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Thursday, October 4, 2018

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• (1120)

[English]

Hon. Geoff Regan (Speaker of the House of Commons): This meeting of the Board of Internal Economy is called to order.

First of all, we have the minutes of the previous meeting. Are there any concerns about the minutes of the previous meeting?

Hearing none, I'll go on to business arising from the previous meeting. Is there any business arising from the previous meeting? Not seeing any, I'll go on.

We'll have a presentation by Michel Patrice, deputy clerk, administration; Stéphan Aubé, chief information officer; and Susan Kulba, senior director, architecture and long-term vision and plan, program management directorate. This is concerning, of course, the long-term vision and plan.

[Translation]

Mr. Michel Patrice (Deputy Clerk, Administration, House of Commons): Mr. Chair and distinguished board members, we are here to provide an update on the status of the work on the West Block and the Visitor Welcome Centre.

[English]

As has been said again and again, the West Block's rehabilitation is very complex. It also includes phase one of the new visitor welcome centre, which has been designed to be the front door to Parliament for the public.

While major structural construction was near completion in June 2018, other construction activities were and still are ongoing, such as construction work, deficiency reviews and correction, landscaping, IT and security integration, commissioning and testing, along with all occupancy-readiness activities.

[Translation]

The House of Commons, and Public Services and Procurement Canada worked diligently together over the summer to ensure that the work on the West Block and the Visitor Welcome Centre progressed. The projects were conducted in parallel, with a view to completing them.

[English]

Commissioning, testing and training of those facilities has commenced and will continue until the end of December. Major and minor dry runs have been carried out to work out operational

and building issues, with the remainder planned for the next two months.

As it happens, PSPC is handing over zones of the building to the House of Commons as they are completed. It is expected that minor deficiencies will continue past the handover of the building without disruption to Parliament over the many months ahead, and probably for at least a full year.

[Translation]

The work on exterior landscaping and parking is expected to be completed by the end of September.

[English]

It is my understanding that the project is on track for the Senate, also.

Now, in terms of updates, there is the status of the security component.

Hon. Geoff Regan: We'll have to discuss that in camera. I suggest that you save that until we have to go in camera later on regarding legal matters. Thank you.

[Translation]

Mr. Michel Patrice: In conclusion, Parliament is a unique environment that requires completely functional and operational facilities providing uninterrupted services. We are convinced that we have acted prudently and have taken the time needed to ensure that the West Block is fully functional, meaning that it has been equipped with the technology required, that it provides a safe and secure environment, and that the staff is adequately trained for the work of Parliament to proceed smoothly.

[English]

There is no doubt in my mind that the West Block and the visitor welcome centre will be fully functional and operational when the House resumes in January in its new interim facility. That said, we are aware that once we occupy a living building, we may have some surprises with the functioning of the technology or the operation of the building, but we are ready to take on the challenges and to resolve any issues or adapt to this new environment without major disruption to the operation of the House.

I wish to recognize the continuous effort and commitment of your administration and our partners, PSPC and PCL, in making sure that this project is a success. It's been a long journey and we're happy that we're almost there.

Thank you. We'll be ready to take on any questions.

Hon. Geoff Regan: Are there any questions, colleagues? I don't see any.

[Translation]

Thank you, sir. We appreciated your presentation a great deal.

Mr. Leblanc, the floor is yours.

[English]

Hon. Dominic LeBlanc (Minister of Fisheries and Oceans and the Canadian Coast Guard): Mr. Speaker, I'm sorry for being a couple of seconds late. I was coming from another meeting. Maybe Michel addressed this already.

I appreciate and understand the presentation in terms of the House.

Asking you to speculate is not fair, but I will do it anyway. In terms of what we understand from our colleagues on the Senate side—because we've talked about this at this table before—if our state of readiness is where it is, and it's thanks to all the good work that you describe, do we have a similar comfort that the Senate...? Do we have reason to think they're in a circumstance where they're going to conclude something different in a month from now or two months from now, or are you comfortable, based on what you hear? It could all change. I understand all of that.

I'm curious if people have an insight into whether the Senate process with respect to the train station facility is equally reassuring.

Mr. Michel Patrice: Yes, it is my understanding that for the Senate side as well, their project, in terms of the train station and the committee rooms at 1 Wellington, is on track.

[Translation]

Hon. Dominic LeBlanc: Thank you.

[English]

Hon. Geoff Regan: Thank you very much.

[Translation]

We will now move on to discuss the 2018-19 quarterly report.

