give out a different number.

This has become so bad, and our motion mentions the four contracts—the Volkswagen contract; the NextStar one, which is the Stellantis contract; the Ford contract in the Bloc Québécois leader's riding, with a Swedish company. Guess what they said on the weekend when they were asked what was going on? They said they're bringing in foreign workers, because, of course, that contract mirrors the Volkswagen contract, which I've seen, and the Stellantis contract, which clearly don't have a provision that prohibits foreign workers, and actually allows for it, and does not require Canadian workers as the only ones.

The government disputes this. I've asked questions in question period and the minister talks about the amount of money the companies are putting in, and some "fairy dust" thing about 300,000 jobs in Ontario from a report by Trillium. Trillium, if you search it.... I engage MP Sousa andMP Bains to come back and find the word "VW" in the Trillium contract. It doesn't appear. Find the word "Stellantis" in the Trillium contract. It doesn't appear.

• (1855)

Yet the minister fancies himself as some guy who is creating 300,000 jobs in this industry if you sprinkle fairy dust here. In fact, when the Parliamentary Budget Officer was before the committee

on his estimates, he said that the five-year payback, which the minister said in the House, would actually be 20 years.

I said that really, if you take the Volkswagen contract alone, or the Stellantis contract alone, and you take the number of jobs—if they were Canadian and if they were paying Canadian taxes at the average range of \$100,000—it would actually take 150 years for that \$15 billion to be paid back to taxpayers.

I don't think we'll be buying lithium batteries 150 years from now and I don't think we'll be buying EVs 10 years from now, as this government has decided to invest in the Betamax of batteries.

When you go forward on this and ask, what are they hiding, what the government is trying to hide, clearly, is transparency. If they believed that the contract meant Canadian jobs only, they'd be rushing that contract out publicly to say, you guys are wrong. See, we're telling you they're wrong because we've released it. For the jobs in the Bloc Québécois leader's riding, the jobs in the member for Windsor's riding, the jobs in St. Thomas, Ontario, they clearly are not required to hire Canadians only.

The government members say that we're going to get all the information. How? The only way to get all the information is to release the contract, and for anyone around here to assume that they know what's in the contract, I'll just ask for one line in the contract, the contract you haven't seen. You don't know all the provisions of every clause of a 20- or 30- or 40-page contract. Hopefully a \$15 billion contract is more than 20 pages, but I can tell you, you'd be disappointed if you read the Volkswagen contract to see it much longer than that.

In the case of this, the IRA, the minister has made it public that this mirrors the IRA. The IRA, if you've read it on the provision part, says very clearly what the IRA does, which is that 100% of the cost of developing a battery between now and 2029 is covered by the taxpayer; 75% the year after; 50% the year after that; 25% the year after that. That's in the clause in the IRA. The Parliamentary Budget Officer, at committee, confirmed that the contracts mirror that provision.

We're talking about massive government subsidies that are paying 100% of what is 40% of the cost of an electronic vehicle so that batteries made with parts from China, where over 80% of the cathodes and anodes and the parts for EV batteries are made—they're not made in Canada—can get assembled, not manufactured, in Quebec and in Ontario, and shipped to the United States to be assembled in vehicles in the United States and sold in the United States. That is \$15 billion in Stellantis and another \$15 billion in Volkswagen of taxpayer money for foreign replacement workers to work in those plants, to pay taxes back home in South Korea so that batteries can be shipped to the United States and sold in the United States.

We're using Canadian taxpayer subsidies to subsidize the profits of global multinationals so that cars can be sold in the United States. If anyone is going to get the discount because of that—and I doubt Volkswagen and Stellantis will pass on a discount—it will be the Americans, not Canadians. Meanwhile all the employee taxes, or three-quarters of them, are going to go off to the foreign replacement workers who are being brought in by Stellantis and by the Swedish company that is partnering in this.

If you have confidence, which you espouse and project and say you have, then put your money where your mouth is and release the contracts. If you won't do that, you're clearly hiding something because you know what you're hiding is the fact that there aren't Canadian job guarantees in this contract, and that Stellantis is free to do exactly what it is they sent their South Korean Ambassador to Canada to do, which is to bring in 1,600 people from Korea to work in that plant, out of the 2,500 jobs—some bargain.

The minister said he hasn't even read the contract when I asked him less than an hour ago. He knows the elements of the contract. He is too busy getting his Aeroplan points around the world and doing his salesmanship and trying to generate his media for his leadership bid to actually read a contract. I thought the guy was a corporate lawyer and actually understood that you don't sign a contract without reading it, and certainly not a contract that spends \$15 billion, the biggest subsidy ever to a single company, and it's not even a Canadian company.

• (1900)

If you think these things are working and you don't believe me, picture the opening of the CAMI plant last spring opened in Ingersoll. The Prime Minister was there, the Minister of Industry was there. Isn't that wonderful? We have the full, first EV car assembly plant in Canada. It's wonderful. It's a big deal, lots of press coverage, lots of great, local jobs.

Do you know how many jobs are at that plant right now? There are zero. It was shut down two months ago, after only six months of operation because they can't get any parts. Do you know where the parts come from? They come from China, and China won't send the parts.

This strategy is a failure, no matter what the minister says. He doesn't want it exposed. He doesn't want the contracts released because he is afraid. He's afraid to show the fact that he screwed up. He didn't put Canadian jobs first. He didn't put Canadian union jobs first. He said that this was to save the auto industry. The only jobs he's saving are for 1,600 people who are coming here from South Korea. They're not immigrants. They're not temporary foreign workers.

It's a load of you-know-what, for everyone who's watching—

Mr. Garnett Genuis: Tell us what.

Mr. Rick Perkins:—to say that these guys believe in Canadian union jobs.

Any MP in this committee who fights the release of these public contracts is an accomplice in the cover-up of this LIberal government that is trying to cover up their failures in putting together a proper contract that protects Canadian jobs. That's what they're

afraid of. If you vote to do anything other than release the entire contract, under the terms of that contract—there are commercial provisions in there—and let the contract dictate what can go out, then you are assisting this government in covering up the truth on the jobs.

Mark my words, when there are 1,600 South Koreans here; when there are 1,600 or 1,000 Swedish workers here in the Ford plant in Quebec; when Volkswagen....

By the way, I can tell you another thing that's not in the contract: any commitment that's required after the government subsidy ends in 2032. There is zero commitment after spending \$15 billion. It's not in the contract. You would think it would be in there, but of course it's not in the contract because the minister didn't read the contract. Probably nobody in cabinet read the contract. I'm certain that none of the MPs opposite, with their speaking notes from the Department of Industry, read the contract.

I can tell you that putting it in this little secret chamber where you can't bring in a notepad, where you have to lock your phones outside, where you're allowed to read it.... Believe me, I spent six hours reading the Volkswagen contract. I read it many times.

By the way, in case you're wondering, there are two for each of these. There is an SIF contract. That's the industry SIF program, which spends billions of dollars. In the case of Volkswagen, \$778 million is going to build the plant with taxpayer money and in the Stellantis case, it's \$500 million out of the SIF contract.

Then, there is the production subsidy contract. That's the one where they are subsidizing 100% of the cost of the battery. That is what this Liberal government thinks is a great deal: an industry that can only survive if Canadian taxpayers pay 100% of the cost of the battery.

No wonder they don't want the contracts public. They'll be too embarrassed that they were taken to the cleaners by these foreign multinationals for not doing their homework.

It's time that members of Parliament who have had enough of the story from NextStar that changes every day about how many foreign workers they're bringing in, the story that changes from this government, the minister from Edmonton who said that there's only one coming....

He said it in the House. Then, the Minister of Industry said that there are only a couple. Then, the Minister of Natural Resources tweeted that actually there are lots coming, and it's all Harper's fault.

Yes, it's a terrible thing that we signed free trade deals, and it's Harper's fault that this government doesn't know how to negotiate a contract and doesn't know how to protect Canadian jobs in a contract

• (1905)

The time has come for all of those who care about transparency and care about ensuring that all the jobs in Windsor, St. Thomas and in the two plants in Quebec go to Canadians, go to Quebeckers, and don't go to foreign nationals who will take all that pay home. It's time for you to show some courage and ask for these contracts to be made public. Anything less than that is a failure by every member of Parliament here, who will be complicit in the cover-up.

The Chair: Thanks, Mr. Perkins.

I have Mr. Masse, Mr. Sousa and then Mr. Kusmierczyk.

Mr. Brian Masse: Thank you, Mr. Chair.

One important thing that put us in the situation that is missed is that our auto strategy has been basically defined by the United States and the Inflation Reduction Act. Those are the so-called free-market friends we have, and that exposes some of our trade dilemmas, and that shows the massive intervention that's done by the United States.

As New Democrats, for years we've been calling for a national auto strategy, one that is going to be planned and measured on the jobs and hours that we see from workers. This is the problem that we have with this situation right now. Quite frankly, when it came to light, there was one job that was applied for under the labour market adjustment program, but the reality that slipped through a lot of the different discussions at the time was that the contracts—we don't know, because as the member just outlined, we really don't know—didn't really provide the public with the proper information.

It's been a moving target ever since. On Monday, it was one. On Tuesday, it was 100. In the next few days, it changed from basically 1,500 to, I think, 900 now and maybe, potentially, could be up to 1,000. It's hard to know, because we don't know. That's a public expectation, where the dollars could go.

The industry itself has had a long history with regard to having government intervention. In fact, frankly, I want to touch a couple of things that took place. First of all, back in 1985, it was Chrysler that was rescued then with Lee Iacocca and others who saved the plant. There was massive public input into that. When we held onto the shares, it turned a return profit to the taxpayers.

Most recently, we went through a tough time with regard to General Motors and Ford. If you remember, the late Jim Flaherty said that we can't pick winners or losers. To his credit—this is not to his detriment—he switched his position later on and did an investment into General Motors. Unfortunately, the government of the day under Harper did sell the shares and shortchanged us in terms of that investment; otherwise, it would have paid bigger dividends. The ending there was that there was an intervention into the market at that time, and, again, this is not to denigrate Mr. Flaherty; it's to congratulate him for changing his position, which was very public at that time.

I'm a little bit concerned with some of the stuff on proprietary information, but I'm more concerned with the fact that we still have a moving target here when it comes to the contracts themselves. I don't support and didn't support an industry committee going into the secret chamber to get the information for that deal, because I

know that uncertainty and question marks remain the biggest inhibitor when it comes to investment and confidence of the public.

There is some legitimate concern about the investment and some of these things that the Canadian builders trade unions have raised. That's where a lot of this came from, that there was some expectation that perhaps there would be some intervention.

I don't think we've ever seen this intervention with foreign labour coming in to retool a plant. Usually this happens in the tool and die mould-making industry, where workers go back and forth across the border. In fact, we've had trouble over the past number of years getting access to fixed machinery and so forth, so some of this stuff does take place.

I'm more worried with regard to the contractual elements when it comes to suppliers and so forth, and that's led to some of the challenges that we have.

When it comes to the motion here, I don't support the prelude to the motion and, similar to industry, I'm hoping that we take that out. I don't want to see us spend all night with the replacement by the Liberals with other types of hyperbole with regard to it. I hope that we get to the essence of it.

I'd like to hear more discussion in terms of how we ensure proprietary information. I think that the commercial provisions that are in the contracts do provide some protection, as the member has outlined.

My concern really resides in understanding the number of jobs and foreign workers who are coming into the plant, those who are training and then those who are staying in the community.

What is important for my community in terms of how it plays out to the rest of the country is how communities plan. We don't even know these targets. We have right now a housing shortage like many communities across Canada. There is some activity going on to take care of that, but there's no social planning when it comes to making sure that these investments include perhaps even long-term investments that provide social housing once the workers return home.

I know for a fact that I've been contacted by our local downtown businesses, and they have no hotel rooms whatsoever. We have people coming into our country and, if they are going to be provided and intend to come, we don't want conditions that are also going to create social strife and conflict.

• (1910)

I worry about the terminology that has been used in this discussion, because the reality is this: If some people are coming to take advantage of the situation or a job opportunity that exists, through no fault of their own, they come into an environment that's already polarized. My intent in all of this is to make sure the rest of the communities that face this, subsequently, can use this to their advantage. Perhaps there is still time in this equation, after 18 months of doing nothing to train workers. Perhaps there's a way to train some of the workers in the Windsor-Essex region, and in some of the other regions. They could come down and provide some of those job skill sets that would be valuable for the other places, later on. This is what I'm trying to do.

Do these things and restore public confidence. I am not complicit. Listen, we don't normally, in this place, release contracts on government deals. I've been here for 21 years. This is not the normal procedure.

The Chair: [Inaudible—Editor]

Mr. Rick Perkins: Yes, thank you. I won't take up much more time. It won't be 22 years until I finish.

I want to say that I appreciate the list provided here, in the motion. It is a comprehensive list that is necessary to get us to the next stage. I still worry about.... I'm looking forward to the debate about any proprietary information and elements like that, which could create further complications. However, at the same time, we need to move on right now with making sure the situation taking place here can be used to the benefit of other places that will get investment, afterwards.

The contracts are sold. They are on their own merit themselves...whether or not they will be of value and whether they'll be carried out.

I'll conclude with this: I'm hoping that, perhaps, again, there is some way to at least start with discussion. Delete number (i), number (ii) and number (iii). I will not entertain any other Liberal amendments that try to put any type of hyperbole back into this equation. That's what we did at the industry committee.

I will make a motion at one point, when it's appropriate, Mr. Chair, to delete number (i), number (ii) and number (iii) of the motion, in order to get right to the thrust of it. I will not entertain other substance put into that by anybody else, because I believe we want to talk about the real issue here: getting a fair balance about the contracts and getting them public. I do not want these contracts, Mr. Chair, to go to a room somewhere so it also handcuffs members of Parliament and creates a longer story in the longer run. That won't solve the situation.

Otherwise, we're going to be back up here. I don't want to be back up here.

• (1915)

The Chair: Mr. Masse, before we get to Mr. Sousa, I saw a bunch of heads nodding when you were talking about your proposed motion down the road.

Perhaps, if we are in agreement, we can zap number (i), number (ii) and number (iii). We can have Mr. Masse move that as a formal motion.

Mr. Garnett Genuis: I have a quick point of order, Mr. Chair.

I assume the words "given that" would be removed as well, so that it would just read, "That an order do issue for the production" etc. I assume that's okay.

Mr. Brian Masse: Yes, thank you for that clarification.

I would make a formal motion that we subtract those—

The Chair: Perfect. We'll-

Mr. Brian Masse: —with the clear understanding that I do not want to see substitutions or equivalency put into—

The Chair: Perfect.

I think Mr. Masse's amendment is to delete "given that" and number (i), number (ii) and number (iii).

We seem to have consent.

An hon. member: On division.

The Chair: We'll do it on division, but we can move forward.

(Amendment agreed to on division)

The Chair: Thanks, Mr. Masse.

Mr. Sousa, the floor is yours, sir.

Mr. Charles Sousa: Thank you.

I appreciate the comments made by Mr. Masse in regards to this issue. It's important for us to recognize the importance of this investment to the industry.

To the point made by all of you, we recognize the importance of this to Canada's vitality, economic prosperity and engagement in creating jobs. Certainly, for Ontario and for Canada, in the auto sector, it's a prominent industry, and we have done much over the years, over multiple different governments, to invest in it and to support it. This is about continuing to support this investment and to secure Canada's position as we go forward.

We are an attractive destination for direct investment. We have been, and we want it to continue to be so because we are competing against other jurisdictions around the world for this.

The matter being proposed through this motion puts in jeopardy some of the very issues in, and the nature of, these contracts. I recently heard one of the members talking about this as though it were the private sector, and the shareholders of this are now the public because of taxpayer dollars engagement. Even in a private sector or a public company, the shareholders are apprised of the generalities of the investment, but not the sensitivities and the competitive nature of those investments. That's restricted to the board and to the executive for fear, of course, that they have a competitive industry with other players and stakeholders involved.

I find it ironic that now we're talking about foreign direct investments and the issues of South Korea when that very trade agreement was brought in by Stephen Harper, prior. Now they're contradicting that, just as they've contradicted the Ukrainian free trade agreement that was just proposed. It's as though they're not into free trade agreements, and they're not into enabling Canada's competitiveness as we go forward, which I find interesting.

Canada does the same thing with other countries and with other investments. There were the CANDU reactors in the past. We foster the investment, and we enable Canada to compete in other parts of the world. We've brought forward certain expertise and used that to construct the nature of those factories and the production facilities.

In this case, there's been some inflation and some misinformation. I appreciate that we need to get to the bottom of it by way of reviewing those contracts. However, we are talking about the production of permanent jobs here in Canada for Canadians by investing in the skills necessary to compete in this new EV strategy and the production facilities. Of course, like every contract that some have discussed, there are performance measures and trigger points by which it would be enabled. When we look at a prediction or at a plant that may not have proceeded, it doesn't mean the monies were invested by Canadians at that point. It means it didn't meet their measures at that point. There are measures in place. The monies going into this plant are from Stellantis. The initial investments are from Stellantis first. Canada comes in at a second position and at a second phase.

