



House of Commons
CANADA

Standing Committee on Finance

FINA • NUMBER 046 • 1st SESSION • 38th PARLIAMENT

EVIDENCE

Wednesday, March 9, 2005

—
Chair

Mr. Massimo Pacetti

All parliamentary publications are available on the
"Parliamentary Internet Parlementaire" at the following address:

<http://www.parl.gc.ca>

Standing Committee on Finance

Wednesday, March 9, 2005

• (1545)

[English]

The Chair (Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.)): We're ready to get started. We're missing a few members. I was hoping to have more members around the table.

Here in Canada we offer services in two languages, French and English, so we're going to provide you with interpreters, because some of the members will speak French, if that's okay with you.

Dr. Elizabeth Robinson (Deputy Director, Congressional Budget Office, U.S.A. Congress): That's wonderful.

The Chair: Again, I want to thank you for giving us the opportunity to have these discussions. I guess you're aware that we're in the midst of conducting a study on federal fiscal forecasting with the possibility of...well actually, the possibilities are open, but perhaps an independent, or the same type of budget office. So we'd like to have your viewpoint on this.

I don't know if you were told you'd be able to make an opening statement. I don't know if you have anything ready for us.

Dr. Elizabeth Robinson: I thought I might describe some of the work that CBO, our Congressional Budget Office, does and the way we're organized. I don't know if that's too much detail for you. I'd be happy just launching into questions—whichever would suit you.

The Chair: We'd like a little bit of a backgrounder. If we could keep it to around 10 minutes that would be just fine. I'll leave it to your judgment. We'd prefer to have a little bit of a background, if possible.

Thank you.

Dr. Elizabeth Robinson: That's good.

I'm Beth Robinson. I'm the deputy director at the Congressional Budget Office, and I've been there for a little under two years now. Before that I served in our executive branch counterpart, the Office of Management and Budget, so I've seen it from both sides. The scope of our OMB, the Office of Management and Budget, is a little broader than CBO, nevertheless they're very comparable.

CBO, the Congressional Budget Office, is about 235 people. We have several responsibilities.

The first is to project what the budget will look like under current law. We project what we think spending will be, what revenues will be, what the interest on our debt will be. All those things we do in-house, so we need to have a good macroeconomics team, a good revenue estimating team, and then what turns out to be a much larger

team to estimate the different spending in the various programs of the federal government.

We also use those same people to do another primary function of CBO, which is to estimate the cost of all legislation that passes through and gets reported to the floors of the House and Senate. Those estimates are formally published generally in the report that accompanies the legislation, which is filed before it's considered by either body. The situation there is that we do all of the spending estimates for that, and recently, for slightly under 10 years, we've been estimating the effect of the legislation on private sector as well as state and local government spending.

I'm hesitating here a little bit because there is a wrinkle in the way we estimate legislation, which is that there is a joint committee of the House and Senate that estimates revenue legislation, legislation that changes our tax code. They then provide those estimates to us, and we publish them in a formal estimate. So while we do the baseline for revenues, the forecast of current law on revenues, the estimation of legislation is done by this joint committee.

We also are tasked by committees and members to look at a number of economic and budget issues and write reports. Those reports can be very short—they can be answers to letters—and they can be very long, going up to hundreds of pages. We're not allowed to make recommendations, but usually what people are looking for is options analysis—what happens if we do this, or do that, or could you give us the range of options for addressing specific problems. We have groups that specialize in national security, in health, the whole gamut of programs, so that we can respond to these requests. They can be short term or they can be long-term requests going up to a year.

It's also nice to have these specialists, because our core estimating team for legislation is optimized to the normal pitter-patter of legislation. Sometimes, though, we get very big complicated bills that are considered for years at a time. Most recently, the additions to the medicare program for prescription drugs was a piece of legislation that was very complicated. It was considered, people had lots of different ideas, and we were able to swing some of our specialist health people into cost estimating. So we have some flexibility that way.

In terms of who we respond to and how we prioritize requests, we're lucky in that the base legislation that set up CBO back in the 1970s set the priorities for us. Our first priorities are to our budget committees, which are in the House and the Senate, and their needs for the budget resolution, which is our blueprint for spending, which is being marked up actually right as we speak in the House and the Senate committees for this year. Then we respond to the finance and ways and means committees, our tax-writing committees, which also have some jurisdiction in some of the major health programs, and then the appropriations committee, who are the ones who deal with the yearly spending decisions for the discretionary portion of our budget, and then follows behind that other committees and members, if we have the resources.

In terms of the division of who does what at CBO, the core estimating team is about 75 to 80 people, the estimates of spending; our macroeconomics group is about 20 to 25; our tax revenue baseline is on the order of 15 to 20 people; and then we have specialists in other things.

The one thing that we have invested in, which I think was a good move on the part of the original creators of CBO, is an editing team, so that our cost estimates, and more importantly our reports, are written in such a way that people can understand them, they're very understandable, they're written well. So we try to be accessible to the general public, as well as to technicians, in terms of what we are doing, especially in terms of our cost estimates. We work very hard to do that so people can understand why we're doing what we're doing.