I invite Daniel Paquette, the Chief Financial Officer, to speak to us.

[English]

Mr. Daniel G. Paquette (Chief Financial Officer, House of Commons): Thank you, Mr. Speaker.

[Translation]

I am here today to present the first quarterly financial report for the 2018-19 financial year.

• (1125)

[English]

This is the first opportunity I've had since the end of our first quarter to come before the board to present to and support the board in its function overseeing the use of the public funds from the administration.

This report compares the financial information for the first quarter, which ended June 30 of this current fiscal year, with the financial information from the same quarter of the previous year. It is prepared on an expenditure basis of accounting, which is consistent with the

Public Accounts of Canada. The approved authority in this report includes the House of Commons' main estimates, as well as other items that have already been approved by the board during that quarter.

[Translation]

As of June 30, the authorities approved for 2018-19, in the amount of \$522.9 million, represent an increase of \$11.9 million, or 2.3%, over the authorities for 2017-18.

The most significant changes are in the \$10.6 million increase for ongoing investments in our long-term vision and plan.

[English]

At the end of the first quarter of 2018-19, the expenditures totalled \$110.8 million compared with \$106.6 for the same quarter of the previous fiscal year. This represents an increase of \$4.2 million, or 4%.

If we look at the table in the report showing the expenditures by type of cost, you'll see that the significant increase in expenditures year over year was related mainly to salaries and benefits, which did increase by \$5 million. This is due to the investments made in our long-term vision plan and other major investments, such as the adjustments to our food service modernization and the optimization of their services, the House officers' expenditure disclosure and the human resource service's capacity for pay and benefits. There were also other implications as a result of cost-of-living increases for many of our employees in the House administration.

There was also an increase in staffing actions compared with previously for members' staff.

[Translation]

In addition, the rental and licence costs for 2018-19 are considerably lower than those in the same quarter last year. The decrease is mainly due to the changes in the payment periods for renewing those software licences for our various office and network applications.

In these cases, payments were made in March rather than April in order to fully conform to the new agreements with our suppliers.

[English]

Finally, there's another table in the report that provides a comparison of our utilization of resources for year over year, which shows a slight increase of 0.3% compared with last year for the utilization of resources in that particular quarter.

Mr. Speaker, that concludes my presentation for this first quarterly report.

[Translation]

I am ready to answer questions from board members.

[English]

Hon. Geoff Regan: Thank you very much.

Are there any questions, colleagues?

Mr. Strahl.

Mr. Mark Strahl (Chief Opposition Whip): Thank you.

I just have a question about the LTVP increase. I think we can all recognize that this is a major project requiring significant resources. I would say that it's been my experience, anyway, that when the House administration, say, receives additional funds for a project, perhaps there is not a plan to get back down to a different level once the said project is complete. Is there a plan? Is it in the plan that, once the LTVP is completed, we will see the same level of funds required, or will that be reduced once that project is complete and we've moved over to the West Block facility?

Mr. Daniel G. Paquette: To put everything into perspective, when we look at the actual project cost—the building, the construction and the installation of all the equipment in there—that is the Public Works project. It's not expenditures that are in our reports here. What we have are our adjustments to the capacity to support the newer building, the new technology and the new way of doing business. There is capacity to ramp up and get us in there, so there will be a reduction when I come back with the main estimates and things. We'll see a slight reduction, but it's not in any order of magnitude compared with the size of the project, because this entails the capacity to adapt to the new way of doing business in a very modern building.

Mr. Mark Strahl: So, this isn't really a surge to get us over there. This is the new normal, really.

• (1130)

Mr. Daniel G. Paquette: There is a surge, but it's not in the tens of millions of dollars. It's a smaller amount.

Mr. Mark Strahl: Thank you.

Hon. Geoff Regan: Mr. Holland.

Hon. Mark Holland (Chief Government Whip): Thank you very much, Mr. Speaker.

Just on that point—and excuse me because I'm new to the BOIE—

Hon. Bardish Chagger (Leader of the Government in the House of Commons): Welcome.

Hon. Mark Holland: Thank you. I appreciate that.

Could you expand upon the point that you're making about supporting new ways of doing business? How does that manifest? In what ways will we see those services being conducted differently?

Mr. Daniel G. Paquette: I could probably ask Stéphan or somebody from the project to come to talk about this, but a big part of it is that services will be provided with more modern technology and tools. Historically, we've bought technology. We've bought upfront the licences and the use of them once, and we have them for the duration. Now everything is on an annual renewal. We have to pay an annual service in an annual capacity, and the fact that we have upscaled a bit of that piece.... However, I'll let our experts here give you more details.