When you look at the duplication of some of the requests, we have other committees that are also reviewing them, or wishing to review them. I think it would be important for us to engage with them in order for this body, us here in this committee, to have a better understanding of what's in those trade agreements without, of course, exposing those companies, who are nervous about other competitors being aware of their deals, and their shareholders aren't aware of the particulars of those deals. That would be inappropriate as well.

However, the interests of Canadians and our economy, and creating permanent jobs in Canada, are at the forefront of everything we do. I'm shocked at the way this is being developed by the opposition. Had we not done the deal, we would have been accused of not being at the table. We would have been accused of letting the Americans take it over. We would have been accused of not being competitive and of the idea that Canada is not an attractive place to do business, and, in fact, we are.

Proprietary information and patents also have to be secured. We need to secure our position in that regard as well.

All in all, it's as though they don't want to be part of the EV strategy. The whole world is going in this direction. If we want to sit back, let it go beyond us and put our heads in the sand, as the opposition seems to be proposing, then we'll be left behind, and Canadians will lose. We are fighting hard to ensure that we're at the forefront of economic development.

• (1920)

I support Mr. Masse's idea and notion of eliminating the preamble and initiating some purpose by which we allow our members

here in this committee—and others—to review the contract in greater detail and to have confidence in what is being said without jeopardizing the confidentiality of these deals and without jeopardizing Canada's ability to continue to attract foreign direct investment, or we'll be seen as a banana republic that is not there to protect the interests of these deals.

That is what the opposition is trying to suggest: putting Canadians at risk and not really fighting for Canada, but instead fighting for their YouTube hits and enabling themselves to look like stars and not looking at the interests of Canadians, as we are doing here.

I support the notion of providing the information that's being requested, but doing so in a way that protects the information without being exposed to the competitive nature and other jurisdictions that will then take advantage of what we're doing here.

Thank you, Mr. Chair.

The Chair: Thanks, Mr. Sousa.

Mr. Kusmierczyk, it's over to you, please.

Then we have Mr. Genuis and Ms. Vignola.

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

I want to say thank you to my colleague from Windsor West for bringing forward a really thoughtful motion here, a change to an amendment that eliminates a lot of the disinformation, misinformation and the politics and the games. That really was my primary concern: that we keep the games, the politics, and the misinformation about this important discussion we're having about these investments.... I just wanted to say thank you to my colleague from down the street, from Windsor West.

I want to sing from the rooftops the story of investment in Canada in electric vehicles and battery plants. This is such a great story that I can't wait to share it with Canadians.

You look at the last three years of investments: \$30 billion in investments. The Stellantis battery plant, which is the first battery plant in Canada, is but the first battery plant, and the first major investment of \$5 billion. You look at the Volkswagen investment just up the 401 in St. Thomas: \$7 billion and more than 5,000 jobs created.

Look at Northvolt, which is a Swedish company, investing in Montreal, with \$7 billion and 3,000 jobs; at Umicore, again, close to a \$3-billion investment and 1,000 jobs in Kingston; and at GM-POSCO, again a \$600-million investment in Quebec. Again, you can look at General Motors in Oshawa, with \$1.28 billion and 1,000 jobs; at Honda in Alliston, with \$1.35 billion; and at Ford in Oakville, with \$1.84 billion.

Mr. Chair, that's \$30 billion plus in investment in automotive in just the last three years, and tens of thousands of jobs, not just in Windsor but up and down the 401 in Ontario and Quebec, and in Maple Ridge, British Columbia—all across the country. This is what happens when you have a federal government making big investments, partnering with workers and partnering with industry.

This is what happens. I get that the Conservatives want to cast shade on this good-news story. They want to cast shade and doubt, and I get it, because they don't want to remind Canadians that when they were in government they lost 300,000 manufacturing jobs in Canada. When the Conservatives were in power, they let 300,000 manufacturing jobs walk out of our country. That's 300,000 and—

Mr. Rick Perkins: I have a point of order—

Mr. Irek Kusmierczyk: Here we go again. Here's the interruption.

(1925)

The Chair: I'm sorry. I have a point of order, Mr. Kusmier-czyk—

Mr. Irek Kusmierczyk: Sure. We expected this, Mr. Chair.

The Chair: We'll get back to you.

Go ahead, Mr. Perkins.

Mr. Rick Perkins: It's on the relevance to the motion.

Mr. Irek Kusmierczyk: I'm surprised that you let me talk this long.

Mr. Rick Perkins: Relevance to the motion....

The Chair: On asking for relevance, we of course always allow a wide degree of speaking on a topic, but I'm sure Mr. Kusmierczyk will get a bit closer to the motion at hand.

Mr. Irek Kusmierczyk: Yes, absolutely. I'll get back closer to home.

We felt that devastation in Windsor when the Conservatives were in power in 2015. We had 11.2% unemployment in our community.

That was 11.2% in our community in unemployment. We remember those days. We know that the Leader of the Opposition, the current leader of the Conservative opposition, was the minister of employment at the time. Of course, in Windsor, we refer to him as the "minister of unemployment".

But we have now a battery plant here, Mr. Chair, that is creating two and a half thousand permanent jobs in my community. This is our great hope. This is our great future. This is our community's great rebound. Windsor is the comeback story of Canada, and it is because we're making these major investments here. I will sing from the rooftops and shout from the rooftops the good news about the \$30 billion of investment that this federal government has delivered for Canadians and in manufacturing communities from coast to coast to coast.

We will continue to deliver investments for Canadians, and the Conservatives can keep giving words and casting shade and casting doubt. We will keep delivering. That's what we will do.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Kusmierczyk.

Mr. Genuis.

Ms. Vignola, please go ahead.

[Translation]

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

I also want to thank you for waiting until I got back.

I'm a woman of consensus. I'm trying to find a junction point in what we're looking for, so that we can achieve a common goal. To that end, I have an amendment to propose that could meet the need to know the agreements about workers, whether Canadian or foreign, and all the human resources provisions that the contracts might contain. The amendment will be sent to you shortly.

Now, I understand that, instead of the first three points, the first paragraph says that we want "an order do issue for the production of copies". I would add: "of the text of any provision that relates to the hiring or use of foreign workers or that relates to language requirements and language of work in any contract, memorandum of understanding or other agreement between a minister, a department and an agency".

Finally, I'm focusing on what we're looking for in the original motion, that is to say information about human resources, foreign workers and language requirements for them. I believe that would get us the answers to the questions we're asking ourselves and, I hope, bring us to a consensus. I have not gone around the table, because I've just arrived. That would give us all the answers we're looking for regarding the hiring of foreign workers.

When Canada builds plants abroad, I know that we hire Canadian workers. It's common practice. However, as I said this morning, I have never seen 1,600 Canadian workers go and help build a plant abroad. There will be a few engineers and a few electrical technicians, but never 1,600 people. That's why it's important to look at the human resources provisions of the contracts, since those are the ones we've been discussing since this morning. By looking at those particular provisions, we will also allow other committees to do their work on the elements that concern them, whether it be technology or knowledge, for example. We're going to focus on what's been raised in committee since this morning, that is to say the human resources provisions in the contracts.

That's the amendment I wanted to move. Has it been distributed to everyone, Mr. Chair?

• (1930)

[English]

Mr. Garnett Genuis: I have a point of order, Mr. Chair.

My understanding is that this is not been distributed and I haven't received it.

Could we suspend for now?

The Chair: We have received it. We just need to tweak some translation issues, so bear with us for a few seconds.

I've started a speaking list already on the amendment.

I have Mr. Perkins, Mr. Genuis, and then Mr. Scheer.

The amendment is going out now. We have four people on the speaking list.

We could probably start with Mr. Perkins on the amendment unless you wish to wait to have everyone receive it.

Mr. Majid Jowhari (Richmond Hill, Lib.): Yes. Can we have...?

We might want to suspend for a couple of minutes to read it.

The Chair: It's a very simple one. She read it into the record, but it will come out right now.

Go ahead, Mr. Perkins.

Mr. Rick Perkins: Thank you, Mr. Chair.

Thank you for proposing to try to find a way through this. I appreciate the intent, but I can't support it for the following reasons.

Earlier, I mentioned that.... I'm just looking around the table. I'm the only one here who's actually read the Volkswagen contract. As I said, the minister said these are mirrored contracts based on the IRA, and they have similar terms. We know Stellantis threatened to leave, because its initial construction announcement happened before the IRA was brought in, and then the IRA happened—President Biden's Inflation Reduction Act—which contained EV battery production subsidies.

The Volkswagen contract was negotiated in the context post-IRA, whereas the Stellantis original contract was done in the context prior to that. As a result—quite rightly so, I think—Stellantis said, "Hey, guys. We're not on a level playing field here. You can't be saying that we don't get that similar treatment when Volkswagen is getting it. If we go to the U.S., we'll get that treatment, but if we stay here, we won't get it. Everyone who goes to the U.S. can get it and Volkswagen will get it here."

With that in mind, it put the construction at bay. While the mirror agreement, or the agreement that's similar.... I'm assuming, based on the production numbers and the PBO report, that it's similar.

I am going to say one thing about what's in the VW contract about the issue of public release. The VW contract says the contract can be released publicly, but before it gets released publicly, the government must seek VW's consent to protect only the things that are commercially sensitive to Volkswagen. There's no ability of the government to redact the things that it thinks are politically sensitive, like the section around the lack of commitment to Canadian jobs. It can't exempt that out of some political narrative. The Volkswagen contract says only the company can, and it can do it only for commercially sensitive reasons.

There were three sections redacted when we saw it. There was the section on the number of batteries to be produced every year, but it wasn't difficult to figure out. For some strange reason, the section on the construction contracts of the plant was redacted. VW thought that was commercially sensitive.

Volkswagen, knowing that a bunch of politicians were going to be looking at this contract, didn't redact the sections around jobs. It didn't redact the sections around the out clauses to meet those commitments on the jobs. It didn't redact the section around establishing a battery recycling ecosystem.

None of those things were redacted by Volkswagen. All that was redacted was the annual production number, which it said was an average.

That's the same contract that the Parliamentary Budget Officer looked at and wrote two reports on. I believe he has actually seen the Stellantis contract as well. When we had him before the committee, he confirmed that it was basically the same.

The problem here is that the Bloc are trying to pick out of the contract the things they think need to be released in a contract they haven't seen. I don't think that's the role of parliamentarians. I don't think it's the role of the opposition. I don't think it's the role of the government. It's certainly not the role of the government in the terms of the contract. It's not the role of the Bloc to determine what clause gets released in a contract they haven't seen.

• (1935)

On the contract subsidizing the Northvolt, a Swedish company, with foreign replacement replacement workers, in the Bloc Québécois' leader's riding, apparently they don't want to see the terms that make sure that they get.... I say this because employment contracts can be in one spot and they can be in another—and by the way, there are two contracts. There's not one. There are two for each of these, so we have to make sure that people understand that it's both the construction contract and the strategic investment fund of ISED that pay for the government subsidy on the construction, and then there's the production subsidy contract.

Both have job commitments, job commitments for construction, job commitments for permanent jobs, and they're identical, I'd suspect, and they're probably identical in the fact that they don't mention the words "Canadian job". Otherwise they'd be releasing them.

So there are other sections in these two contracts that deal with employment and other terms and clauses.... If you don't ask for the right clauses you will not find all the outs that are in the contract that allow the commercial company, the auto company, to actually get out of those job commitments. If you don't ask for the right stuff.... And I can tell you from the Bloc motion, they aren't asking for the right stuff to get to the bottom of whether or not the Bloc Québécois leader's riding will be inundated with Swedish workers.

By the way, I'll read to you from the Saturday article that came out on Radio-Canada. Let me find the right article, there are just so many articles, there are so many conflicting job numbers from conflicting people from the government through the proponents. In this article, which came out on November 24, for the Quebec project the Swedish company says that "it is too early to be able to quantify the number of experts we will need with precision, but to give an order of magnitude, it will be a few hundred of people".

So you can guarantee that in the Bloc Québécois' leader's riding, there are going to be at least a few hundred foreign replacement workers, not jobs for Quebeckers. You can expect the same at the St. Thomas plant and the Windsor plants, as we know there will be 1600 workers from South Korea. And, by the way, at the second plant in Quebec, guess who the partner company on that is. It's a Korean company. It's a Korean company, so you can expect Swedish workers and you can expect foreign replacement workers in both those Quebec plants from Sweden and from South Korea the same the way they've done it.

Anyway, I would say going forward that trying to ask for one particular thing out of a complex contract won't get you to where you want to go. Let the company—as they have the power—decide what is commercially sensitive to them, not to the government. Let them choose as is the term of the contract what is sensitive to them. Who are we to choose what is sensitive for Ford, Stellantis or NextStar or subsidiaries here or for Northvolt or for Volkswagen?

I think with MP Masse's addition and the vote obviously that was made, I personally think it's still.... Obviously, I'm not going to rehash paragraphs (g) and (h) because we know that the government ignored this committee's document production requirements for the McKinsey reports. I have no confidence that they aren't going to do it again here and that's why we need to ask for the release of the whole contract because you don't know what to ask for if you are trying to narrow it down. Let the company decide what is sensitive, as the terms of the contract enable them to do, and not the government

Thank you, Mr. Chair.

● (1940)

The Chair: Thank you, Mr. Perkins.

Mr. Genuis, please.

Mr. Garnett Genuis: Thank you, Chair.

Just before I begin, I wonder if you could share the existing speaking list with us.

The Chair: On the amendment it's you, Mr. Scheer and then Mrs. Vignola.

Mr. Charles Sousa: On the amendment, that's what I'm talking about.

The Chair: Would you like to be added to the list for the amendment?

Mr. Charles Sousa: Yes.

The Chair: You were on the speaking list for the original motion, not the amendment.

Mr. Garnett Genuis: I suspect, based on past precedent, we will go far beyond the amendment as well, Chair, and that may be the source of the confusion from the member opposite.

Chair, Conservatives want to get this complete, and we want to get the contracts. It's a simple proposition. The public is paying for this, and the public should, generally speaking, have access to the contracts.

I hope that the Bloc might reconsider the amendment, because it really vandalizes the whole project, as far as I'm concerned. With a relatively small number of words, it changes the whole meaning of what we're doing here. Instead of asking for the contracts such that we could look at the contracts, understand them and get to the bottom of their implications in the fullest sense, it moves us towards requesting a narrow set of provisions that specifically name certain things that relate to the hiring of foreign workers such as language requirements and language of work.

There may be aspects of these contracts that have an impact on those things but do not, specifically, touch on the criteria that were mentioned. I think that it is reasonable to look at the whole contract to be able to understand what the effects of the contracts are in totality in terms of Canadian workers. That's what we're trying to establish.

We know that this public subsidy is leading to the employment of hundreds, at least, of foreign replacement workers, and getting to the bottom of this requires not just looking at provisions that might specifically mention foreign replacement workers. I'm not an expert in this area like my colleague Mr. Perkins is, but I suspect that they didn't write directly into the contracts the exact number of replacement workers. I suspect that the government, foreseeing this possibility, was cryptic enough in their language or simply didn't insert the necessary protections to ensure that Canadian workers were involved.

It may not be so much a question of what's in the contract but what's not in the contract. We can only establish conclusions based on what's not in the contract if we see the whole contract. If we see the whole contract, then we can say that there's nothing in the contract that provides for X, Y and Z. If we only see part of a contract, we have no way of establishing that. We have no way of establishing what's not in the contract unless we see the whole contract. I think that follows fairly clearly and fairly logically. We have no way of establishing what's not in the contract unless we first see the whole contract so we can identify what's absent. If we only see half of the contract or less, then there may be other things in the contract that you're not seeing. It completely negates and undercuts the entire purpose of this motion.

In fact, on that basis, Chair, I would even want to inquire if this amendment is even in order, because I think there are rules that prohibit negation amendments. I'll leave it to you to rule on whether that is a matter of order in terms of this being effective negation of the intent of the original motion. Whether it is so formally, I certainly think that it is so substantively, and it's certainly not something that we can support. It undermines the whole project that we've spent the day trying to work on, which is trying to understand what's going on here and delivering transparency for taxpayers. It negates and undermines the whole purpose of this exercise.

I may have more to say on this but, for the time being, I'll leave my remarks there. I do hope that some common sense will prevail, at least on the opposition side, and that we'll be able to have a motion. We've already lost some of the provisions, but the main goal is that we need to be able to get the contracts, or there's just no point.

Thank you, Chair.

• (1945)

The Chair: We'll go to Mr. Scheer now.

Hon. Andrew Scheer: Thank you very much, Mr. Chair.

I just want to address a few of the comments that were made by the Liberal member who had the floor a few moments ago.

This notion that there is some obligation for Canadian taxpayers to be kept in the dark about this deal is just so bogus. There are lots of occasions when it's appropriate and necessary to keep some details from the public when the government is interacting with certain suppliers, vendors, people, or companies who win bids or contracts for various aspects.