So that's the basic structure of CBO, the basic mission, our task of what we do. We've been around now for about 30 years, so we do have a track record in those areas. And I know you want to talk about that, but I'll leave it for specific questions.

Thank you.

•(1550)

The Chair: Great, thank you. That was very concise and to the point.

I'm not sure if you're aware of the way we organize our committees. We have members of the opposition and we have some members of the government, so I'm going to allow members 10-minute question periods, since we're not too many members.

Is that okay, Mr. Penson?

Mr. Charlie Penson (Peace River, CPC): That's fine.

The Chair: So I'm going to allow Mr. Penson to ask questions first, then Mr. Côté, and then Mr. Hubbard.

Mr. Charlie Penson: Thank you, Mr. Chairman.

Dr. Robinson, thank you for helping us out today. We are in a preliminary mode here, wondering whether we would benefit by having an independent budget office here as well. I think the general feeling is that if parliamentarians from all different political parties could use a baseline that everybody would accept as a neutral starting point, then you can have discussion about policy options and all of that, but at least we would have the basis for working from the same kinds of numbers. As I said, we're in the preliminary stages of

that, but it's very helpful that we have a model to look at in your organization, which has been in effect for a number of years.

I would like to ask you a few questions about that.

We have been anticipating having a quarterly reporting to keep us as up to date as possible so we can shift gears part way through the year. I notice that yours is twice a year. Do you have revisions then as you go along? How does that work?

Dr. Elizabeth Robinson: There are two ways that we look at the overall budget situation. One is our forecasts over 10 years. And you're very right, twice a year we publish major revisions to what we think is in current law. In actuality, I say it's more like two and a half, because when we analyze the President's budget there's a little more data available, and we'll update at that point. But essentially there's a spring one and an early fall projection.

For current spending, though, for the current year, we look at the daily treasury statement of expenditures and revenues and we look at the trends of spending in different programs and departments on a monthly basis and we publish how we're doing compared to our current year forecast and if we're off track or on track. Treasury Department provides some of that data as well, but ours is a little bit more focused on whether we are on track for the budget projections or not. Treasury's is more focused on whether we have the right bonds, have we made the right decisions on what bonds we need to put out to manage the cashflow, and that sort of thing.

So for the current year, we actually have monthly updates, but for the budget year and out years, we do it twice a year.

Mr. Charlie Penson: In that regard, if Parliament here wanted to make some major policy initiative or wondered about something that had been introduced to see if we could afford it or how things are going during the current year.... How would parliamentarians there handle that? Would Treasury provide the information to the Congressional Budget Office that would provide it to the House and the Senate in order for them to be as up to date as possible, so they would know what the current status is?

•(1555)

Dr. Elizabeth Robinson: Yes, essentially, the way it works is that the scoring by the Office of Management and Budget—by that I mean where we are in terms of the current year in the budget and everything—rules for the executive branch and for Treasury and all that. When you move into the congressional realm, although it's up to the budget committees, usually they go by what CBO says the baseline is and what current year spending is, and so there's usually a translation.

You get this quite a lot when people are looking at how much in fees we have received so far this year: if I were to spend those, what do I have available? And in that case, of course, the actual Treasury Department and the CBO will agree on those. Treasury's very good at booking the money to come in. We don't have many issues on that. But in terms of projecting what's going to be out for the rest of the year, it's CBO's scoring that goes for our parliamentarians, for our legislature.

Mr. Charlie Penson: One of the other issues that we wonder about here, and we have perhaps a slightly different system of course, is the impartiality, or how it works when, say, in your case the Republicans control the House and the Senate and the President versus if they don't, if there's a split. Does that ever cause you any difficulty, or is it completely set aside as an independent agency?

Dr. Elizabeth Robinson: We view it as completely set aside. We're a non-partisan agency. We treat requests from the Democrats and the Republicans, our two major parties, with equal weight. We go by the priority I told you about, about which committee it's coming from and that sort of thing.

That's not to say that people aren't mad about it. They'll certainly call us and tell us, but our marching orders are pretty clear—to be non-partisan. That's a very comfortable place to be, and after 30 years I think people understand it. By this time we've had a number of shifts in party power, so people understand the virtue of that. It's not as much of an issue as perhaps it was when CBO first came into being.

Mr. Charlie Penson: The other point I would like to get in on my first round is that sometimes we hear up here that the Congressional Budget Office isn't that effective because they haven't been able to call things either.

There can be things come up during the year that can knock forecasting off, of course, so what we're more concerned with is that all of the parties start from the same base or can accept those numbers. Would it be your experience that your call is sometimes out both pro or con or negative or positive from time to time as well?

Dr. Elizabeth Robinson: Right. What we take pride in is not so much that we get it right on the nose, probably because we wouldn't have much pride then. This is a tough business. But what we do take a lot of pride in is that we are pretty consistently in the middle. We try not to be biased one way or another. I think people see that over time, and that's what they've come to expect from us too, so we've communicated well on that.