Mr. Stéphan Aubé (Chief Information Officer, House of Commons): Mr. Holland, the majority of the funds that we're seeking is actually for the management and the life cycling of the assets that have been generated with this new construction. There is a large amount of networking equipment. There are large amounts of audio and video broadcasting equipment, and there are large amounts of IT and physical security equipment that have been installed in this facility, but which aren't in the existing facility that

we have right now. The money that we're seeking is to maintain and support them, as Dan was talking about. It's basically the ongoing licensing costs on a year-to-year basis that we have to pay to the Ciscos and the Microsofts of this world. Then there is also the actual life cycling, the break-fix, the repairs and all of that. I would say that 80% of these costs are for that, and 20% are really for the maintenance and support of these costs.

Hon. Mark Holland: If I understand correctly, Mr. Speaker, then the costs are for individuals who are going to maintain and continue to keep these systems updated. Can you explain to me—because we would have already had, within the House at it currently exists today, audio and visual capacity and networking capacity—what additional services are being delivered for this delta or difference in costs that we're looking at?

Mr. Stéphan Aubé: The majority of the funding.... I'll give you an example. All of the security equipment was previously not connected to the network, so there's a large increase in investments on the networking side from what we have with existing facilities. The integrated security system is now overlaid over our network, which requires major investments on the networking side of the business. Also, the device that we're using.... As you've noticed in this building—I don't want to get into the details—we don't have access control in many areas. Now we have access control throughout the facilities. There are large investments that were made. There are going to be more televised committee rooms than what we have currently. The audiovisual equipment in the rooms that are being built is completely different from that in existing facilities. You can expect a capital investment of around \$2 million in audiovisual or broadcasting equipment per room that we didn't have in the existing facilities. This is where the funding is actually coming from.

Mr. Daniel G. Paquette: I appreciate that and the fact that you're new to the board. When we came to the funding about a year ago, we had almost a three-year outlook. We committed to the board that we would come back during that third year once we had really gotten used to running the new building and the new technology and the new way of doing business. At that point, we would adjust the funding appropriately to what we needed, with a full understanding of the implications of the new building. We will be coming back and getting into a level of detail that will bring you comfort, demonstrating that we are only using the money we need.

Hon. Mark Holland: We need to know where we are and then contrast that against what we're moving to so we can see the difference in capacity and understand what those investments are getting us. I also think it's valuable for members to know what additional services will be available, or how things might be conducted differently. This is not just for the purposes of understanding this particular expenditure, but also to understand the new services that might be at our disposal.

As a supplementary question to that, does this additional capacity envision new ways of doing business in the future? Does it bear on the ability of members to receive matters such as this electronically, to vote electronically? Does the capacity go beyond those services that you're immediately offering? Is additional capacity being contemplated for where the ball might be going on some of these things?

• (1135)

Mr. Stéphan Aubé: The investments have been made in the infrastructure for allowing the definition of new services such as these in the future. The networking infrastructure, for example Wi-Fi, has been installed everywhere in the facility, so we can have different electronic mediums to provide the documentation we need. We didn't have that in these facilities. We did provide the infrastructure.

Having said that, I can tell you that the definition of the exact services to improve committee business is something that we work on with the members of the Liaison Committee and the different committees to determine. We consider the specific services they want to add, recognizing the infrastructure investments that have been made in these facilities.

Hon. Geoff Regan: Am I correct in thinking that some of the additional costs are because of the fact that we're moving into a more

confined space, which will affect, for instance, food preparation and food service? Would you like to tell us about that?

Mr. Benoit Giroux (Chief Operations Officer, Parliamentary Precinct Operations, House of Commons): Because of the new reality of the future campus, we have to undergo a full transformation of our food services, because now we're going to rely entirely on the food production facility. We have to transport all of the food every day to the premises, to the precinct, using the new access at the new visitors welcome centre. That has required a number of transformations from our standpoint to better serve our clients.

Hon. Geoff Regan: We're working on a transporter beam, but so far, no luck. That would be way too expensive.

Is there anything else?

[*Translation*]

Thank you very much.

[*English*]

Now we're going to have to go in camera to discuss one thing we already mentioned, as well as some legal matters. We'll pause for a few minutes while we go in camera.

[*Proceedings continue in camera*]

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