You can imagine a supplier that comes from the defence industry being hesitant about sharing every aspect of a contract as it relates to subcontractors or where they source primary material from. When the government puts out a call for bids for something, either an infrastructure piece or a procurement piece, you might say "Well, you know if the government is inviting other companies to bid on things and then entering into an agreement, because that company does other work with other competitors, we wouldn't want every aspect of how they arrived at their final contract or their final bid made public because that might do some kind of commercial harm to the company that's bidding."

But this is a different case altogether. This isn't that the government has put out an open call for bids, a competitive process under which every company that had expertise or capability had the opportunity to bid, with independent objective public service experts analyzing and scoring each application based on an agreed-upon set of objective criteria. This is the government entering into basically what amounts to a sole-source contract. They decided they would enter into this agreement with Stellantis in one case and Northvolt in another.

They are using almost \$50 billion of taxpayers' money to underwrite these assembly plants, and in so doing they've made the Canadian taxpayer a partner, or certainly at the very least a share-holder in this enterprise. Every Canadian who pays taxes will have to pay for part of this contract. So, just as any other business would have to answer to its shareholders as to where the board or where

the CEO is spending money, so too is it appropriate on the taxpayer side here.

We have a situation in which we only found out about this problem months after the original announcement was made. The Liberal from the Windsor area, who had the floor before me, says he's proud of this and that this is great news. Well, if he's so proud of it, he should show his work. Let's stick the contract on the fridge with a big sticker on it. If he's so proud of it, let's let everyone take a look at it. But he's not doing that.

At every step along the way, the government has asked us to just trust them. As soon as this deal was announced, Conservatives asked to see the contract. We simply put out there that we just want to be able to evaluate, to do our due diligence as an oversight body. Whether it's this committee or Parliament in general, we just want to take a look at the contract to decide for ourselves and to allow Canadians to decide for themselves whether or not they believe it's a good deal, whether or not they believe that there are adequate safeguards for Canadian jobs, and whether or not they believe that there will be the return on investment that was promised. The government refused. They asked us to just trust them. They refused to make the contract public, and then reports came out about the foreign replacement workers.

This brings me to the point by the member from the Bloc and where I would respectfully disagree with this amendment. We know today that there is a problem with foreign replacement workers. Because of these reports and other avenues, this information has come to light. That's why we're focused on replacement workers specifically.

• (1950)

However, there could be other aspects of the contract that don't adequately protect the taxpayers' investment in a whole variety of areas that we might never know about if we don't see the contract. We might find out about something months after this study is over, when another whistle-blower calls out an aspect of this deal that disadvantages Canadian workers or Canadian taxpayers.

As my colleague Mr. Perkins pointed out, as legislators, we all see legislation in which there are cross-references to other acts and other sections. There are all kinds of scenarios we could imagine, where if we only got a limited number of sections on a piece of legislation.... It might reference other portions of an act. It might reference other acts that we would not necessarily have in front of us without going to find them all.

The analogy I'm trying to make is that within a contract, there could very well be aspects that speak specifically to replacement workers or job guarantees, but might reference other sections that we would never have access to. We would never have a full picture of what's actually being presented, or what may or may not be safeguarded. That's why we really need the whole piece. In order to evaluate any given clause or any given section that might just narrowly touch on workers, we really need to be able to see that as part of a comprehensive piece to make a real evaluation.

It's the same thing when we analyze a proposed piece of legislation. When the government comes in and tables a bill, many of the sections might just be one or two lines about an amendment to another act. What do we do? We all go and see what the other act says. We look at that to say, "Okay. This section of this bill amends that section in this way." We have them both in front of us and we come to a decision. We come to a more informed decision when we're aware of not just what's in front of us, but other related topics that are covered in other bills and other acts. That's the analogy I'm trying to make about solely focusing narrowly on what the Bloc amendment would give effect to.

For those reasons, I would urge my colleague, respectfully, to take a look at that and wonder if we don't.... Rather than really getting to the bottom of this multi-billion dollar deal.... I think we have to really think about that, too. For my Liberal colleagues who keep hiding behind protecting their corporate friends, we have to consider this in the scale. These are—

• (1955)

Mr. Rick Perkins: I have a point of order, Mr. Chair.

I'm sorry to interrupt my colleague, the House leader, but I'm still contemplating the point that MP Genuis made earlier, which is.... I actually don't believe this amendment's in order, because it takes out the requirement to release the contract and replaces it with one narrow thing, which is anything mentioning temporary foreign workers. That's all that would be released. I can tell you the contract doesn't mention temporary foreign workers. I can guarantee you that. There's also a French language element.

I think it's out of order because it's a substantive change that changes the very nature of the motion itself from the full contract to one minor aspect of employment.

Perhaps Mr. Genuis might have more to add on that point.

The Chair: Thanks.

I've been chatting with the clerk during Mr. Scheer's talk, and we have been talking about Mr. Genuis' comments about it being out of order. I'm reading it the same way as the clerk, which is differently from you, so if you don't mind, I'm going to suspend for a couple of seconds to discuss the out of order issue.

We're also reading the French version. I want to make sure that we're all reading the same thing and the same intent of the motion. We'll suspend for a few moments and then we'll go back to Mr. Scheer.

● (1955)	(Pause)	
	(1 ausc)	

• (2010)

The Chair: Colleagues, we are back in session.

Thank you for your patience, everyone.

I am getting an indication from Mrs. Vignola that she wishes to withdraw her amendment. We have a general understanding of the language issue. She's putting forward a request to withdraw her motion.

Do we have agreement?

Mr. Charles Sousa: I'm sorry. What is she doing?

The Chair: She's withdrawing her amendment.

Are we fine with that?

Some hon. members: Agreed.

(Amendment withdrawn)

The Chair: The floor goes back to Mrs. Vignola.

Go ahead, please.

[Translation]

Mrs. Julie Vignola: Thank you for letting me withdraw the amendment.

To remove any ambiguity, I propose the following in the same paragraph: "an order do issue for the production of copies of any contract, memorandum of understanding or any other agreement between a minister, department, agency or Crown corporation of the Government of Canada, including any provision that relates to the hiring and use of foreign workers and that relates to language requirements and language of work".

Is it clearer to everyone now?

[English]

The Chair: Let me check with our clerk, please.

I'll have the clerk read it in English, as well, to make sure that we're all on the same page.

Mr. Majid Jowhari: I believe that the motion that Mrs. Vignola is putting forward has the two parts, with paragraphs (g) and (h) still in it. I think that needs to be withdrawn.

The Chair: No, I have mentioned that already. The clerk says that does not.

Mr. Majid Jowhari: Okay, that's not....

The Chair: Sections (i), (ii) and (iii) are also....

Mr. Majid Jowhari: Okay, that's great.

Thank you.

The Chair: It's very similar to the other one, so we're just going to read it back in, in English and French, rather than spend time sending it to everyone's P9 email account, if that's okay. It's so similar.

Mr. Majid Jowhari: Can you send it to the P9, please?

The Chair: Yes, we can.

There are going to be a few moments of delay while we do so.

Mr. Majid Jowhari: Thank you.

The Chair: Colleagues, we are going to be a couple of moments, so we will suspend.

• (2010)	(Pause)

● (2020)

The Chair: We are back. We have a hard finish at 8:30. The amendment has been distributed in both languages.

I will turn the floor back to Mrs. Vignola, please, for her amendment.

[Translation]

Mrs. Julie Vignola: I'm sorry, the wording received at 8:20 is not what I said.

[English]

The Chair: Let me check.

[Translation]

Mrs. Julie Vignola: I sent you the text in French, and the text I see in English doesn't correspond to what I sent.

[English]

The Chair: Just one moment, let me check with the clerk.

[Translation]

Mrs. Julie Vignola: It's no better in French either.

[English]

The Chair: I'm sorry. We'll suspend again for a few minutes.

The clerks are going to look at the translation.

• (2020) (Pause)_____

(2030)

The Chair: Committee members, we are back. I apologize. I think the wrong version went out.

I understand this is the correct one. Speaking to this amendment, we have Mr. Sousa, Mr. Jowhari, and Mr. Kusmierczyk.

Mrs. Vignola has the floor.

[Translation]

Mrs. Julie Vignola: The amendment you just received is the right one. It focuses on the information we're looking for in particular and would propose the following: "an order do issue for the production of copies of any contract, memorandum of understanding, or any other agreement between a minister, department, agency or Crown corporation of the Government of Canada, including, but not limited to, any provisions related to the hiring and use of foreign workers and related to language of work requirements and language of work".

In addition, paragraphs (g) and (h) are no longer there. Perfect.

I think this highlights the information we're looking for, while allowing us to see and discuss contracts. That's the consensus I'm trying to bring.

[English]

The Chair: Thank you.

Mr. Sousa.

Mr. Charles Sousa: Thank you, Mr. Chair.

With regard to the amendment, we recognize that there are other stakeholders in all of this. The Conservative Party of Ontario and the Government of Ontario are also very involved and engaged in the foreign workers, as well as in the engagement of this contract, and the enablement of what we are doing. I, therefore, find it ironic

that the Conservative cousins are not really aligned now with what is being proposed with regard to the opening and divulging of the contracts.

We agree that it's important for us to have a review, as proposed, regarding the labour market impact assessment, which was also part of this amendment. We call for that, and we recognize that it's an important piece, which dovetails with what the member is asking for with respect to those contracts being divulged through her amendment. That's important.

I know we're also sensitive about time. I'm just concerned, now, that as a result of the expiry of time and resources, we'll suspend yet again. Let it be known that, as a consequence, we're not going to have OGGO tomorrow. It will be presumably postponed in order to continue with this issue as we proceed forward.

I just want to add there are other considerations that I don't think are being taken. This is important, and we agree with the proposed amendment, including the contracts that are here, provided we do that with a sense of sensitivity, recognizing the exposure this has with the competitive nature of Ontario and Canada going forward with other similar foreign direct investment opportunities.

I'll leave it at that.

It's back to you, Mr. Chair.

(2035)

The Chair: Thank you, Mr. Sousa.

Mr. Jowhari.

Mr. Majid Jowhari: We have now spent four hours trying to get a copy of this contract. We were very comfortable, to start with, having a redacted copy to see whether we were comfortable, seeking what we want to see. We also agreed to include the hiring plan submitted to the Government of Canada during the process of incentive negotiations, which basically brings into light the fact that there was a hiring plan.

It is clear, and it's been confirmed by LG Energy Solution, that it was going to hire 2,500 Canadians. It has already hired about 130, and it continues to hire as per the hiring plan submitted to the Government of Canada.

When we look at the contract, starting with the redacted one, I am hoping that the hiring plan submitted to the Government of Canada is not part of that redaction. That basically opens up the answers to the questions everyone is asking, how many foreign workers, for what purpose are they coming here, and how many of them are part-time?

The Chair: I will interrupt because we're running short of time. Can I bring you back to Ms. Vignola's amendment specifically?

Mr. Majid Jowhari: Sure. We are comfortable with that amendment, so long as we agree on the fact that we will look at the redacted contract first. Then, if need be, we'll move to a private setting and look at the unredacted version.

The Chair: Can I clarify that? I don't see anything in the amendment about redaction. I want to make sure that we're on the right one.

Mr. Majid Jowhari: We support that amendment, but we would be moving another motion subsequent to that.

The Chair: I have Mr. Kusmierczyk.

You've had a couple of your colleagues showing support. Are you ready to move ahead, Mr. Kusmierczyk, and vote on Ms. Vignola's amendment?

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

I want to reiterate what my colleague Mr. Sousa mentioned. I appreciate the collaboration right now between all the partners around the table from the various parties. It does seem like we're finally zeroing in on the substance of what we're trying to get at and the clarity that we want to be able to share with Canadians, the good news story, which is that you have investment after investment bringing thousands of jobs to communities like Windsor. We want to share that good news with Canadians, and we want to share that good news with communities.

At the same time, I understand what Mr. Sousa said, and I agree that we do need to find a balance that also—

The Chair: Mr. Kusmierczyk, I apologize for cutting you off, and I try not to do this at all, but we're down to a couple minutes. I'm wondering if we seem to have general agreement to at least address Ms. Vignola's motion.

I'm seeing a lot of heads nodding. Perhaps we can get to the motion if there's a will to vote on it in the next couple of moments.

• (2040)

Mr. Irek Kusmierczyk: Is this the amendment to the motion?

The Chair: This is the amendment, I apologize. It's Ms. Vignola's amendment.

Mr. Irek Kusmierczyk: Okay. I want to say that I feel like we're finally moving towards a balance. That balance is sharing the good news, the information with Canadians, but making sure that we don't put the agreements, present and future, at risk. I think we're trying to strike that balance to be responsible.

Thank you.

The Chair: Thanks, Mr. Kusmierczyk.

Are we ready to vote on Ms. Vignola's amendment?

(Amendment agreed to on division)

The Chair: Colleagues, we have Minister Duclos here tomorrow. We will look forward to hearing more from him. I think it was Mr. Sousa who was commenting about that. I think there will be a way it will be addressed.

Mr. Charles Sousa: We're not done; we haven't completed this work.

The Chair: We are out of resources, so we are suspending—

Mr. Charles Sousa: So we continue tomorrow, do we not?

The Chair: Give me a second.

We have not voted on the main motion. I'm not forcing that ahead.

We do have Minister Duclos here tomorrow, and I assume we'll-

Mr. Charles Sousa: Can we suspend?

The Chair: —suspend and we will—

Mr. Charles Sousa: Suspend.

The Chair:—hear from Minister Duclos.

Mr. Charles Sousa: Can we suspend?

The Chair: Mr. Sousa, if you would let me speak, I will speak. It's been a long day, but please let me finish. Thank you.

We will see Minister Duclos tomorrow. We will have questions for him, but we are suspending right now. Thank you.

[The meeting was suspended at 8:42 p.m., Monday, November 27]

[The meeting resumed at 3:38 p.m., Tuesday, November 28]

• (3935

The Chair: I call this meeting back to order.

Good afternoon, everyone.

I will get to you, Ms. Vignola, in just a moment.

Welcome to the resumption of meeting number 88 of the House of Commons Standing Committee on Government Operations and Estimates, a.k.a. "the mighty OGGO". Pursuant to Standing Order 106(4), the committee is resuming its suspended meeting to consider requests for contracts between the federal government and the electric vehicle battery manufacturing companies.

I remind everyone to keep earpieces away from microphones, as it causes feedback and potential injury.

When the committee suspended last night, we were debating an amendment moved by Ms. Vignola, and she still has the floor. We are therefore resuming debate on the amendment by Ms. Vignola.

Go ahead, madam. You have the floor.

[Translation]

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

Given the time we have, I would like to move the following motion:

That the committee proceed to the study of the Supplementary Estimates (B) 2023-24.

[English]

The Chair: Thank you.

We have a dilatory motion on the floor to start our study on the supplementary estimates with the minister, who just happens to be here.

Colleagues, are we fine with this, or do we need to vote?

We seem to have unanimous consent. Thank you very much.

Minister, please join us.

We will have a very short suspension while the minister and his team get ready.

• (3935)

(Pause)

• (3940)

The Chair: We are back.

Pursuant to Standing Order 81(5), the order of reference adopted by the House of Commons on Thursday, November 9, 2023 and the motion adopted a few minutes ago—thank you, Ms. Vignola—the committee is resuming its study on the supplementary estimates (B) for 2023-24.

We'll get the minister to start his opening statement while we're handing out our nameplates.

Minister, thanks for your patience. You have five minutes. The floor is yours, sir.

[Translation]

Hon. Jean-Yves Duclos (Minister of Public Services and Procurement): Thank you very much, Mr. Chair.

Good afternoon, everyone.

Thank you for your kind invitation to take part in the important work of this committee. I also want to thank you for all your efforts to serve Canadians. I would also like to acknowledge that we are gathered on the unceded territory of the Algonquin Anishinaabeg peoples.

With me today are my deputy minister, Arianne Reza; Scott Jones, president of Shared Services Canada; assistant deputy minister and chief financial officer of Public Services and Procurement Canada, or PSPC, Wojo Zielonka; and chief financial officer of Shared Services Canada, Scott Davis.

Others will be joining us for the second hour of the meeting, if it ends up taking place. They are Simon Page, assistant deputy minister; Catherine Poulin, assistant deputy minister; Michael Mills, assistant deputy minister, Procurement Branch; and Daniel Mills, assistant deputy minister, Enterprise IT Procurement and Corporate Services Branch.

I am pleased to be here to discuss supplementary estimates (B) for Public Services and Procurement Canada and Shared Services Canada.

This is the first time I am appearing before you as Minister of Public Services and Procurement. I hope to be able to enlighten you on many important topics, including the progress we are making on the Canada dental plan to reduce the cost of dental care for families, the progress we are making on improving the delivery of many services, and the steps we are taking to improve the supply of social and affordable housing, to name a few.