What the Congress does to itself is this. Our baseline that is adopted by the budget committees in the spring, the spring baseline, is the official baseline for scoring all legislation, meeting all targets, and everything for that session of Congress. The summer-fall update is much more illustrative as to whether we're on track or whether new needs are emerging and that sort of thing. It's supposed to be a policy-informing instrument, not something that changes everything. It doesn't change how we score things for the year, because the Congress has willingly locked itself in for the exact reason you said—they want to have everybody on the same wavelength from that spring baseline.

The Chair: Thank you, Mr. Penson.

Monsieur Côté.

[Translation]

Mr. Guy Côté (Portneuf—Jacques-Cartier, BQ): Thank you very much, Dr. Robinson, for that very informative presentation. Perhaps you already knew this or perhaps someone explained it to you, but one of the reasons why we've been conducting this exercise for the past few weeks is that for several years now, the federal government has been amassing budget surpluses. However, for the

last eight or nine years, the Finance Department has been putting out rather far-fetched budget forecasts. We've found ourselves in situations where, like last year, several months before the end of the fiscal year, the government claimed that the surplus would be in the order of \$1.9 billion, whereas in reality, at fiscal year's end, we discovered that the surplus in fact totalled \$9.1 billion. That's quite a discrepancy. This prompted parliamentarians to question the advisability of having estimates that are prepared by an office that is independent of government.

On a number of occasions, the government party has invited us to draw comparisons with the situation in the United States. Although budget forecasting in that country is done by an independent office, the US still manages to amass enormous deficits. I imagine the executive branch does its own forecasting as well.

How do US Finance Department estimates differ from your own and to what extent does the department follow your advice? If I understand correctly, the executive branch is not compelled in any way to use your forecasts.

• (1600)

[English]

Dr. Elizabeth Robinson: Starting backwards, there's nothing. The executive branch uses its own forecast. While Congress has one set of numbers that everyone understands, I think there's a belief in Washington—at least I hope so—that having two numbers is not a bad thing, because they are checks on each other. They tend to be fairly similar most of the time, but when they are different, people are very interested in why they're different. Usually it's some valid estimating difference that people should know about when they're developing the policy, because it's a true source of uncertainty.

So having two numbers has not been considered to be a bad thing. It's one of those potholes along the road. No one likes having to deal with two numbers. On the other hand, not having them is not a good thing, because they need to have checks on each other.

Yes, we've had swings. To me a swing of \$8 billion would be great, but of course our budget is \$2.5 trillion. The deficits are the difference between two very large numbers: between the revenues coming in and the expenditures going out. So you have that. I don't know when your revenues come in, but we have the biggest swings in tax filing month, on April 15. Those can come in and swing for us by multi-tens of billions of dollars. That's not very large when compared to GDP—it's much less than 1.0%, or 0.1%. Nevertheless, we really take a marker then. Of course, as you get closer to the end of the year things tend to become a little more predictable.

As estimators, you know when the major tax payments are coming in. If you can see the trend in spending in the programs and then see when these tax payments are coming in, usually you have a pretty good idea toward the end of the year. But swings occur, that's true.

The executive branch doesn't spend as much of their resources in the United States looking at actual spending for the current year. Most of the time they're very focused on the budget year, on the year in which they're negotiating with Congress. They just don't spend as much time on it. Their estimates haven't been as good as the CBO's, especially in recent years. That's really much more because they just don't put the resources into it that we do.

In summary, you're never going to get the blips and uncertainties out of the system. What you can do is make it so they really are due to uncertainty, so people have confidence that they're due to underlying economic or other uncertainty and not due to something else. That's the virtue of having two numbers.

•(1605)

[Translation]

Mr. Guy Côté: You are part of a federated state. What kind of relationship does your office have with the various states that obviously have their own legislative process in place as well as different laws that inevitably impact on budget forecasts? What is the nature of your relationship?

[English]

Dr. Elizabeth Robinson: Right. The CBO itself has a good relationship with the states. We're responsible for estimating the effect of federal legislation on spending in the states. In particular, we flag any legislation that produces an increase in state expenditures of more than \$60 million a year—I think that's the limit at this point.

We work closely with the states to understand how they structure their programs, so we'll understand if the federal legislation is going to trigger an increase. Also, we work closely with the state revenue estimators—they're very good at their jobs—because trends that are happening in the states tend to mirror those that are happening in the federal government.

Each state has its own revenue estimator in spending. They group together into an association of state treasurers, and we work with them as well. We don't have any influence on them, and they don't have any influence on us, but we try to work together.

[Translation]

Mr. Guy Côté: How is the CBO administered? Are executives appointed or do they vie for positions? What procedure is followed?

[English]

Dr. Elizabeth Robinson: The House and the Senate are two bodies in the legislature. The process is that the leadership nominates who they want to be head of CBO, and then the House and Senate have to pass a resolution agreeing to that, saying that they want to appoint this person. Usually, the budget committees that are the primary clients of CBO are the ones that conduct the search, and then they recommend people to the leaderships.

They've been very collegial about it over the years. The House will take the lead one time, and then the Senate will take the lead. They have it all worked out. Generally it has not been that problematic to find a candidate who's suitable to both Houses. It generally proceeds fairly rapidly. It's not vacant for very long, for example, though there have been periods, especially when there are split Houses, where it's difficult, and the timing has been longer.

Then everybody else at the Congressional Budget Office—including me, the deputy—is appointed by the director. We serve at the pleasure of the director. So while we're not political appointments, we aren't career civil servants, for example. People who work at CBO, though, tend to stay quite a long time. We just celebrated our thirtieth year, and there are four people who have been there the entire time, the entire 30 years. Considering that it grew up in the

first 10 years, that means some of the very first people employed there have stayed. People generally like it; it's a nice place to work.

The Chair: Thank you, Monsieur Côté.

I have Mr. Hubbard, then Ms. Wasylycia-Leis, for seven minutes.

Mr. Charles Hubbard (Miramichi, Lib.): Thank you, Mr. Chair.

Good afternoon, Dr. Robinson.

One of the key issues that we seem to deal with here is the amount of error between what is predicted for a given year and what the result is. I know your figures are great multiples of ours. First of all, let's take one of your past predictions—we'll say a year and a half, two years ago—and the end result. What would your variable be?

In Canada, it seems that people say 3% is too much of an error between what is forecasted and what the result is in terms of our expenditures. But if you could think back—maybe it's not a fair question right on the spur of the moment—what would be your error in the last period between what you predicted and the results that came in, as a percentage of overall spending?

•(1610)

Dr. Elizabeth Robinson: We actually regularly publish our record both in our economic forecasting and in our budget forecasting of the deficit, primarily. We have a fan chart that shows the probabilities we've learned over the last 30 years, about how well we've done in the past, especially in projecting the deficit. What you find is that over two years—and this is off the top of my head—it's a couple of percentage points of GDP. We're usually within less than a per cent of GDP. We're less than \$100 billion on a base of \$2 billion to \$2.5 billion. That would be an error of about 4%. So 50% of the time we would be somewhere around there. I'm doing this all from memory, so I'm not quite sure. Generally, a swing of \$100 billion over two years is not unheard of.

Recently we've been doing a lot better than that, which unfortunately I don't think is due to our increased intelligence. I think that the U.S. economy is behaving more predictably. We went through a period in the nineties where we had this explosive growth we now know was in capital gains. We get actual revenue data only for about three years in the past, by the time the data actually comes through the system from people's filings for taxes. Anyway, if you look in those periods, we were off quite a bit more. Lately we haven't been that far off.

Mr. Charles Hubbard: Dr. Robinson, in terms of your various variables, you're dealing not only with state governments but also with municipal governments, I understand, in terms of your overall budget. There's legislation that deals with money going to particular cities and particular municipalities. So that's another variable.

In terms of your mandated expenditures, what percentage of your budget would that be, the part mandated by legislation? I'm quite taken up, too, with the fact that you indicated, in terms of legislation going to committees, that you would be asked or called upon to assess the cost of that legislation not only to the federal government but also to other levels. Maybe you could expand a little bit in terms of that process and how it happens.

Dr. Elizabeth Robinson: Are you interested in the state and locality part and the private sector part?

Mr. Charles Hubbard: A little bit in terms of percentages and budgets. You talk about a fantastic.... It almost dwarfs our overall national budget, but I know a lot of that money really is money that's processed by the national government, which really makes its way down to the various levels of government.

Dr. Elizabeth Robinson: Right.

Mr. Charles Hubbard: In terms of the overall amount, what percentage is really for strictly national issues?

Dr. Elizabeth Robinson: That's about two-thirds, and about a third goes to states and localities.

In terms of the estimation process, we estimate the cost to the entire federal budget. Then we also, in the 1990s, passed an Unfunded Mandates Reform Act. The states were saying, you keep passing things that make us spend money but you don't give us any money to do that. So through the political process, they came up with a definition of unfunded mandates that one may or may not agree with.

We look at that, and there is an objection that senators can raise and House members can raise that requires super-majority votes if they've required the states to do something above a certain threshold. Then for information purposes, they want to know if they've required the private sector to also make expenditures. At this point there's not a point of order on that.

• (1615)

Mr. Charles Hubbard: Dr. Robinson, how big are the variables in your so-called Farm Bill? It has attracted a tremendous amount of debate and concern here in Canada. There are promises all the way right down to almost the farm in New Hampshire. Are you really able to assess that on a yearly basis and to determine it costs us so many billions of dollars to project the...?

Dr. Elizabeth Robinson: Our estimates of the reauthorization of current programs that was in the Farm Bill are, I think, very solid. We have a lot of data, and if we try to predict with some certainty, within the Farm Bill, at least how many good years and how many bad years we'll have on average, we do fairly well.

What happened in the Farm Bill, though, is that you had a number of programs no one had ever seen before; they were all new; you had no idea. When legislation is passed, it says things like, the government shall issue regulations to do *x*. Following that, the government issues 500 pages of regulations to do *x*. That was only a sentence in the bill, but when it gets to implementation, it's much longer. So when we go then to update what we think the Farm Bill in this case is going to cost, we have to go read all the regulations and see if what we thought they were going to do based on the legislation is what they actually do. You get that as well.