[English]

Before I respond to questions regarding the specifics of our requests in the supplementary estimates (B), I would like to take a moment to recognize and thank the committee for its ongoing study of ArriveCAN. I have also been following developments and receiving updates from my officials, in order to better understand the various elements of this matter.

First, I would like to be clear on the division of roles and responsibilities. PSPC is the government's common service provider when it comes to contracting. This does not mean PSPC handles every contract from every government department or agency. It does handle the larger and more complex contracts. PSPC also identifies qualified suppliers for a wide variety of goods and services so other departments and agencies can then enter into their own contracts under their own authorities to meet their own needs. While, for instance, the Canada Border Services Agency, as you heard, oversaw the development and deployment of the ArriveCAN app, PSPC developed the contracting tools and supplier lists that could be used for that project, or for any other project the agency determined was necessary.

Mr. Chair, we know there is always room for improvement in our processes, which is why we are taking immediate steps to ensure these processes are working as they should be. PSPC is validating the security of resources who worked for GC Strategies, Coradix Technology and Dalian Enterprises under contracts over the last 12 years, as requested.

Mr. Chair, this is a significant undertaking that is still under way.

[Translation]

To date, PSPC has received information on 3,000 consultants associated with the contracts. Audits conducted to date have confirmed that 99% of consultants have the appropriate security clearance. In terms of other resources, the review is ongoing.

In addition, given the nature of the allegations, my department has asked the chief security officers of all departments that hold active contracts with these suppliers to verify that the resumés, or CVs, of the consultants assigned to these contracts are fair and free of exaggeration.

In addition, my officials have asked to be apprised of the results of these audits, in which they will determine whether overstating on CVs is a widespread problem. If that is the case, action will be taken.

In this regard, my officials have informed me of the work they are already doing to strengthen procurement instruments, particularly in the area of professional services.

In the short term, they will put additional controls in place to further strengthen the administration of procurement instruments. Among other things, they will require the accuracy of CVs and resources assigned to contracts to be confirmed, and that procurement officers across government undergo additional training.

• (3945)

[English]

My department is working with the Treasury Board of Canada Secretariat to update and improve procurement training.

These are some of the initial steps that are being undertaken.

In addition, I'm confident that the work you are yourselves undertaking, informed by the reviews of the Office of the Procurement Ombudsman and Auditor General, will significantly help to identify potential ways to improve further procurement processes, controls and better value.

Mr. Chair, I have used my time during my opening remarks to focus on issues related to the integrity of the procurement process, as I know this topic is of interest to this committee. Nonetheless, I recognize that my officials and I have been asked to speak to you about the requests in our supplementary estimates (B), and we would be pleased to do so.

[Translation]

To sum up, to support our activities, we are requesting access to additional funding of \$229 million for Public Services and Procurement Canada and \$53 million for Shared Services Canada through supplementary estimates (B).

My officials and I would be pleased to discuss all related topics, including the e-procurement system, the work we're doing to improve access to dental care, the delivery of services under the Public Service Health Care Plan and the supply of affordable housing.

[English]

I look forward to answering your questions and working with this committee.

The Chair: Thank you, Minister.

We'll start with Ms. Kusie, please, for six minutes.

Mrs. Stephanie Kusie (Calgary Midnapore, CPC): Thank you, Chair, and thank you, Minister, for being here today.

Minister, as you indicated in your opening remarks, on October 4 of this year, The Globe and Mail reported that there were numerous contracting discrepancies between Botler AI, GC Strategies, Dalian, Coradix and the CBSA, resulting in a criminal investigation. These alleged activities include collusion, fraud, identity theft, forged résumés and fraudulent contracting.

How do you as minister of procurement account for this lack of oversight and this criminal investigation?

Hon. Jean-Yves Duclos: Thank you.

Let me be clear from the start. The Botler AI contract, to which you correctly alluded, has nothing to do with ArriveCAN. It was a contract that was undertaken for other purposes. It is totally appropriate that the RCMP is investigating the important allegations of misconduct in this contract. I understand that this is under the purview of CBSA, the Canada Border Services Agency. We have confidence that they are doing their due diligence in digging into this important matter.

Mrs. Stephanie Kusie: You are trying to shirk responsibility to-day with this committee, indicating that this had nothing to do with the ArriveCAN investigation that we are currently seized with in this committee. Yet, GC Strategies, which we found was involved in the building of ArriveCAN and which received \$11 million for sending a few emails that were over-linked into other companies, this company that is being investigated in a criminal investigation by the RCMP, is still being used across government.

You, as the procurement minister, have the authority to stop the use of this company which is being criminally investigated across government, and yet you are refusing to do so. You are allowing other departments that are under the purview of procurement to use GC Strategies, a company that is under criminal investigation.

Minister, how do you respond that you have not eliminated the use of GC Strategies across government, as you have the purview to do?

Hon. Jean-Yves Duclos: First, I'll give a clarification. Second, I'll give an explanation.

The clarification is around Botler AI. As we've just mentioned, the contract through Botler AI had nothing to do with ArriveCAN. I think it's important to repeat that, because as members of the committee, you have the right to understand the matters and the facts.

In terms of clarification, I will turn to my officials, who are experts in the clear understanding of the allocation of contractual authorities and financial authorities, and the actual implementation of monitoring the contracts. I will ask—

• (3950)

Mrs. Stephanie Kusie: I don't think we want to hear from authorities. I think Canadians want to hear from you that you will take responsibility for the use of this company, which is still allowed to be used across government. This is just completely unacceptable.

I will give you some more information, Minister. Perhaps you'll have a better response for Canadians to this.

GC Strategies reached out to the CBSA to create a relationship to sell Botler AI's technology and help it fulfill its obligations under Bill C-65. Let's make the connection. GC Strategies, which was used with the ArriveCAN app, is also being used within this contract. Instead of directly paying GC Strategies, the company it was in communication with, the CBSA decided to pay Dalian and Coradix to pay GC Strategies to pay Botler through an existing contract. This contract was valued at \$21.2 million, and was informatics professional services.... It was also used, Minister, for ArriveCAN.

Does this contracting process concern you at all? If it does, what are you doing about it right now for Canadians?

This should be very concerning for you. This has seized meeting upon meeting of the government operations committee.

Please share with Canadians what actions you are taking right now—today—to ensure that we never have another RCMP investigation into this level of potential fraud with the government ever again.

Thank you, Minister.

Hon. Jean-Yves Duclos: Thank you.

Again, all members of this committee expect and deserve clear information about what took place. Again, I want to point out that the matter under investigation by the RCMP is a matter of the contractual use of Botler AI on matters that had nothing to do with ArriveCAN. This is still an important matter, which has been brought to the attention of CBSA.

On what we can do within this department, I will turn to Deputy Minister Reza.

Mrs. Stephanie Kusie: Minister, I appreciate you doing that, but again, I think Canadians want to hear from you, as the accountable minister here today.

I'm going to conclude, Chair, with this final question.

You may also be aware, Minister, that we've had senior public officials in this committee lie to this committee and lie to Canadians, and that's completely unacceptable. I want to ask you: Do you approve of your subordinates lying to this committee and lying to Canadians, Minister?

Hon. Jean-Yves Duclos: Again, I think we all want to be honest and clear to Canadians.

Mrs. Stephanie Kusie: They were not, so I hope you can be.

Thank you

Hon. Jean-Yves Duclos: Mr. Chair, I don't want to control how this committee works. I'm here to serve and to provide appropriate information for the important work that you do, but when we hear that these are my subordinates...I'm sorry, but I'm not the minister of the CBSA. I would like to be the minister of everything. My responsibility is to be the minister of PSPC.

I have great officials with me who will be able and very pleased to provide you with the important information and clarity that you deserve in this particular committee. They are there for you.

The Chair: Thanks, Minister.

Mrs. Stephanie Kusie: Procurement reports to you, Minister.

Thank you, Chair.

The Chair: We will go to Mr. Bains for six minutes, please.

Go ahead.

Mr. Parm Bains: Thank you, Mr. Chair.

Thank you, Minister, for joining us today.

Thank you to all of our members here who are joining you.

Thank you, again, for visiting British Columbia and taking the time to tour the Vancouver shipyard. As you know, it's very important. The maritime sector of British Columbia is extremely important to us. I want to take a moment just to thank you for joining us and taking some significant time to listen to the people at Seaspan about the work they're doing.

That leads into my first question. I know that earlier this year, you were with the Prime Minister at the Davie shipyard to announce it had finally been included in the national shipbuilding strategy. On November 15, you visited the Seaspan shipyards with me and the skilled workers to mark the major step toward the completion of the offshore oceanographic science vessel. This was an extremely important development for Canada's shipbuilding capacity.

Can you tell us what the long-term agreements also mean for the shipyards in terms of predictability and stability?

Hon. Jean-Yves Duclos: Thank you, MP Bains, and thank you indeed for hosting me when I was pleased to visit your riding. We were able to meet with the dedicated, hard-working workers at Seaspan. They were so pleased to tell us about what you just mentioned, the soon-to-be released OOSV, the offshore oceanographic science vessel, which is the largest and most modern science vessel ever constructed in Canada by the proud and hard-working workers of Seaspan. Many of their families live in your riding and we saw, and you saw, how grateful they are to the whole of the caucus around the Lower Mainland.

This is also pointing to the fact that the national shipbuilding strategy every year is supporting the jobs of about 20,000 workers in many places in Canada, including the smaller shipyards, which are not part of the three larger ones, to which we will be sending more work in the years to come. That also involves about \$2.1 billion in additional GDP contributions because of their work. You heard, like me, the fact that they want to collaborate with the other two big shipyards, Irving and Davie, so we look forward to decades of work for the people in your riding and in many other places in Canada.

• (3955)

Mr. Parm Bains: Thank you.

We talk about some of the big three strategic partners, but there are also dozens of smaller shipyards and other small and medium-sized businesses in communities across the country that can contribute to the national shipbuilding strategy. Do you have any figures on the economic benefits derived from the contracts awarded to these SMEs?

Hon. Jean-Yves Duclos: Yes. Not only do we work really well and are grateful for the work that the larger shipyards—the three of them—do every day for the bigger ships, but we are also indirectly contributing to the growth of SMEs. About 5% in contract value of the work that is allocated to the larger shipyards ends up in small and medium-sized enterprises across Canada. That's in addition to the investments we are making to support the smaller shipyards like Heddle and Groupe Océan and many others across Canada, which are there also to support workers in communities. They also provide the necessary ship needs for the Coast Guard and the armed forces, which we'll be able to build on in the next decades.

Mr. Parm Bains: I do want to get in a housing question. I met with the Canadian Housing and Renewal Association today, who recently commissioned a study from Deloitte, which found that bringing Canada's community housing stock to the OECD average by 2030 would boost economic productivity by a staggering 5.7% to 9.3%.

Can you inform the committee what PSPC is optimizing in our real property portfolio to create more affordable housing.

Hon. Jean-Yves Duclos: That's an excellent question.

We do indeed need more affordable housing, in particular rental and social housing. For the last three decades, Canada has been lagging in the construction of these types of units. It's been for over three decades that this crisis has been building. That's why, since 2017, with the first ever national housing strategy, we have started to reverse that unfortunate trend. We will do that in part through the use of federal lands and buildings.

Just a few weeks ago, I was able to announce construction of about 2,800 units, many of them affordable, in the next few months, by the end of March, and 28,000 additional units in the next five years. That is twice as many as we have constructed in the last 30 years because of federal lands and buildings. We are speeding up the investments because we know these are needed by middle class and lower-income Canadians.

The Chair: Thanks, Mr. Bains.

Ms. Vignola, please for six.

[Translation]

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

Mr. Minister, ladies and gentlemen, thank you for being here.

Mr. Minister, when you were president of the Treasury Board, was it incumbent upon you to negotiate the plan's transfer from Sun Life to Canada Life?

Hon. Jean-Yves Duclos: You're asking me if I negotiated—

Mrs. Julie Vignola: Was the contract negotiated during your mandate?

Hon. Jean-Yves Duclos: We actually dropped the contract because we had contract experts with us. The contract was negotiated by the department of which I am currently the minister.

Mrs. Julie Vignola: Okay.

So Mrs. Anita Anand presided over it.

Is that correct?

Hon. Jean-Yves Duclos: Yes, because it goes back a few years.

Mrs. Julie Vignola: Thank you.

This summer, taxpayers got a nice surprise when you gave nearly \$500 million to Irving Shipbuilding so it could update its yards to accelerate shipbuilding.

However, when we look at the date the ships were supposed to be built, we see that they were expected by 2032. We would have expected that this funding would make it possible to significantly advance the delivery dates. You said that this funding would allow Canada to take ownership of ships in the early 2030s. The early 2030s and 2032 are one and the the same to me.

How is granting this additional \$500 million to the shipyard fair and equitable if you refuse to give the other shipyards equivalent support?

Are there no provisions in the agreements with the shipyards that require them to invest a portion of their profits in upgrading the shipyard?

(4000)

Hon. Jean-Yves Duclos: Mr. Page, who is here with me, knows all the details and can tell you more about them.

I can briefly say that there are two stages. The first involves a shipyard being recognized as a member of the national shipbuilding strategy. That stage requires upgrades to the yards. The same conditions were applied to the three shipyards. They received assistance from their respective provinces to carry out the upgrades as soon as they were integrated into the strategy.

In terms of Irving's funding, Mr. Page can explain to you in detail what the second step is. It was necessary to speed up construction of the surface combatants.

Mr. Simon Page (Assistant Deputy Minister, Defence and Marine Procurement, Department of Public Works and Government Services): Thank you very much for the question.

As the minister said, the Irving shipyard is voluntarily investing, with its own funds and provincial funds, to achieve a target state.

Mrs. Julie Vignola: All the shipyards are doing that.

Aren't they?

Mr. Simon Page: They are, yes.

Then there was a specific investment to support the surface combatant project. It's not the same ship anymore. The project is no longer the same as the one requested at the outset.

In terms of design, at the beginning of the strategy, it was a ship weighing about 6,500 to 6,800 tonnes, of a given complexity. That complexity and the density of the vessel have increased. We're now talking about a ship weighing close to 9,000 tonnes. So the investment was made to carry out the surface combatant project. The project required specific milestones and investments in the shipyard to accelerate its completion.

Mrs. Julie Vignola: Given that the government had miscalculated the tonnage of the ship, it will have to pay the \$50 million needed to upgrade the shacks and the Irving shipyard.

Did I understand correctly?

Mr. Simon Page: If I may, Mr. Chair, I wouldn't say it was a miscalculation. Some assumptions were made at the outset. When the shipyards signed their strategy and their framework agreements, we didn't know what the surface combatant's specifications would be

Mrs. Julie Vignola: If there are changes of the same kind at the Seaspan and Davie shipyards, with which you have signed framework agreements, it's possible that there will be grey areas like the ones that came up at Irving.

If they have the same grey areas, can we expect the government to be fair in terms of its grants and funding for the Seaspan and Davie shipyards?

Did Irving get special treatment?

Mr. Simon Page: Irving didn't get special treatment.

Each application will be processed on a case-by-case basis. Once the yards have achieved their target state, further investment is possible.

Mrs. Julie Vignola: Thank you very much.

Does the funding for the P-8 Poseidon, which is replacing the CP-140 Auroras, include the infrastructure needed to accommodate the P-8 Poseidon, particularly the hangars?

If so, how much would that infrastructure cost and where would it be located?

Hon. Jean-Yves Duclos: I will turn it over to Mr. Page, since he is in the best position to answer the question.

Mr. Simon Page: Thank you very much for the question.

The Canadian multimission aircraft project includes several cost elements, including infrastructure costs. We often tend to think that infrastructure costs are only related to buildings, but it's much more complex.

Mrs. Julie Vignola: Okay, but how much will it cost and where would that infrastructure be located?

Mr. Simon Page: I don't have the numbers on hand. You would need to check with the Department of Defence if you want to know exactly how much of their costs go to infrastructure.

• (4005)

Mrs. Julie Vignola: Could you ask them to send us that data in writing, please?

Mr. Simon Page: I certainly will.

Mrs. Julie Vignola: Thank you.

[English]

The Chair: Thank you.

Mr. Johns.

Mr. Gord Johns: Thank you, Minister, and your team for being here.

Minister, you just talked about selling public lands and buildings for housing. It's something I've heard your government speak about recently. We saw what happened in Ontario with the Greenbelt and the Conservatives there.

We've seen that happen with former B.C. Liberals in the province of British Columbia. Public lands are sold, ending up with profits for a handful of developers. They don't end up turning it into affordable housing.

I put forward a motion at this committee, that was supported unanimously, to ensure that public lands that belong in public hands are accessible for affordable housing, and to look at guidelines and safeguards to ensure that what happened in Ontario doesn't happen again.

Are you working on guidelines to make sure that the same thing doesn't happen? I'm concerned that you're going to unload buildings and lands, and they're going to end up profiting a handful of developers and not be designated purely for affordable housing. What certainties do you have for Canadians that this is not what's going to happen?

Hon. Jean-Yves Duclos: That's a great question. Let me answer it in two parts. The first is about the plan, and the second is a concrete example of what that plan is leading to.