Our estimates for entirely new programs tend to be much further off than for ones where we have a track record.

Mr. Charles Hubbard: Doctor, I'm really impressed with your work. I don't know how you do it with, you say, 230 people. It's a fantastic responsibility to have. We have bills before the House, and many of us vote on them when we really don't know what they're

going to cost. We rely upon our finance department to do that as best they can.

But certainly, it seems like a very good system you have operating. I'd like to congratulate you and thank you because you've given us very good information.

Hopefully, Mr. Chair, we can glean something from that.

The Chair: Good point. Thank you, Mr. Hubbard.

I have Ms. Wasylycia-Leis and then Mr. Epp.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Thank you, Mr. Chairperson, and thank you, Dr. Robinson, for your presentation and for sharing your expertise with us today.

I'm wondering, was there any kind of critical issue some thirty years ago when this office was established that led to its establishment? Was there any turning point that caused it, or was it just a natural evolution of the legislative process?

Dr. Elizabeth Robinson: No, I think most observers would agree that there was a turning point that was more like a tipping point, when many issues were addressed. The tipping point was that President Nixon refused to spend some money Congress had appropriated and had given to him to spend. You had a clash of powers there where the President said, okay, you can give me the money but that doesn't mean I have to spend it.

The courts were not firm and they didn't know what to do. This hadn't been addressed in our Constitution, so the Congress passed what's called the Congressional Budget and Impoundment Control Act. What that did was make it so essentially the President couldn't do that; he couldn't impound the money and say he wasn't going to spend it. He had to propose to Congress to have that done.

After the Budget Control and Impoundment Act and during that process, other issues came out, the first and foremost being the reliance on the executive branch to know how much things were costing and how much bills would cost and that sort of thing. And in particular I think the administrations—not just the Nixon administration but administrations before that—had said, well, we're not going to estimate everything; we're not going to necessarily tell you the costs of the legislation on your schedule and that sort of thing, so a number of grievances that had built up at that point were able to be addressed.

So the Congress created the Congressional Budget Office. It also created an agency called the Office of Technology Assessment, because again, they felt very reliant on the executive branch for information on how technologies were working in the federal government and on what the defence department was doing and that sort of thing. The Office of Technology Assessment has now gone by the wayside; it was closed about ten years ago, but the Congressional Budget Office remains and is part of the budget process.

There were a number of acts, pieces of legislation, in the eighties as deficits mounted where the Congress was creating processes for itself to deal with that, and they found that CBO and the information we could provide was integral to that. Much of what CBO now does, even though it was patterned according to its origins in the seventies—what reports we do, when we do them, and a lot of that—has become part of this budget process legislation, which has grown up and become more robust over the last 20 years. That's been much more evolutionary, but the original creation was due to the impoundment by President Nixon.

• (1620)

Ms. Judy Wasylcia-Leis: Thank you.

Now that you've had 30 years of experience with an independent budget office, can you imagine a legislature anywhere without this kind of capacity? I'm not trying to be too political here, but I'm trying to.... I believe it's actually vital for democracy and vital for elected representatives to be able to do their jobs and that it's just a natural thing that should happen in a modern civil society with a well functioning democracy.

I guess what I'm wondering, from a theoretical point of view, is if it is understood this way from your point of view or if you have any other comparative analysis to share with us vis-à-vis such an office.

Dr. Elizabeth Robinson: Well, there are several ways I think about that, while trying a little bit to skirt around the politics of it all, because we of course have politics here, too, around all of these issues. I think it is always better to have two numbers, done by responsible estimators, because people need to have confidence in the variation, to know first that there is uncertainty and to know that the uncertainty is not politically motivated or done by mistake, or something like that. People want to have confidence in it, and it's better to have two. So there's that point.

Being part of the executive branch and working with CBO at that point, we always appreciated CBO, as they would catch things on which we might have made a mistake, and we would catch things on which they might have made a mistake. Usually those things didn't rise to many billions of dollars—they were small—but there was that. It kept the focus on the budget numbers and the requirement to do it for everything: for the budget, for each piece of legislation, for the baselines. That just meant that people were keeping their eye on the ball all the time, and people very much appreciated that throughout both parts of government.

Ms. Judy Wasylcia-Leis: Thank you for that. I appreciate it, because I'd like to see this idea—if it ever becomes a reality here in this country—being accepted as a positive addition to our parliamentary process, and not something that was simply a reaction to something negative, where the government might see it as a threat, but as something that is useful for enhancing democracy.

I'm wondering about the public's understanding of the office. Has it helped the public understand budget-making? Have they become more involved in feeding in information and giving feedback? That's one question.

And the last question is, how do you handle the political dimensions? Is there a problem at all with Democrats and Republicans trying to use the office at different points for different agendas?

Dr. Elizabeth Robinson: One of the keys we've found to explain the office—and it's going to sound semantic at the beginning—is this. A lot of people want to call us a bipartisan office, that somehow we come down some mythical middle line between the Democrats and the Republicans. But the way we think of ourselves, and the way we want people to talk about CBO, is as a non-partisan office. Essentially, we don't make recommendations and don't help people write legislation, except to understand the economic and budgetary aspects of it.