The plan is indeed to make available those lands and buildings, often located in the centres of cities—like in Ottawa or in other larger cities—where we know that we want to work with the municipalities to revitalize the downtown areas so that we can bring people closer to public transit, schools and public services. That involves, in many cases, working with non-profit housing providers, social housing providers, community organizations and municipalities. Those lands and buildings are provided to them in different ways at a cost that makes them able to provide affordable housing units for people who need them.

Mr. Gord Johns: I'm just looking for certainty. I want certainty that it's not going to end up being some developer-driven model. That's what we're looking for.

I want to know, are you providing guidelines to make sure that this doesn't happen?

Hon. Jean-Yves Duclos: For instance, the Canada Lands Company, which is leading the development of the 28,000 units I mentioned earlier, has a minimum of 20% of the units being affordable.

Mr. Gord Johns: I don't think that's good enough. Public lands belong in public hands.

Are you giving them direction to provide guidelines so that all building and lands are going to be for affordable housing?

Hon. Jean-Yves Duclos: You have a mixed setting with mixed use and mixed people. Some of them may not need affordable homes. Others will need affordable homes.

Mr. Gord Johns: We've seen that hybrid model. That was cut out of what the Greenbelt was supposed to be.

Hon. Jean-Yves Duclos: The example I was going to provide is very nearby. It's called Wateridge Village, just a few kilometres away here in Ottawa. If you visit it, you'll see that there are homes for veterans and for formerly homeless Canadians, for single parents and for people who may be in the middle class or in conditions that would enable them to pay for higher rents or prices.

Mr. Gord Johns: It still doesn't give me the confidence that I'm looking for.

Ms. Kusie asked a very reasonable question. Dalian, Coradix and GC Strategies have been suspended from doing business with the CBSA. You may not be the minister of CBSA, but you are the Minister of Public Services and Procurement. When you know that companies are being investigated by the RCMP and have been suspended by another department, why are you still allowing them to get contracts across the government?

It's clearly going to take ministerial involvement to ensure that they're not doing business across the government, given what they are facing.

Hon. Jean-Yves Duclos: That might finally enable me to turn to Deputy Minister Reza, who will explain what is being done in that context.

Ms. Arianne Reza (Deputy Minister, Department of Public Works and Government Services): Thank you very much for the question. I think it's at the heart of a lot of what is going on.

As you know, we have these allegations, which are under investigation, with CBSA and the RCMP. Until the investigation is done, it is very hard for us to actually control everything because there is a level of due diligence and due process that's allowed to this Canadian SME.

In the interim, what we've done is identify every active contract and every previous active contract. We've gone through every security clearance. We continue to go through it. We've gone back and forth and said, "You must demonstrate to us the level of CVs of your audit," and look at the services they've delivered.

I know that's an answer that may not be pleasing, but we have done a tremendous amount of work in the broader enterprise, even where CBSA is not the contract manager, and the work order that we—

Mr. Gord Johns: Ms. Reza, are you saying that you're checking all the CVs? We know what happened with GC Strategies and the edits they made, which were fraudulent clearly. I just want some certainty.

I think what we're trying to say to you is that these are serious allegations, enough for a whole department to suspend activities.

I'm going to leave it for a second, because I need to go to a question here. Your government has committed to spending \$21.6 billion to highly paid consultants on outsourcing for services for Canadians. My understanding is that you're going to cut 15% of what you've allocated for outsourcing.

We had the PBO here last week. He identified that it would cost about \$904 million for the government to help protect about 250,000 businesses by extending the CEBA loan for one year. He agreed with my calculations last week that an approximately 4.2% cut on outsourcing would cover the whole cost of the CEBA loan extension, so you could cut outsourcing by 4.2% and choose to help 250,000 businesses, a third of which have identified that they can't even borrow from the bank; they won't be able to pay the loan, and they'll lose the forgivable portion.

Why are you choosing these highly paid consultants over 250,000 businesses that need help?

• (4010)

The Chair: I am afraid that is our time. Perhaps we can get back to it in the next round, or perhaps it can be provided in writing.

Mr. Brock, please go ahead. You have five minutes.

Mr. Larry Brock (Brantford—Brant, CPC): Thank you, Chair.

Minister, you appeared before the Senate on October 18, 2023, at a question period and you were asked a number of questions by two senators on the ArriveCAN application. Four questions were put to you. You were evasive. You were not responsive. Let's hope your responses to committee today are a little more on point.

The question that was put to you, which you did not answer, was about the RCMP investigating the shady contracts surrounding the ArriveCAN app. The Trudeau government hid the fact from the Auditor General and from all Canadians, and in fact when it was revealed—

Mr. Charles Sousa: On a point of order, Mr. Chair, just to correct the record, the RCMP are not investigating the ArriveCAN scam.

The Chair: Mr. Sousa, that's not a point of order. You can bring that up during your time. Thanks.

Go ahead, Mr. Brock.

Mr. Larry Brock: When it was brought to the attention of the committee that the Auditor General heard about the investigation not from the Liberal government itself but rather from a story in the Globe and Mail, everyone was shocked. Canadians were shocked and the Liberals, with the assistance of the NDP, shamefully shut down the committee after one full round of questions.

My question to you, sir, is who hired GC Strategies to work on ArriveCAN. Government officials at CBSA are pointing fingers at each other. They're blaming each other. They're not answering the questions. I know you're not responsible for CBSA, but you're certainly responsible for the funding that went to CBSA to pay the \$11 million to a two-person company that works out of their basement, who did no IT work whatsoever, but instead simply did a Google search and found IT professionals and pocketed \$11 million of tax-payer money. Who hired GC Strategies?

Hon. Jean-Yves Duclos: Thank you.

For the sake of being clear and factual, let me again point to what my colleague MP Sousa said. The RCMP is not investigating ArriveCAN, so let's—

Mr. Larry Brock: Sir, this is my time.

Who hired GC Strategies?

Mr. Majid Jowhari: I have a point of order.

The Chair: I'm sorry, but we have a point of order. Wait one moment.

Go ahead.

Mr. Majid Jowhari: Can we make sure that the witness has enough time—the same amount of time that it takes to ask the question—to answer?

The Chair: In this committee I've always recognized that the time is the member's time, and it's Mr. Brock's to use, just as, I'm sure, Mr. Sousa, you will be able to use your time for that.

Mr. Larry Brock: Minister, Canadians want a straight answer from this government. We're not getting it from senior bureaucrats. We're not getting it from any member of the CBSA.

Who was responsible for hiring GC Strategies and giving them \$11 million of the \$54-million price tag for ArriveCAN? Who was it?

Hon. Jean-Yves Duclos: We are there to help. We are there to provide information, and if there is no time to provide information, that is fine. We'll perhaps be able to provide this in writing.

Mr. Larry Brock: Minister, will you undertake to give me that answer? CBSA will not give me that answer. Will you, as Minister of PSPC, give this committee that answer, yes or no?

Hon. Jean-Yves Duclos: Chair, I am not totally new in committee meetings. I believe, from previous experiences with previous chairs, that the minister has approximately the same amount of time to answer as the question took.

• (4015)

Mr. Larry Brock: You've actually exceeded the time now.

My question is this: Yes or no, will you give us—

Hon. Jean-Yves Duclos: If you want me to listen to questions, that's fine. If you want me to answer questions, that might be a different matter.

The Chair: I'm going to interrupt here, and I will repeat what I said earlier. I've been on this committee for eight years, and in this committee the practice has always been that it is the member's time.

The gentleman has asked a question, and we always expect and request straight answers.

Mr. Larry Brock: Minister, I'll ask the question again: Will you undertake to give this committee information on who within the CBSA hired this two-person firm and gave this two-person consulting firm, which hired IT personnel and experts, for \$11 million? Will you give us that answer, sir? Who hired GC Strategies?

Hon. Jean-Yves Duclos: First, the RCMP is not investigating ArriveCAN. Second, the Minister of Public Services and Procurement is not responsible for funding the CBSA, unlike what you said earlier. So, that's the second fact that, I think, we all need to be clear about. Third, the CBSA did choose GC Strategies, and you are totally right to ask the question.

Mr. Larry Brock: Minister, who at the CBSA was responsible for the decision to hire GC Strategies? Will you undertake—now that I ask this question for the fifth time—to give us that answer?

Hon. Jean-Yves Duclos: Will you undertake to ask the CBSA who contracted GC Strategies?

Mr. Larry Brock: I ask the questions; you respond. I'm asking you again, sir—

Hon. Jean-Yves Duclos: I'm asking the question because you don't provide me much time to answer.

Mr. Larry Brock: I'm asking the question. Will you do that, sir, yes or no?

Hon. Jean-Yves Duclos: Let me be a bit more [Inaudible—Editor]

Mr. Larry Brock: Okay, if you're evasive, I'll move on. You don't want to answer the question, so I'll move on.

GC Strategies has been suspended by the CBSA. How many other departments is GC Strategies currently working with?

Hon. Jean-Yves Duclos: Let me be as helpful as I can be. If you want to ask the CBSA a question, it's perfectly fine and appropriate to ask the CBSA a question.

Mr. Larry Brock: That wasn't the question.

How many other government departments is GC Strategies currently bidding on and doing work for, receiving taxpayer funds while it's under investigation by the RCMP? How many other departments? Please identify them.

The Chair: I'm afraid that is our time. Perhaps we can get back to that in another round, or perhaps you can provide that.

The question has been brought up.... When points of order are brought up, we do stop the clock—just so you are aware.

Mr. Kusmierczyk, go ahead, please.

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

Again, Conservatives like to generate a lot of heat and very little light.

I want to focus on an issue that is of great importance to Canadians and is of great importance to my community: the building of affordable housing.

I was delighted, Minister, to hear that six additional properties were unlocked—federal surplus lands—to create 2,800 new units in Calgary, Ottawa and St. John's. This will bring up the total number of units that will be built in the next number of years on federal lands to about 29,000 units, and I'm really excited about that.

We have a property in Windsor on the main road downtown, Oullette Avenue. It's 960 Oullette Avenue, the former HMCS Hunter Building. It is federally owned by the defence department right now, and it's been shuttered for a number of years. It's prime property to convert to affordable housing.

I just want to ask you if you could just highlight, once again, the work that's being done to accelerate the conversion of federally owned, surplus lands into affordable housing. How do we unlock it and get it in the hands of those folks who can convert it to affordable housing in communities like mine that desperately need it?

Hon. Jean-Yves Duclos: Thank you, Irek. I think that's a wonderful question. It also speaks to your great leadership in your riding, and I'm sure that people listening to us today will appreciate a demonstration of it again.

The Canada Lands Company, CLC, is leading the effort that is absolutely needed to invest in more affordable housing in many communities—including in your riding, Irek—and we'll work together to make sure that this happens as quickly and as efficiently as possible.

You pointed to a recent announcement in the last five years. The Canada Lands Company created, in the last seven years, about 10,000 housing units. In the next five years, we'll be creating 29,000 housing places for people to live in communities like yours close to public transit, to services, to schools, to those places that people value for themselves and their communities. Many of them will be affordable. In fact, as I mentioned earlier, we will be creating more affordable homes in the next five years than we have created in the last 20 years because of the Canada Lands Company leadership.

It's great news, but it requires a lot of partnership. The important partnership is with community organizations; non-profit housing providers, including social and public housing providers; municipalities; councillors; and a type of private expertise that is needed when it comes to constructing those homes in a safe and reliable manner.

We'll be working together, and I invite every member of parliament—of all political stripes—to work with the Canada Lands Company, with our assistance, to make sure that more of these homes are constructed more quickly and in the right places.

• (4020)

Mr. Irek Kusmierczyk: Minister, it's about creating a mix of homes. Can you speak a bit about how we've strengthened our ambitions to build more affordable housing through the Canada Lands Company? Have we increased the proportion of affordable housing that will be built on those federal lands?

Hon. Jean-Yves Duclos: The answer is yes. In any community, regardless whether it already has a minimum percentage of affordable homes, the minimum will be 20%.

If in some communities, like Windsor, the city or partners want to elevate that to a higher proportion, that will be even better, but it cannot be below 20%. As you've pointed out, these community homes are built in mixed settings with mixed partnerships and uses.

Again, I would invite everyone either living or working in the national capital region to visit Wateridge Village in Ottawa. It's a remarkable example of what the leadership of Canada Lands Company can do in little time with great impact.

Mr. Irek Kusmierczyk: Are you speaking directly with Canada Lands Company to accelerate the amount of time it takes for that land to be unlocked? Are we also focusing on accelerating the unlocking of that land?

The Chair: Please provide a quick answer.

Hon. Jean-Yves Duclos: Yes. The best way to do that is to work in parallel. As we proceed with the disposal, putting to use the public lands and buildings in the community, and working with municipalities and private partners in parallel, that can accelerate considerably the availability of those homes.

The Chair: Thank you, Mr. Kusmierczyk.

Mrs. Vignola, you have two and a half minutes, followed by Mr. Johns, Mr. Genuis, Mr. Jowhari, and then we'll excuse the minister.

Go ahead, please, Mrs. Vignola.

[Translation]

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

I'm going to continue talking about the Boeing P-8A Poseidon aircraft. Based on what we're being told, this aircraft is heavy, it can fly for a shorter period of time than other aircraft that have been proposed, and it requires more maintenance time per flying hour.

My question is simple: Why not launch a call for tenders so that not only Bombardier, but also all the other companies with rapidly modified aircraft, can submit their proposals, so that Canada has something other than a 30-year-old aircraft?

Hon. Jean-Yves Duclos: Before turning the floor over to Assistant Deputy Minister Page, I'd like to remind you of the two main objectives of this procurement process. The first is to meet the significant needs of the Canadian Armed Forces, in particular the Royal Canadian Air Force, in terms of defending the border and the interests of the Government of Canada here at home—

Mrs. Julie Vignola: Why not put out a call for bids?

We're very familiar with the objectives. The deadlines are long enough to put out a call for bids and consider the options. The goal is to find the best option for Canada at the best price, without increasing costs.

Why not put out an open call for bids? That's my question.

Hon. Jean-Yves Duclos: As you rightly said, the goal is to find the best option for the country, taking into account the availability and capabilities of the aircraft and also the impact on Canada's supply chain. I'm talking about the technological and economic impact of this procurement process. We must consider not only the aircraft purchased, but also all the ensuing activities required to upgrade and maintain them.

Mrs. Julie Vignola: An open call for bids would allow for a much more comprehensive study of the impact of various options, rather than simply choosing a 30-year-old aircraft model.

Why not put out an open call for bids to ensure the best solution? There are options. Other aircraft models are available in the short term.

• (4025)

Hon. Jean-Yves Duclos: I would like to reiterate that the methods, processes and results are all geared towards the objective that you described. This objective is to ensure the best possible results for Canada, for the Canadian industry and for the needs of the Canadian Armed Forces.

Mrs. Julie Vignola: Is this an agreement with the United States? [*English*]

The Chair: I'm afraid that's our time, Mrs. Vignola.

I have Mr. Johns, please, for two and a half minutes.

Mr. Gord Johns: The PBO confirmed that a cut of 4.2% to outsourcing would cover the whole cost of extending the CEBA loan for a year, which would help support 250,000 businesses.

We know that some of the contractors who are getting consulting contracts don't even have any experience or expertise in tech. They're getting IT contracts, Minister, and they're taking between 15%-30% commission. They then subcontract. Those subcontractors are taking a commission. They're subcontracting to other contractors who also might be taking a commission. In fact, your departmental officials confirmed that there is actually no cap on commissions.

I'll help you find the 4.2% cut that's needed to help those businesses. Will you put a limit on all commissions for outsourcing contracts to these expensive highly paid consultants?

Hon. Jean-Yves Duclos: There are two pieces to that, as well: first, the dollar impact, and second, the value of that impact.

You will most likely know that we are reducing the contractual value of professional services by 15%, which will generate economies of about \$7 billion over the next five years, and \$1.7 billion ongoing thereafter. That is going to enable us to refocus some of those dollars on the places and uses you mentioned, including continuing to support small and medium-sized—

Mr. Gord Johns: I can't let you run out my whole two and a half minutes.

I'm asking you whether you will put a limit on commissions and extend the CEBA loan for small businesses. This is a simple choice: small businesses over highly paid consultants, a lot of whom don't even have expertise.

I'm going to Phoenix.

The Conservatives brought in Phoenix. It was expected to save \$80 million. Your government carried forward with it. My last recollection is that it has cost Canadians \$2.3 billion. I also know you're going after people who were overpaid, instead of making sure people who were underpaid—people who've done the work—and who are losing their houses....

I think you need to get your priorities in order and make sure people who did their work are getting paid.

When are you going to fix this? How much has it actually cost so far?

Hon. Jean-Yves Duclos: As you implicitly suggest, it is totally unacceptable that public servants are not paid on time and in the right manner. There are still many of them now, in 2023, despite the fact that we have invested significant dollars—

Mr. Gord Johns: How much have you spent?

Hon. Jean-Yves Duclos: —over the last seven years to correct the failure of Phoenix.

It is not finished. We need to continue addressing the legitimate needs and expectations of public servants who work very hard every day to serve Canadians. That's why we're going to continue. We are hiring more compensation advisers in the contexts in which we need more of them. We are automating a lot of the processes. We are making it—

Mr. Gord Johns: Are you outsourcing them? It sounds like this whole thing is outsourcing gone wrong.

The Chair: That is our time, gentlemen.

Mr. Genuis, go ahead for five minutes, please.

Mr. Garnett Genuis: Thank you, Mr. Chair.

Mr. Duclos, after eight years, one of the biggest problems we see with this NDP-Liberal government is that, while everything is broken, nobody ever takes responsibility. You're the Minister of Public Services and Procurement of Canada. That means your responsibilities include procurement.

I want to ask you this again: Who is the person responsible for the decision to use GC Strategies and procure, through them, the ArriveCAN app?

Hon. Jean-Yves Duclos: Well, I've tried to answer before, but I was cut off.

I'll turn to Deputy Minister Reza to provide the answer. Perhaps she'll have more luck.

Mr. Garnett Genuis: I want to hear from you, Minister. You're the minister responsible. I'll give you the time. I want you to answer the question.

Hon. Jean-Yves Duclos: No, I'll invite Deputy Minister Reza, because she might be more fortunate than I was, earlier.

Mr. Garnett Genuis: No, I would like to hear the minister who is supposed to be responsible for procurement tell us who is responsible for the decision to procure the ArriveCAN app.

I want to hear from the minister.

Hon. Jean-Yves Duclos: Well, I can provide information on what ArriveCAN did, so you—

Mr. Garnett Genuis: That's not what the question is, Minister.

Hon. Jean-Yves Duclos: Well, you said the-

Mr. Garnett Genuis: The question is this: Who is responsible for the decision?

Your title, if I understand correctly, is Minister of Public Services and Procurement of Canada. This was a procurement of \$54 million. It was procured through a two-person company that did no IT work and subcontracted the work. You're responsible, I think, for providing answers to this committee regarding procurement.

Can you tell this committee who was responsible for the decision to procure through GC Strategies?

• (4030)

Hon. Jean-Yves Duclos: What you just said is inaccurate. You said that \$54 million was granted to a particular firm. Arrive-CAN—

Mr. Garnett Genuis: Minister, I wasn't born yesterday. Who was responsible for the decision?

Hon. Jean-Yves Duclos: Let me continue.

ArriveCAN—

Mr. Garnett Genuis: Who was responsible for the decision, Minister?

Hon. Jean-Yves Duclos: —is associated with 14 different outcomes, the first of which indeed cost \$80,000—

Mr. Garnett Genuis: Who was responsible for the decision?

Hon. Jean-Yves Duclos: Okay.

Am I allowed to continue-

Mr. Garnett Genuis: Mr. Chair, I'll ask you to bring the witness to order. He has an obligation to answer a question like any other citizen who appears before this committee.

The Chair: It's a very specific question. Can you answer it, blease?

Mr. Irek Kusmierczyk: I have a point of order, Mr. Chair.

The Chair: What's your point of order, Mr. Kusmierczyk?

Mr. Irek Kusmierczyk: Mr. Chair, again, just allow the witness to respond to the questions. We're all interested in the response. Rapid-fire questions like these—

The Chair: Thanks, Mr. Kusmierczyk.

Mr. Garnett Genuis: Nice try.

The Chair: I still have the floor.

There are two issues. Yes, allow the minister to respond. However, the member has asked a very specific question. I think we're looking for a very specific answer.

He's offered you the time to answer a very specific question.

I'll turn the floor back to Mr. Genuis.

Go ahead, please.

Mr. Garnett Genuis: Thank you, Chair.

I will repeat the question. I said it a few times, but I don't want there to be any confusion, Minister, about what information I'm looking for.

Who was responsible for the decision to use GC Strategies for the procurement of the ArriveCAN app? Who made that decision?

Hon. Jean-Yves Duclos: As I said earlier, it was CBSA that made those decisions.

Mr. Garnett Genuis: Do you know which person was responsible for that decision?

Hon. Jean-Yves Duclos: You should ask the minister of CBSA. He would be very pleased to come to visit the committee.

Mr. Garnett Genuis: Minister, I asked a similar question to your officials. Ms. Durigan told the committee the following. "For the initial ArriveCAN contract, it was CBSA that approached us with a procurement strategy for sole-sourcing. They presented GC Strategies to PSPC."

Your officials told us they received a proposal from CBSA.

Could you explain to the committee who in your department made the decision to proceed, and who approached your department from CBSA?

Hon. Jean-Yves Duclos: GC Strategies was selected by CBSA.

Now, I'll turn to DM Reza to provide the mechanics of how—

Mr. Garnett Genuis: Minister, who on your side made the decision? Who on their side brought it to you?

This is an extremely important matter because we have senior public servants at the CBSA accusing each other of lying about who is responsible. Cameron MacDonald and Minh Doan are accusing each other of lying because nobody wants to take responsibility for the decision. It seems you don't want to take responsibility for this either.

We would love to hear, at some point, from the then minister of CBSA at the time, but, could you tell us who were the individuals, in their department and in your department, who made that decision?

Hon. Jean-Yves Duclos: The work of the members of this committee is very important. You are entitled to ask the right questions of the right people. I've already answered the question as to whether we selected GC Strategies. The answer was no.

If you want to know more about the contractual relationships or the financial relationships between CBSA and PSPC—

Mr. Garnett Genuis: Minister, I'd like to know who made the decision. Have you asked who made the decision?

Hon. Jean-Yves Duclos: —my deputy minister would be pleased to answer.

Mr. Garnett Genuis: Minister, have you asked who made the decision?

Hon. Jean-Yves Duclos: As I said-

Mr. Garnett Genuis: Have you asked who made the decision?

Hon. Jean-Yves Duclos: —GC Strategies was selected by CB-SA

If you'd like to ask CBSA who exactly made the decision within that department, that's a perfectly appropriate question. If you want to know the mechanics between PSPC and CBSA, there are great officials around the room who would be very happy to answer.

Mr. Garnett Genuis: Minister, just to conclude, I've asked you a pretty basic question about who the individuals responsible for the decision are. You haven't answered as to who's responsible or whether you've asked who's responsible.

Your title is Minister of Public Services and Procurement, and you're telling us that you're not responsible for procurement and that you don't know who is. I'm left wondering what it is that you do as minister of procurement.

The Chair: That is our time.

Mr. Duclos, you're welcome to answer it, but we'll head over to Mr. Jowhari.

Hon. Jean-Yves Duclos: I think I've answered the question many times, and I'll be pleased to answer it again if it comes back later

The Chair: Mr. Jowhari.

Mr. Majid Jowhari: Thank you, Mr. Chair.

Minister, welcome.

I have two quick questions. Is ArriveCAN under investigation by the RCMP?

• (4035)

Hon. Jean-Yves Duclos: The answer is no. I think Canadians expect and deserve to know the truth.

Mr. Majid Jowhari: "No" is a great answer. You've repeated it about three or four times.

There are allegations that \$11 million was paid to GC Strategies. Did that \$11 million all go to GC Strategies? Is there any information on how much of it was charged to GC Strategies, and how much of it was sent to the subcontractors who worked for GC Strategies?

Hon. Jean-Yves Duclos: Thank you.

With the indulgence and the patience of members of the committee, let me highlight quickly what the \$54 million was used for. Of that, \$80,000 was used to produce the first application of Arrive-CAN in April 2020, in a record amount of time. It was a period when we knew that things needed to be done quickly. It was the first time ever that we were closing borders with the rest of the world. We were in an emergency at a time when hundreds of people were dying every day.

There were economic costs in the order of \$1 billion per day that were impacting the Canadian economy. Borders were fraught with problems. We needed to bring in medicine and food. We needed trucks to come in easily. We needed the flow of travellers to be done efficiently. That cost \$80,000 initially.

Then we had to do more. There were 70-plus releases that cost \$8.8 million. There was \$7.5 million for the Service Canada call centre, which was absolutely essential for people to call to have information on the situation. There was data management to make sure that data was shared efficiently and safely. Then there were indirect costs to pay for the public servants who had to work hard every day to provide support for the health and safety of Canadians.

There was proof of vaccination credential development that cost \$4.6 million, because vaccination proof was essential. If you wanted to travel, you had to have vaccination proof. Then we had to support IT. We had to support the cybersecurity and the flow of that information, which was \$2.3 million. We had to make the app accessible to people who needed accessibility in the use of technology, and that was \$1.7 million. I could go on and on.

That investment was absolutely needed to save the lives of lots of people and to prevent the additional cost to the economy that would have been incurred if we had not done the type of investment we needed to do.

Mr. Majid Jowhari: Thank you, Minister.

A number of times you mentioned in your opening remarks the great work that the government has done on the dental care program we are rolling out. Can you briefly give us an update on where our government is going to be by the end of 2023-24?

Hon. Jean-Yves Duclos: There are too many children, seniors and people with disabilities in my riding—and I suppose it's the same in your riding—who don't go to see a dentist regularly. What happens is that they end up in a hospital emergency room with health outcomes that are a lot worse because they didn't have either insurance or the resources they needed to care for their oral needs.

That's why soon, as you'll see in the next few weeks, we'll be launching the first ever Canadian dental plan. That is going to lead to support for approximately nine million Canadians over the next two years. All of them are either middle-income or lower-income Canadians. We'll start with seniors and people with disabilities in 2024, and then all children of all ages between zero and 18 by the summer of 2024. Then, by 2025, every Canadian under the family income threshold of \$90,000 will be eligible to see a hygienist or dentist and therefore end up with better oral health.

Mr. Majid Jowhari: Mr. Chair, I move that the committee now proceed to the second hour with the government officials.

The Chair: You don't need a motion for that.

Before you go, Minister, I'm going to exercise the chair's prerogative with just a couple of quick questions. I'm not looking for answers now; you could provide them back in writing.

On October 17, the committee asked for and your department agreed to provide the Avascent report regarding the P-8 aircraft. I'm checking my calendar. I'm not the greatest at math, but it does seem quite late. It was October 17 when we requested it. It was supposed to be here by November 7, so we're now 21 days late. Can we get the report this week, please? I know that it's been translated. It was promised to us on November 7.

• (4040)

Hon. Jean-Yves Duclos: I will ask my officials to follow up on that.

The Chair: That's perfect, wonderful.

Hon. Jean-Yves Duclos: It's a legitimate question and a legitimate request.

The Chair: The rest is actually for Mr. Page.

Mr. Page, about seven years ago I asked in this committee about the wait issue, and the pricing of the frigates. The comment back from PSPC was that they had already adjusted for the wait issue in the pricing and planned contracting.

Six years later, about a year ago, we ended up with the Irving subsidy, with the excuse that they had changed the project. Seven years ago, I was told it had already been baked into the costing.

I'm looking for you to provide, in writing to the committee, the justification where in the NSS, the umbrella agreement, it says no public money for the infrastructure. Where is the justification in the NSS umbrella agreement allowing this subsidy to Irving for that?

Provide back to us how many serviceable acres from Canada Lands Company were not turned over for the 28,000 housing items that you mentioned

We will excuse you, Minister.

Hon. Jean-Yves Duclos: Thank you for the additional homework, and again for the kind invitation to visit this wonderful committee

The Chair: It's great to see you back in a different portfolio. We'll give you a punch. You've done two different portfolios with OGGO; so three more, and you get a free cup of coffee.

Hon. Jean-Yves Duclos: Both times, you were there, Kelly.

Mr. Garnett Genuis: Chair, on behalf of the committee, the minister said he wants to be the minister of everything, so I want to wish him well in his leadership campaign.

Some hon. members: Oh, oh!

The Chair: Our first official horse is out of the gate.

We'll suspend for a couple moments for the new witnesses to come up.

• (4040) (Pause)

• (4045)

The Chair: We're back.

Go ahead, Mr. Genuis.

Mr. Garnett Genuis: Thank you, Chair, and I thank the minister for appearing.

This committee has important and unfinished business from yesterday. We spent about four or five hours of committee time, and we did not finish the discussion of a Conservative motion to try to get contracts related to billions of dollars in government subsidies involving Stellantis.

This is an important motion that, based on the previous discussions, I believe clearly has the support of the majority of the committee. Liberals do not support it, and are trying various delay tactics, but it is clear that the majority of the committee supports this motion

I would like us to return to consideration of this motion. Hopefully, Liberals will allow it to come to a vote, so that we can get our work done, request these contracts, and shine some sunlight on them.

The Chair: I'm going to interrupt you there. That's dilatory.

Mr. Garnett Genuis: I move that the committee proceed to resumption of consideration on the motion that we were considering yesterday.

The Chair: Thank you.

That is a dilatory motion. We'll go straight to the vote. This is to resume the debate that we had suspended at about 8:45 last night.

(Motion negatived: nays 6; yeas 4)

The Chair: We will now continue with the officials. Mr. Garnett Genuis: I have a point of order, Chair.

The Chair: Go ahead, Mr. Genuis.

Mr. Garnett Genuis: Maybe to save time, is it worth asking, would there be unanimous consent to deem the motion adopted in its current amended form? That would save us some time.

The Chair: You can't move a motion on a point of order.

We don't have consent anyways, I'm afraid.

Mr. Garnett Genuis: Was that a Liberal member?

The Chair: Yes, it was.

Mr. Garnett Genuis: Mr. Sousa was...? Okay.

(4050)

The Chair: We're going to continue with our order.

It's Ms. Kusie for six minutes.

Mrs. Stephanie Kusie: Thank you, Chair.

Due to the limited oversight of the Government of Canada's subcontractors, how do you ensure these companies are fulfilling their obligations under the integrity regime?

Ms. Arianne Reza: Thank you very much for the question.

I'm glad to be here for the second hour, because I'm hoping I'll be able to provide some of the senior officials here some clarity on some of the questions they've asked.

In terms of the integrity regime, we have Canada's registrar with us. She will describe some of the various elements that tie together for increased vendor performance, awareness, training, fraud, detention and prevention.

[Translation]

Ms. Catherine Poulin (Assistant Deputy Minister, Departmental Oversight Branch, Department of Public Works and Government Services): I want to thank the member for her question, Mr. Chair.

Our department has a broad framework for addressing wrongdoing. Our framework seeks to prevent, detect and address wrongdoing when we become aware of it.

We have measures in place to prevent fraud, including internal controls. We run employee awareness campaigns and provide mandatory fraud prevention training. We explain to employees the expectations regarding ethical behaviour through the code of conduct for employees or the procurement code for suppliers.

We're actively involved in fraud detection. We know that tip lines are one of the most effective ways to detect fraud. We work with the Competition Bureau and Royal Canadian Mounted Police to obtain information on federal contracts or any other department activity. We have a line for employees to report wrongdoing under the Public Servants Disclosure Protection Act.

We use data analysis a great deal. We can identify certain types of fraud by analyzing anomalies in large databases. Once we're informed of possible allegations, we pass the information on to a special unit in the department called the special investigations and internal disclosure directorate. This unit has the authority to conduct administrative investigations for the department.

The department can call on a team of forensic accountants to help us identify the financial components of certain acts of wrong-doing. If allegations are deemed founded after a thorough internal investigation, we can refer these cases to the Royal Canadian Mounted Police for investigation.

We can implement other resources or corrective measures. We can stop work, as in the case of the Canada Border Services Agency. If appropriate, security clearances can be revoked. During the investigations, if we determine that money has been misappropriated or overcharged, we can recover the costs.

This is our framework for providing oversight and for addressing the risk of fraud that the department may encounter.

[English]

Mrs. Stephanie Kusie: Thank you very much.

As I understand it, the integrity regime is used to ensure that the government reduces instances in which Canada enters into contracts or real property agreements with suppliers who have been convicted of or charged with an offence listed in the policy linked to unethical business conduct.

The review process covers only contractors and first-tier subcontractors, which are the subcontractors with which they directly communicate. So, according to the current processes, Botler AI would not have been reviewed by the integrity regime.

Is there any discussion to include, beyond first-tier subcontractors, sub-subcontractors with respect to compliance with the integrity regime?

[Translation]

Ms. Catherine Poulin: Under the integrity regime, the prime supplier is checked first. However, the prime contractor must ensure that the subcontractors aren't disqualified under the integrity regime. The prime contractor must verify this. If the subcontractor isn't disqualified, the prime contractor can do business with the subcontractor.

• (4055)

[English]

Mrs. Stephanie Kusie: Thank you for your response.

Would you have any statistical information as to the percentage of contractors who use sub-suppliers beyond the first year?

Ms. Arianne Reza: I don't know if we have that level of visibility. There are a couple of different pieces in this question that need to be answered.

All of our commodities have different relationships from the prime to the sub, so we don't necessarily have all the visibility, but we have some tools to govern it. And based on the work of this committee, we're certainly reviewing them hard because there's a code of conduct that the supplier signs with Canada. In it they certify that what they are providing to us is honest and ethical. We put in various pieces around forced labour, fair wages, criminality and integrity.