So we try to get people to understand that to keep CBO an integral entity that will be able to be used for many, many decades to come, you have to stop trying to get us to opine on one proposal or another. Our director needs to take around a tape recorder where he can just play his little speech about, "We don't make recommendations", and that sort of thing. It was also in the original act that CBO cannot make recommendations, which was very helpful. So we have that.

When we write reports that have a number of options, as good staff members of the Congress, we especially want to make sure we've covered everybody's option and that we have given a good range, so that people can understand that this direction will lead to these costs and economic influences, and this other direction will lead to another. We do this both to educate and to make sure that people will find what they need in that report. We like it, of course, when both sides use our report for different purposes; that's the sign of real success.

Again, I stress that our editing shop strives to make our work more accessible to people and to have them understand what we're doing and why we're doing it. This has really helped us. We often get letters from the public that say, "Why did you do this?" or "I was really interested in this". I think that's because we try to make our work accessible and, as much as we can, not a black box.

• (1625)

Ms. Judy Wasylcia-Leis: Thank you very much.

The Chair: Thank you, Ms. Wasylcia-Leis.

Mr. Epp, for five minutes, and then Ms. Minna.

Mr. Ken Epp (Edmonton—Sherwood Park, CPC): Thank you very much.

I really appreciate the time you're taking to present to our committee.

I'm also intrigued by the fact that a young woman like you would go from geophysics to managing budget forecasts. That's a bit of a leap, in my view. I don't know how you came to that. But it's not really part of our purpose here today to question that.

Dr. Elizabeth Robinson: Actually, I think that's very important. I think that if you look at a collection of budget estimators, it's important that they come from a diverse set of backgrounds. I started out in science and science budgeting for big projects and how we do the capital expenditures for those kinds of things, so I had some direct relevance. Also, being a person who looks at the big numbers and lots of databases with lots of numbers in them, that also goes back to my geophysics background. I don't think it would be a good estimating shop if they had only economists or one thing or another, because they wouldn't be able to take the curve balls that legislation throws at you.

Mr. Ken Epp: Of course, in the finances in your country, you have to know how to take 10^3 , 10^6 , and 10^9 , don't you?

Dr. Elizabeth Robinson: That's right.

Mr. Ken Epp: I have a couple of questions, and one has to do with another committee I'm on. How is your office funded? In other words, whom do you have to go to in order to get budgetary approval for the expenditures of your staff for the forecasting work and other work you do?

Dr. Elizabeth Robinson: All operations of government need to be authorized and appropriated by the Congress. There are two steps in this. We physically send our budget to the Office of Management and Budget for inclusion in their big proposal so that they get the totals right. The entire legislative branch does that. We're part of the legislative branch. The President isn't allowed to change those requests.

Then they come back to the Congress. Our appropriations committees appropriate money and make decisions about that portion of government where they need to make a decision every year. There is a special group that looks at the legislative branch itself. The legislative branch's budget at this point is about \$3 billion to \$4 billion per year, and our budget is only about \$35 million. That group works with us to look at our expenditures and decides if we're going to get an increase. So the Congress itself works with us. Our budget is 90% salaries and expenses.

Mr. Ken Epp: That's what I would estimate.

You work for both the Congress and the Senate. In our country the Senate is very independent of our House of Commons. I don't know how closely your congressmen work with your senators over there. But if you're serving both of them and answering questions to both of them, do you sometimes get into areas of conflict between them?

• (1630)

Dr. Elizabeth Robinson: Yes. One of the things CBO has perfected over the years is some rules of conduct. One of the major rules is that we maintain confidentiality in all of our discussions with staff and members until it gets to an official point. That official point may be, for example, that they've introduced a bill and requested a price on that piece of legislation. At that point we'll say, you've introduced it, everyone knows it's there, you've asked for it, we need to go public. We have a website, www.cbo.gov, where we publish all of our things that have gotten to that stage.

But before it gets to that stage, when congressmen are working with us on an informal basis, we have strict confidentiality. If someone in the Senate asks whether we have talked to anyone else on a topic, we won't even say yes or no. They've grown to

understand that. Once the confidentiality has helped them in the past, they'll understand that. Also, we work with a lot of proprietary data from the executive branch and from companies, and there we have very strict confidentiality rules as well. We've perfected that over the years so that people understand that we won't go telling other people what we're doing.

Mr. Ken Epp: That was leading up to my very last question. You almost touched on it there. What kind of a relationship do you have with the U.S. Treasury, because obviously they're doing other work? They're making these same predictions for the President and for the treasury of your country. Do you work together with them? You just indicated that you had some data from them. How can you be independent if you're actually using their data? Can they feed you data that is maybe skewed in favour of what the President wants to do?

Dr. Elizabeth Robinson: Well, the U.S. Treasury career staff and data generators have a whole lot of laws that requires them to maintain the integrity of that data. So they're individual sometimes to the group, like the Bureau of Labor Statistics, or the commerce department, and Treasury itself. They are actually constrained by criminal penalties not to change the data, so we have a lot of confidence in the data that they give us.