Now this question about how many levels of subs there are—

The Chair: We're basically out of time.

Can you finish up really quickly in a couple of seconds.

Ms. Arianne Reza: Let's just say we will have to come back on the levels of subs. I don't think we have it across various commodities

Mrs. Stephanie Kusie: Thank you.

Thank you, Chair.

The Chair: Thank you.

Mr. Powlowski, for six minutes, please.

Mr. Marcus Powlowski (Thunder Bay—Rainy River, Lib.): I'm pleased to see so many officials from the Department of Public Services and Procurement.

I want to ask you a question about a statement in the fall economic statement, which is pretty pertinent to your department. It says, "going forward, Canada will consider reciprocity as a key design element for new policies, including"—blah, blah—"federal procurement". "This includes reciprocal procurement to ensure that countries that do not provide Canadian goods and services with a similar level of market access do not unfairly benefit from access to Canada's markets."

I'm quite interested in this, particularly being from Thunder Bay, and the given fact that every subway train ever in Toronto has come from Thunder Bay. Right now TTC is looking to procure more subway cars, and some of the companies that were in the running were from South Korea, China and Japan.

This would seem to affect what would happen to procurement there. Could someone comment on how this is actually going to become reality. Is there going to be some statute or law to put in this requirement of reciprocity, or is this going to be an unwritten rule the departments follow?

Ms. Arianne Reza: I'll kick it off. We have been looking at the trade agreements and what the chapters say in those agreements related to federal procurement opportunities. We've been trying to fuse that with what we want to do with Canadian SMEs to make sure there is a level playing field so that they have more access, and that also limits more broad access to federal procurement opportunities.

In terms of whether or not it will be supported by a regulatory regime, or guidelines or policies, I think that's still being shaped, but perhaps Michael has more information.

Mr. Michael Mills (Assistant Deputy Minister, Procurement Branch, Department of Public Works and Government Services): That's correct, Mr. Chair, in that we are working with Global Affairs to determine what's the proper approach in understanding which markets are open to our SMEs, and which ones aren't, and making sure that there is fairness in the opportunities that are afforded to Canadian SMEs versus what are afforded to SMEs in other countries.

Mr. Marcus Powlowski: I think you have already referred to what was my next question. Wouldn't such a requirement of reciprocity be contrary to the WTO agreement on government procurement?

Ms. Arianne Reza: Thank you, Mr. Chair.

That is exactly what we're doing. We're working through the fine print on that to ensure that we're able to have a framework that is going to meet the needs of Canadian SMEs.

To that effect, one of the things we have done under our trade agreements is create a CanadaBuys platform, which is an opportunity for all levels of government to have one common tender platform. That increases the visibility of Canadian SMEs to the opportunities that exist across jurisdictions—again as a way to lever what we're trying to do with reciprocal procurement.

Mr. Marcus Powlowski: What would happen if a country doesn't have, or hasn't announced or made public, any policy that requires them to procure from a company from their own country? It's not out there publicly. However, if you just look at the history of government procurement in that country, you will see that contracts have never gone to Canadian companies. Again, it has never been stated. It's not a formal policy.

Would that be the basis for Canada then perhaps taking a position regarding, for example, South Korea, which has never procured anything from a Canadian company, and that we should perhaps not be procuring anything from South Korea?

• (4100

Ms. Arianne Reza: I think that question is best answered by Global Affairs colleagues.

Mr. Marcus Powlowski: Do I have any time left?

The Chair: You have two minutes.

Mr. Marcus Powlowski: I have lots of time.

Let me ask about the national shipbuilding strategy. My understanding is that there was government money available for purchasing new Coast Guard vehicles.

Are those tenders out, and when do we expect the contracts to be granted for that? Will those contracts be offered to the three ship-building companies that are part of the national shipbuilding strategy or to other companies?

Ms. Arianne Reza: Simon, can I turn to you for the details? **Mr. Simon Page:** Thank you for the question, Mr. Chair.

I'm not exactly sure about the Coast Guard vehicles. I will assume it's the remainder of the portfolio of the Coast Guard's small vessels to be competed for.

The way the national shipbuilding strategy is structured, the three large shipyards will have their respective portfolios, as per their umbrella agreements. Within these umbrella agreements, they have larger ships.

At the moment, our policy statement says that everything above 1,000 tonnes will be going through the three large ship constructors. The vessels you're talking about here are expected to be below the 1,000-tonne mark, so they would be going to the second pillar of the strategy, which is the construction for smaller vessels. Those are expected to be competed for across smaller shipyards in the nation

Mr. Marcus Powlowski: Are there a number of Canadian companies that have put in offers for that contract?

Mr. Simon Page: Thank you for the question, Mr. Chair.

The projects are going to be dealt with one by one. We are applying the buy-in-Canada policy to the national shipbuilding strategy, so it will be Canadian shippards bidding on the construction of these vessels.

The Chair: Thanks, Mr. Page.

Thank you, Mr. Powlowski.

We'll go to Mrs. Vignola, please, for six minutes.

[Translation]

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

My question is for Mr. Page. I'll try to get a response regarding the replacement of the CP-140 Aurora aircraft. My question is straightforward.

Why not put out a call for bids to obtain a complete list of the options available now and in the coming years, instead of sticking with the 30-year-old aircraft model?

Mr. Simon Page: I want to thank the member for her question, Mr. Chair.

The Canadian multi-mission aircraft project is an active project that involves ongoing decision-making. All I can say now is that each procurement strategy decision is based on the variables explained by the minister in the first hour of the meeting. The first variable includes capacity, performance and availability. The second variable includes the ratio, value and price. The third variable is economic benefits for Canada.

Every strategic decision reflects these three variables as a whole.

Mrs. Julie Vignola: Indeed. That said, a complete overview of the responses to each variable listed is impossible without a call for bids.

A call that you made in the past received a response from 23 companies. The department followed the recommendations of a

consulting firm. Could you send us the list of the 23 companies that provided options? Could you also send us the consultation report that chose Boeing, the only company to have anything right now?

I'm trying to understand the choice of this aircraft when modifiable aircraft from other companies are currently available. I want to understand.

Could you send us this list of 23 companies and the consultation report?

• (4105)

Mr. Simon Page: I want to thank the member for her question, Mr. Chair.

Yes, you can have the list of 23 companies that responded to our call for information.

The request for the report was submitted earlier. We'll follow up on this request, as discussed in the first hour.

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

Regarding the persistent refusal—I'm trying to find the right words to avoid offending anyone—to put out a call for bids, the wildest rumours are flying around right now. I have no wish or desire for this to be true, but we need to know.

I asked the minister earlier whether an agreement with the United States forced us to award the contract to Boeing.

Is there an agreement?

Ms. Arianne Reza: No, there isn't any agreement.

Mrs. Julie Vignola: Thank you.

I'll turn to the budget currently under consideration. I've asked this question before, but I'll ask it again. Why wasn't this foreseeable? This is one of the things that I've written most often in the margin of the budget. For example, the Department of Public Works and Government Services is asking for \$26,948,069 in funding for the federal sciences and technology infrastructure initiative. Why wasn't this funding included in the main estimates?

The same goes for capital investments. Why weren't they included? No capital assets are falling apart right now. About \$175 million is included in the supplementary estimates instead of the main estimates.

To cover the operating costs of the electronic procurement solution, \$17 million has been requested. For the electronic procurement solution, \$11 million has been requested. To provide supplies for the health system, \$7,300,000 has been requested. In the case of all these amounts, I can't figure out why they weren't included in the main estimates.

I can understand this in the case of employees when it comes to pension funds and negotiated agreements. However, why wasn't this funding included? It just magically appeared in the supplementary estimates (B). I'm trying to understand why these amounts weren't included in the main estimates.

Ms. Arianne Reza: Thank you, Mr. Chair.

First, I think that these expenditures were properly anticipated. However, timing was a factor. For example, with regard to funding for capital investments, we bought a building. We had the money, which we took out of future years' budgets. We used that money to purchase a building that will be used in part by the Parliamentary Precinct. That's one reason for its inclusion in the supplementary estimates. In terms of the other amounts listed, concerning funding for capital investments...

[English]

The Chair: I'm afraid I have to ask you to wrap up your answer real quickly. Or perhaps you can get back to us in writing.

Ms. Arianne Reza: Of course.

The Chair: Thank you.

Mr. Johns, you have six minutes.

Mr. Gord Johns: I want to get back to outsourcing gone wrong and Phoenix.

Again, we're talking about the Conservatives bringing in the Phoenix payroll system. It was supposed to save \$80 million. The last we heard, it was \$2.3 billion. This is eight years in. The Liberals have carried forward with this outsourcing privatization scheme. How much has it cost us to date? What is the amount right now?

Ms. Arianne Reza: Thank you. I will turn to my CFO for more precision.

Mr. Wojo Zielonka (Assistant Deputy Minister and Chief Financial Officer, Department of Public Works and Government Services): Thank you, Mr. Chair, for the question.

The total investment in Phoenix to date is \$3.5 billion. The vast majority of that investment is actually not outsourcing, to be clear. It is for public servants who work on the Phoenix pay system, who work on paying public servants every day, and that's where the vast majority of that investment has been made to date.

Mr. Gord Johns: Was that for fixing it?

Mr. Wojo Zielonka: It's not only for fixing it. When I quote the number of \$3.5 billion, it also includes maintaining the system to continue to pay public servants on a regular basis. That total number includes both the cost of continuing to pay public servants and dealing with items like the backlog, as well as continuing to improve the system so that it can accurately pay public servants.

(4110)

Mr. Gord Johns: That's for a system that was supposed to save us \$80 million a year.

I'm going to refer to my constituents, because they're calling me on a regular basis in dire situations. A lot of them have been unpaid. One person was actually worried about losing their home. Public service workers, which you are as well, have suffered untold financial and emotional hardship from being owed thousands of

dollars—sometimes tens of thousands of dollars—and in some cases for years. Now I'm hearing from PSAC that no one at the pay centre has the ability or authority to prioritize individual cases and ensure their resolution.

Is it true that there aren't any employees who can escalate or prioritize a case or manually ensure it gets resolved as soon as possible? If so, why? Especially in really extreme cases, in emergencies even, there should absolutely be a process in place to elevate those cases.

Ms. Arianne Reza: Thank you very much, Mr. Chair, for the question.

To be clear, there's a whole centre of expertise at the pay centre that's a hardship centre. There are people working on the backlog who are dedicated to that. We'll have to work with the various MPs' offices to get kind of that process through so people know where to go.

Mr. Gord Johns: Yes. Obviously, we're hearing from people who haven't been paid for work they've done. Then, we hear about people who were overpaid. The government is going after them.

When are you going to prioritize paying the people who actually worked? Then you can go after the people who have been overpaid. That seems to be the ethical, right thing to do.

Ms. Arianne Reza: I'll add that most of the FTEs are working on making sure payroll is met and that people are getting paid accurately and on time.

Mr. Gord Johns: When is this going to be fixed, and what resources will be needed to make sure everybody gets paid and this gets fixed? How much is it going to cost us? We're at \$3.5 billion.

Ms. Arianne Reza: I'm going to answer your last question after the previous question about the ratio of staff working on hardship cases in the backlog versus overpayment.

More than double are working for folks who need hardship pay, and for the backlog. We have now tried to deprioritize the overpayment piece and put our focus on the individual employees who are in that backlog and hardship....

In terms of overall cost, I think the estimates are still under way. You've seen the numbers we've spent. We're looking at.... I don't know.

Scott, do you have anything you want to add from a NextGen perspective, as it cuts away from Phoenix?

Mr. Scott Jones (President, Shared Services Canada): Thank you, Mr. Chair.

Shared Services Canada was responsible for examining NextGen human resources. That was our examination of commercially available solutions to eventually, possibly, replace.... The project has concluded. The information has been shared with the associate deputy minister responsible for the next steps.

The report concluded three things. Number one, a commercial solution is viable. Number two, it would require the Government of Canada to change some of its processes around pay. Number three, the commercial solution would need certain customization to accommodate Government of Canada pay, but it is a viable solution.

Thank you.

Mr. Gord Johns: PSPC is asking for \$7.3 million "to provide supplies for the health system".

The government asked Canadian SMEs to invest millions into retooling and starting to manufacture PPE. The government still hasn't procured any PPE from Canadian small businesses. Now, our understanding is that the government is still relying entirely on foreign PPE.

How much of the \$7.3 million is for personal protective equipment? How much of it will be put into the domestic industry, or will this promise remain broken?

Ms. Arianne Reza: The \$7.3 million is for the highly specialized storage cost of the mobile health units we purchased during the pandemic. We give them out to provinces, territories and municipalities if they have use for them. Because they're such highly technical mobile units, they require a fee to be looked after.

Mr. Gord Johns: Where is the commitment on the domestic side?

Ms. Arianne Reza: Thank you.

I think that question is better for ISED officials, who are looking at domestic preparedness.

Mr. Gord Johns: Is it not Public Services and Procurement? Are you not supporting them?

Ms. Arianne Reza: We would be doing any of the contracting as required, but they're the client. They set the funding, direction and requirements.

• (4115)

Mr. Gord Johns: Is there no one here who can answer that question?

Mr. Michael Mills: Mr. Chair, during the pandemic—

The Chair: I'm afraid that is our time, Mr. Mills.

We're now into our final round. We're going to Mr. Genuis.

Mr. Garnett Genuis: Thank you, Mr. Chair.

Ms. Reza, the minister was very keen to pass the floor to you when I was trying to ask him questions. I'd like to hear your take on the answer he was not giving. Can you at least shed some light on the question I was trying to get to?

Let me frame it a bit: I'm trying to understand what your department does. You're the department responsible for procurement. In this highly publicized, contentious case—the procurement of the

ArriveCAN app—we heard from other officials that your department was.... CBSA brought them a solution and they signed off on it

My expectation is that your department has some role, in terms of understanding the decision-making process, looking at value for money and trying to understand what is and is not an appropriate procurement. However, in the very troubling case of the Arrive-CAN procurement, the response we're getting from your officials and minister is that it's somebody else's problem.

Is it somebody else's problem, or should your department have had something to say about, or do with, that decision?

Ms. Arianne Reza: Thank you very much for your question. I genuinely appreciate being able to circle back to it.

I want to be clear that I'm speaking to you as the deputy, but I was the assistant deputy minister at the time these contracts were being let.

It's really important to understand that during the first few years of the pandemic, PSPC awarded 20 new contracts to CBSA for pandemic response. There were 20 contracts. Those contracts were not ArriveCAN-specific: they were IT consulting-specific and software licensing.

As for who authorized those contracts, they were authorized at various levels depending on the dollar value. None needed the authority of the minister or the deputy minister, and two needed my authority as the ADM. I think these are the two that are of interest to the committee.

More specifically on those 20 contracts that we awarded on behalf of CBSA, I authorized two of them as the ADM of procurement, the two that went to GC Strategies based on a recommendation of the procurement team, the officers who you saw who testified a couple of weeks ago. The two I authorized—this is important for the committee, and there are forms on this—were for IT assistance to help the Public Health Agency, Health Canada and CBSA integrate multiple data sources on a real-time basis.

The second contract was for professional services to provide digital support to CBSA across a variety of low-touch, no-touch initiatives that they needed for their operations.

Mr. Garnett Genuis: I'm sorry, ma'am, I will come back to you, but I want to direct your response a little bit.

In the process of authorizing these two contracts, what is your role and the role of your department? Are you looking at it and saying, "This is value for money or not"? Are you asking why we are hiring these two guys who work out of a basement instead of a larger firm or going directly...? Are you asking those questions?

The way this has been framed for us by some people on your side is, "It was brought to us by CBSA, so we agreed".

What role are you playing in analyzing the content of the decision?

Ms. Arianne Reza: I'm scared I'm going to run out of time, so I'm going to go relatively quickly.

In normal circumstances, there are two parties to procurement in the Government of Canada. There's a contracting authority that looks at the procurement strategy, plays a challenge function and takes over various elements of it. Fundamentally, at PSPC, that's competition. We let the market set it. We look at competition, values and ethics. We look at various elements.

On the client side, in this case CBSA, their requirement is to show up with a funded requisition with the sign-off to say, "We have a need for this work, and we have a source of funds to cover it. It is within our legislation. It is within our regulatory requirement, and it is within our mandatory mandate."

From there, in normal times, when we're not in a pandemic, we'll look at the competitive tool. In this particular instance, they came with GC Strategies for IT staff augmentation. ArriveCAN didn't exist. They said, "We need help keeping our borders open, keeping cargo moving and keeping people safe." We looked at the fact that GC Strategies was a pre-qualified firm, that there were no sanctions against them, that they had the security clearance, that they had no vendor—

• (4120)

Mr. Garnett Genuis: I'm sorry; I have 10 seconds left. Maybe the chair will let you respond to this last bit.