We also have a very strong standard of integrity ourselves, and in the end, when it comes down to government operations, you have to end up relying on that at some point. We rely on that in terms of the integrity of our staff not being unduly influenced by something they hear from Treasury, or conclusions that Treasury has reached. We require our people to do their own independent analysis, and they enjoy that, so they will do that.

Was there a follow-up?

The Chair: No, time is up.

Mr. Ken Epp: No, my time is up, unfortunately.

The Chair: Thank you, Mr. Epp.

Ms. Minna, and then I have Mr. Penson again, and Mr. Bell.

Hon. Maria Minna (Beaches—East York, Lib.): Thank you very much, and thank you for being with us. This has actually been extremely interesting.

My first question is this. Does your organization, after doing the forecast and after looking at what the financial forecasts are, ever comment, or is it ever asked to comment on the issue of deficits and cumulative deficits that you now have, which I think is in the trillions of dollars? Is there ever a question, or are you asked to comment upon what the consequences might be and what the ramifications and what the solutions might be of that kind of issue? Or do you just stay away from that part?

Dr. Elizabeth Robinson: Well, we're often asked about the economic consequences of running a deficit. That's actually been the subject of quite a lot of academic concern, because the U.S. economy doesn't appear to be reacting to the deficits as one might have predicted or generalized from how it reacted in the eighties. So I think we're asked to look at the economic consequences.

Solutions we're not asked to do, although we do, for example, every two years publish what we call the *Budget Options* volume, which is a compilation of various proposals that people have talked about, mainly to reduce the deficit. But we also have ones that cost money. For example, we have some things that are part of the structure of the new prescription drug benefit for the elderly, and there are some obvious questions that people have asked about what it would cost to do this or to do that. So we have this very large volume, I don't know how many pages, hundreds and hundreds of pages, with one or two pages for each option, where we provide these options to people so that they can mix and match to develop their own proposals. We do not make any recommendations based on that.

Did I address all your questions? I think I may have missed one.

•(1635)

Hon. Maria Minna: I think so. One of them is, you're not asked to make a comment on what solutions there might be, or what the dangers would be?

Dr. Elizabeth Robinson: One of the interesting things about forecasting, of course, is how far out you look in terms of the time horizon. One of the things that CBO has been working on for about five or six years now is models that can run out 50 years, because the problem that the United States is facing, and I dare say Canada probably as well, is the impending demographic shift of an aging population. That is not temporary. It's forecast at this point to be semi-permanent, given the low fertility rates and very long lifespans people have.

It is that issue, and then rising health care in the United States, which is not so much an issue in Canada. We try to look at those. They both have profound effects on government expenditures, and it's really something that won't be realized for a couple of decades, yet the ramping up is going to start very soon. So we try to perfect this time horizon to be able to look out for and show people the very dominant issues that are going to drive deficits in the United States. So in that sense, people have asked us quite often to provide different perspectives on what the drivers are, and we can tell them, especially in the United States. It's many, many times health care, and then this demographic shift. So we do opine on that and what it will mean for the long term.

Hon. Maria Minna: I have just one final question, if I could. I have lots, but time is...

You said you've been around for 30 years, and you said that the numbers from Treasury that you rely on are reliable, of course, and that it's non-partisan and so on. I still wonder, since you have been around for 30 years.... Sometimes organizations tend to become a little bit comfortable with each other—I've seen it—in terms of staff going back and forth, talking and sharing, whether it's Treasury or other departments. To what extent do you think you have kept your organization evergreen, if you like, in terms of both independence and independent thought, and so on? Is there any cross-movement of staff from your organization to Treasury or any other department, or are there things that prevent that?

Dr. Elizabeth Robinson: There's nothing that prevents that, and in fact I'm one of those people. I came from the White House Office of Management and Budget and have moved to CBO. CBO also,

though, brings a lot of academics into the staffing mix, and people from a lot of different backgrounds, precisely to do that, to keep people fresh and to not get into a rut. We need to address new problems every year and we need the people to be able to respond to that and find that exciting.

In terms of the numbers from Treasury that we look at, we look at the most very basic data, what the accounts are recording in terms of expenditures and in terms of the revenues coming in. It's basically the output from their computers. We then look at their analyses and compare them to ours. But in terms of data, we're trying to get raw data. They understand that, and we've developed systems to have that happen.

It is true, though, that for estimators, especially when they're really out there in terms of estimating a new program under the Farm Bill, which we were talking about earlier, or other things, there tends to be more comfort in company. It tends to be a lot easier to explain to people that OMB or the Agriculture Department said this, and we're sort of in agreement with them, though we have identified the following six things that are different. But in areas where there is a lot of uncertainty, you're both taking your best guess.

So I think it's very true that estimators tend to be closer to each other than they actually are to reality. That's because of the comfort of numbers, but it's also because we're all looking at the same things and trying to predict what we can from the factors that we know, and it's always the factors that we don't know that make us wrong. And so it's not surprising that we would be different.