You said you have a role in providing, in normal times at least, a challenge function. Given everything that clearly is problematic, given how obviously dishonest Kristian Firth is and was in his testimony before this committee, are you looking back and saying, "We didn't really do our job sufficiently here", or are you looking back and saying, "It was fine; there were no problems".

The Chair: I'll need it in writing, and I'm going to remind everyone now that this committee has passed a motion that anything that we have asked for in writing like this has to be provided within three weeks, which is why I bring up the other reports.

Please make sure that everything's back within three weeks to avoid being called back, thanks.

We're now with Mr. Bains for five minutes, please.

Mr. Parm Bains: Thank you, Mr. Chair. I'm going to be giving my time to Mr. Sousa.

Mr. Charles Sousa: Thank you, guys for coming out. I appreciate it.

Deputy, further to the discussion, we're trying to grapple with the decision as to how we outsource.

There have already been some recommendations made by the opposition and others around the table about why we have a middleman. Why is it necessary for the Government of Canada to go out and source contracts to provide work? Why don't we just hire, and why don't we just do the work? Why isn't PSPC the middleman? Why are we not going out and looking for the subcontractors as opposed to a contractor?

Can you provide some clarity to our committee on this issue?

Ms. Arianne Reza: Thank you very much.

PSPC manages about \$25 billion of procurement a year on behalf of the Government of Canada. With some of the commodities, like the one we are talking about here—which is IT—staff augmentation or outsourcing, the government needs technical skill sets, so we look at them from two different angles.

In the government, the various departments that have a need for them will look to say, "Do they have the IT bench strength? Can they attract the people in?" That's the first part of the triage. When they don't have access to that and when there is an immediate pressing need, like there was during the pandemic...or any of our IT systems.... I'm sure the committee is well aware that our IT systems are over 50 years of age, so the need gets more and more pressing.

We go through what we would consider a broker in this case. It's almost akin to when you have a general contractor at home when you do your renovations. That general contractor or broker brings you a certain skill set. They bring you the licensed plumber and the licensed electrician. They bring them together at the same time and they carry the liability.

When I hire a general contractor, just like when Canada does, they take on the insurance liability and the payroll, and they bring together the skill sets that we need in a timely fashion.

Mr. Charles Sousa: Can you share with the committee the inputs that became ArriveCAN? Can you assemble for this committee what ArriveCAN became and how it developed?

Ms. Arianne Reza: Those questions are best placed with the CBSA. I'll give you the procurement lens as I understand it.

As I noted before, during the first two years of the pandemic, PSPC awarded 20 contracts. Those contracts are for professional services and software licensing. They don't speak to ArriveCAN for the most part. They really look at biometrics, so we provided bench strength support to the CBSA when it needed to have technical skills that could do real-time data analysis and provide application services.

What we did was use our expertise where we had pre-qualified methods of supply to be able to go and find suppliers that had the pre-qualifications, had no vendor performance checks against them and had capacity to find the IT services that were required, needed and used to develop measures for border operations.

I'll just pause here.

Is there something you could add?

Mr. Michael Mills: One part I would add is that at a functional level, they built applications, but they also made adjustments to existing systems within CBSA so that the application would integrate with their own main systems and allow them to aggregate data. Part of what they were also doing was looking at how they work with and support public health data and other sources of data, and bringing those together.

It's a range of IT investments that they made to enable that app.

Ms. Arianne Reza: I would just add that one of the key things.... We talk about roles and responsibilities, which I see are of strong interest. Something that we're taking on board as we look at what's coming out of findings from this report, this committee, the AG report and the OPO report, which will look at procurement practices, is understanding contracting versus client responsibilities. We have responsibilities for the contracting authority. They have responsibilities for the technical direction, the decisions and signing off that what they asked for was delivered.

It's been very difficult from an accountability perspective to say who in CBSA...because CBSA brought us a requirement, signed off on it and attested to it, and that is the level that we normally work at. I think that is something that bears discussion.

(4125)

Mr. Charles Sousa: There's been a lot of discussion about GC Strategies.

During the time it was dealing with Botler, GC Strategies did not have a contract with the Government of Canada. That was with a separate contractor. Is that correct?

Ms. Arianne Reza: Yes. I believe that was with Dalian and Coradix.

Mr. Charles Sousa: The RCMP—

The Chair: I'm sorry, Mr. Sousa. That is our time.

We'll go to Madame Vignola for two and a half minutes, please. [*Translation*]

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

Mr. Mills, when you were here on November 9, you made the following statement regarding the procurement strategy for indigenous businesses:

What is important to understand is that under the procurement strategy for indigenous businesses, 33% of contracted or subcontracted resources must be indigenous, not for a particular task authorization but for the overall value of the contract. Therefore, indigenous businesses can subcontract with non-indigenous businesses.

This isn't an issue. However, from what I remember, in the strategy it was 5%. Can you explain the 33% figure? I'm not trying to needle you. I just want to understand.

[English]

Mr. Michael Mills: Thanks for the question, Mr. Chair.

For the 5% target of the government, we take, by value, the total value of contracts and subcontracts that are awarded to companies listed on the indigenous business directory. The indigenous business directory is run by Indigenous Services Canada, and in order to be qualified for that, they have to be 51% owned by an indige-

nous entity. They also need to do 33% of the work and the contracts through those entities.

[Translation]

Mrs. Julie Vignola: Thank you. It's already much clearer than what I read in the record.

I'll go back to my little big questions from earlier. I'm looking at the Treasury Board Secretariat's expenditures. We must vote on these expenditures as well. Funding is earmarked for compensation programs. I understand that this concerns negotiations. An amount of \$5,506,322 is earmarked for a Phoenix-related settlement. That doesn't seem like much to me.

What exactly is this funding? What type of settlement is this? Given the number of employees swindled by Phoenix, it can't be a settlement with the employees. An amount of \$5 million doesn't seem like much to me. I'm referring to page 2-144 of the supplementary estimates (B) for 2023-24.

[English]

The Chair: Again, I'm afraid we're out of time.

You're going to have to respond to that in writing, please.

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

Mr. Gord Johns: As you know, New Democrats are happy to see the government finally introduce new anti-scab legislation, which is legislation we fought really hard for. We will keep fighting for it to pass so that workers would have far more power once companies can't replace them with scabs.

This new legislation would significantly increase the responsibility of employment and social development's regulatory board. The Canada Industrial Relations Board would need to make a determination on every strike. The board is already overburdened, so I would expect this massive new workload to come with new resources, but the opposite seems to be the case. The government wants to reduce ESDC's funding \$3 million. It's critical that the public service gets the funding it needs when new programs like this are introduced.

Can you confirm that the board will get the funding it needs to meet these new responsibilities and that it won't be affected by the cuts?

Ms. Arianne Reza: Thank you very much for the question, Mr. Chair, but I think that is best addressed to ESDC officials.

Mr. Gord Johns: In 2018, the UN special rapporteur on poverty and human rights discussed privatization as a cause of poverty while it still costs governments more. Do you believe that government is aware of global research on privatization and that it has made efforts to incorporate those findings into the decisions through your departments and your lens of PSPC when it comes to outsourcing?

(4130)

Ms. Arianne Reza: Thank you very much.

I can't answer that question, but I can tell you that when we look at outsourcing, we are really drilling down. Mr. Chair, this is worthy of a discussion in the sense that at PSPC, we're accountable for \$2.2 billion that the government spends on professional services.

When you actually look across what that spend is, it's on Parliament, on decontaminating federal mines and on doing an engineering assessment of the Alaska highway. For most of the professional services the government undertakes, including shipbuilding and nurses in the north, I think there's perhaps a missed opportunity for what is in that category.

Mr. Gord Johns: I have a quick question for you directly, Ms. Reza.

In response the question I asked earlier about outsourcing, you told me that you're checking the CVs. How can your government check the CVs to ensure that they haven't been forged or modified when the only ones with access to the copies for the contractors were provided to PSPC?

The Chair: That's your time, Mr. Johns.

Mr. Gord Johns: Okay.

The Chair: Maybe you can provide a really quick answer. Can you provide an answer in about 15 seconds, or do you want to get back to us in writing?

[Translation]

Ms. Catherine Poulin: I want to thank the member for his question, Mr. Chair.

We check this information with the departments that have active contracts with one of the three companies.

We specifically asked the departments to get in touch with these three companies to confirm that the CVs aren't overstated and that they obtained consent to proceed. Once the departments have received the information, we ask them to confirm some of the information on these CVs. The information is in the hands of the departments that have active contracts. These departments will get in touch with the three companies in question.

[English]

The Chair: Thanks.

We're down to our final two interventions, and we are almost out of time, so we're going to go to two three-minute rounds.

Mr. Genuis, please.

Mr. Garnett Genuis: Thank you, Chair.

Ms. Reza, I'll pick up where we left off, if that's okay.

I was asking you about the role your department played in signing off on the contract for ArriveCAN for GC Strategies. Looking back on it, is this one where you say, "Nah, we could have done better achieving value for money," or do you look back and say, "Everything was fine"?

Ms. Arianne Reza: Thank you very much for the question.

What is interesting is that the actual documentation and justification are extremely robust. Would we have done anything differently, given the information we had at the time? They were pre-qualified vendors. The rates that were used were competitive. They were in good standing. There was the limitation of liability insurance. There were the errors and omissions. There's nothing that would have changed.

Mr. Garnett Genuis: So-

Ms. Arianne Reza: The security requirements were in place.

Mr. Garnett Genuis: You're kind of answering a question that I didn't ask, but the way you're approaching that is interesting. You're saying essentially that the process worked, but from my perspective and I think from the perspective of the taxpayers, the outcome was terrible.

If the process unfolded the way it was supposed to, and the outcome was terrible from the perspective, I think, of most people, including most members of this committee, does that suggest that there's a problem with the process?

I guess that's a policy question more than a public service question, but do you want to weigh in on that?

Ms. Arianne Reza: I just want to say that PSPC's role is to look at the value in the procurement process. Did we choose the right procurement process for the right time? Was the justification on file? Were the services provided?

In terms of the value for money, perhaps CBSA is the best place to do that.

I'll leave it at that.

Mr. Garnett Genuis: Okay.

Do you have the name of the person at CBSA who brought this proposal to you?

Ms. Arianne Reza: Just for clarity, nobody brought a proposal to me. As you heard from officials in previous testimony—

Mr. Garnett Genuis: You had to sign off on it. How did it get to you?

Ms. Arianne Reza: It got to me via three levels of recommendations internally to PSPC as the ADM of procurement. I have no visibility at this time on who was on the other side of PSPC.

That being said, as part of the order production, I think the documents or task authorizations will come forward with the officials on the CBSA side.

• (4135)

Mr. Garnett Genuis: Okay.

Mr. Chair, just in the time we have left, I do wonder if it's the will of the committee to go back to the motion and see if we can get it wrapped up.

The Chair: No.

Mr. Garnett Genuis: Then I will move to proceed back to the motion, then, and see if the committee....

A voice: [Inaudible—Editor]

Mr. Garnett Genuis: Yes, I can do that because I have the floor, and it's a dilatory motion, so I'll move that we proceed to that motion.

The Chair: Mr. Jowhari, we have a dilatory motion. It's to return to the motion from yesterday on the EV.

Mr. Irek Kusmierczyk: Mr. Chair, I have a point of order.

The Chair: Go ahead, Mr. Kusmierczyk.

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

Can I just get clarification from the clerk if this is permitted. It's the exact same motion we defeated several minutes ago.

Mr. Garnett Genuis: I can give the answer—

The Chair: I'll respond to that.

Chatting with the clerk, it is technically different, so it is allowed, Mr. Kusmierczyk.

Mr. Charles Sousa: On a point of order, how is it different?

Mr. Garnett Genuis: On that point of order—Mr. Charles Sousa: How is it different?

The Chair: Give me a second, Mr. Sousa.

Let me interrupt.

Mr. Sousa, I'm going to just be really blunt here. I think we get along great, but if you're going to continue interrupt when I'm saying something, I will stop recognizing you. Okay?

Thank you.

Mr. Genuis, go ahead.

Mr. Garnett Genuis: Just on the point of order—and hopefully this is helpful—the rule regarding adjournment and then resumption is that if something happens in-between, you are allowed to move that dilatory motion again.

It makes sense because Mr. Johns didn't want to resume consideration of this because of what was happening at the time. Now events have happened. We have heard from officials, so now we're in a different time. That principle applies: You can adjourn debate and resume an hour later. Something has to happen in-between, but it doesn't have to be 48 hours. As long as something happens in between, that's allowed.

I hope that's helpful.

The motion is obviously in order and would be ruled that way by any chair of any committee who knows the rules.

The Chair: While we're continuing, I'm going to dismiss our witnesses for today. Thanks for joining us.

Getting back to the original question, the original motion earlier today was to move past...and not hear from these witnesses and resume.

Now we're just going to a straight resumption, so it is different. I am not making this up; I am receiving advice from our clerk on this.

To continue, we are now voting on the motion to resume to debate.

Witnesses, thank you again.

(Motion agreed to: yeas 6; nays 5)

• (4140)

The Chair: We are resuming debate.

Ms. Vignola, we finished with you earlier. You do have the floor.

Before we do continue. I see Mr. Sousa.

The clerk is sending Ms. Vignola's motion in both languages to everyone's P9 email account. We finished yesterday with the adoption of that.

At the very end, we did adopt Ms. Vignola's motion. We're just sending that out now.

Why don't we just suspend for about two minutes, until the email comes out?

• (1740) (Pause)

(1740)

The Chair: We have, unfortunately, just about five minutes left and then we run out of resources.

I'll recognize Ms. Vignola, please.

[Translation]

Mrs. Julie Vignola: Thank you for passing yesterday's amendment, which enabled us to focus on the provisions concerning workers.

If we agree on the amendment, I suggest that we vote on the original motion as amended. We've already spent over four hours on this topic. I think that we've all thoroughly discussed our views on the motion.

I humbly and kindly suggest that we vote on the original motion as amended.

[English]

The Chair: We cannot force a vote. It's a request.

Colleagues, can we move to it?

Go ahead, Mr. Sousa.

Mr. Charles Sousa: I'd like to move an amendment to the motion. I'd like to read it.

The Chair: Do you have it in writing so you can forward it to the clerk as well?

Mr. Charles Sousa: I can maybe have someone submit it. I can read it. I would like to read it so you guys can understand what we're saying.

The Chair: Just don't read it very fast because the clerk has to type as we go.

Mr. Charles Sousa: All right.

I move that following paragraph (e), after the words "provided that" the following be added, "when these documents are received by the clerk", which then creates a new paragraph (f):

They be available at the clerk's office for viewing by committee members only, for one week to be designated by the committee no later than 30 days following the receipt of the contracts, under the supervision of the clerk and that no personal mobile, electronic or recording devices of any kind be permitted in the room that week; and that no notes be taken out of the room.

This then creates a new paragraph (g), which reads as follows:

Representatives of Innovation, Science and Economic Development be invited to appear for a two hour in camera meeting and that during the meeting, only committee members and support staff required for the meeting be permitted to attend and that no personal mobile, electronic or recording devices of any kind be permitted in the room during the meeting; that, during the meeting, numbered paper copies of the documents be given to committee members who are present in person by the clerk at the beginning of said meeting and that these copies be returned to the clerk at the end of the meeting and that the clerk be instructed to destroy said copies; and that no notes be taken out of the room.

Then, what is now paragraph (g) would become paragraph (h) and read as follows, "that redacted versions of" be added before "these documents" so that it reads as follows:

that redacted versions of these documents shall be deposited with the Clerk of

Then change "one week" to "three weeks" and have the words "without redactions and be published on the committee's website" deleted. To clarify, it would then read as follows:

(h) that redacted versions of these documents shall be deposited with the Clerk of the Committee within three weeks, in both official languages.

• (4145)

The Chair: Can you have that sent by someone to the clerk?

Mr. Charles Sousa: I'll make sure that someone has it forwarded to the clerk, yes.

The Chair: On the amendment, I have Mr. Genuis.

Mr. Garnett Genuis: Thank you, Chair.

It's evident that the Liberals first of all do not want this motion considered at all, which is why they repeatedly voted against resuming consideration of it. Secondly, they're intent on carving it up every which way possible.

The intention of this motion is that the public, the taxpayer, the people whose sweat-soaked loonies are going into these big corporate subsidies, can actually know about the contract. Mr. Sousa's proposal that the public not know about these contracts and not have an opportunity to know anything about them, and that a small number of members of Parliament go into a locked room without their phones and look at them and can't tell anybody about what they see, does not satisfy our expectation of sunlight and transparency.

The proposal that he has put forward is designed to undercut the entire objective of the motion, which is a reasonable level of public accountability and scrutiny. On that basis, Conservatives and, I suspect, all other parliamentarians on this side of the House will obviously oppose the pro-secrecy, anti-transparency agenda of Mr. Sousa and his colleagues.

The Chair: Thank you.

With that, we are out of resources, colleagues, so I am going to adjourn.

I'm adjourning.

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

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

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

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.