•(1640)

The Chair: Thank you, Ms. Minna.

Mr. Penson, and then Mr. Bell.

Mr. Charlie Penson: Thank you.

That's very good information you're providing us here, food for thought for our own situation, Dr. Robinson.

Did I understand you to say that your organization also evaluates the effect of legislation, such as, if there were a tax cut, how that would affect the economy of the country?

Dr. Elizabeth Robinson: Yes. Something that CBO has developed over the last three or four years is the capacity to do what we call in America "dynamic analysis". Budgetary decision-making and the evaluation of legislation on the Hill is still done on a static basis, assuming that the legislation has no effect on the underlying growth rates in the economy or on underlying labour force participation. But we do have the capability, especially given the long time horizon that we're looking at.... Right now we're considering changes to our social security program, which you would just be wrong to think is not going to have some marked effects on the economy and on people's labour force participation and savings and all of that. So what we try to do is to take the best models that are out there.

We don't have one model. In fact, at this point I think we have ten models that try, in some way, to approximate the behaviour of individuals. And they vary in terms of how far-sighted these individuals are, how much they care about foreign investment, a lot of different things like that. We try to show where the state of economic theory can give us an indication of whether or not this proposal is going to be better, or is going to help the economy, or not.

What you find is that among these ten models, depending on what your assumptions are about people's behaviour, sometimes you get very mixed answers, and they'll say the sign will be different. Sometimes they'll say it's worse, or better, depending on which model you're looking at. But there are certain kinds of policies that will cause all the models to say this will be better for the economy. Basically, anything that produces national savings and more labour force participation is going to show an improvement, and so we can give people that kind of information.

Mr. Charlie Penson: It seems to me it would be very helpful for policy-makers to understand the effect on people's income, what's going to happen in the corporate sector as a result of a corporate tax cut or rise in corporate taxes, how much more money would be available to government as a result of the spinoff—whether more activity has been generated as a result of a corporate tax cut, for example. It seems to me that would all be very good work.

Could I ask you, though, are there CBOs for individual states? Do they have the same situation on an individual state basis?

Dr. Elizabeth Robinson: Certain states do. They're not necessarily legislative. I'm trying to think now, but there are independent bodies that do state finances. They may not be explicitly with the legislature; they may be just independent for the government as a whole. I think that's the case in New York; they have one. California also has one, but California's, I believe, is for the legislative branch, for the parliament there.

Those are our two biggest states, obviously, so it's not surprising that they would have them. I don't know about Texas and some of the other ones.

And then there are several bodies that are independent groups, non-partisan groups, that look at state finances and state revenues in general, but they're very independent; they're not governmental.

•(1645)

Mr. Charlie Penson: Just to go back to one area, we got some feedback here in Canada that the government or the executive branch may not cooperate, that the Department of Finance may not cooperate with an independent budget office. But it's my understanding that's not your experience with the Treasury of the United States. They supply you the raw data, and there are built-in safeguards in legislation that say it has to be accurate information.

Is that correct?

Dr. Elizabeth Robinson: Yes. And of course, Congress has a vested interest in getting the data to us. So I think if we were not getting the data.... Congress has proven itself to be very responsive. The members who are heads of committees will go to the different branches, either the department or the White House itself, and say,

give us the data; we need the data. They're very vested in our getting it, because they want us to have an independent analysis for them.

Mr. Charlie Penson: In other words, this budget office has been generally accepted as a very good organization in the political process in the United States?

Dr. Elizabeth Robinson: To the extent people know about us, I think so. We're a very small agency. You have to have a track record after a while of doing good work. My predecessors are all responsible for that, but there's been a lot of good work that CBO has done over the years. We've improved quite a lot just in terms of our systemic capability to handle data, analyze data—just like everyone has—with our computer infrastructure and all of that.

I'm sure it did not come overnight, but now, yes, I think so.

As I said, when I was outside of CBO and working places where people might have thought I would be in conflict with CBO, in actuality it was not that. Everyone was happy to have independent analysis to confirm what everyone was doing.

Mr. Charlie Penson: Thank you very much.

The Chair: Thank you, Mr. Penson.

Okay, I have Mr. Bell, and then Mr. Côté, just briefly.

Mr. Don Bell (North Vancouver, Lib.): Hello, Dr. Robinson. Thank you.

I have a couple of questions.

Do you do any work for NGOs or lobby groups at all, or just Congress and the executive branch?

Dr. Elizabeth Robinson: Just Congress. We work for Congress only. We don't do anything for the executive branch except help them understand what our analysis has said.

Mr. Don Bell: The other question I had—and the question may have been asked before I arrived—is whether there are limits on the number or the types of studies that you do, from either a cost basis or.... Otherwise, would one committee simply load you down?

Dr. Elizabeth Robinson: The major limit comes in that we have strict FTE, full-time equivalent, limits. We can only have 235 people, can only spend about \$35 million a year, and in our base legislation the priorities for our work are set. There's a budget committee in both the House and the Senate. This is our primary client, and then after that come the finance committees, the revenue committees, the appropriation committee, and then everybody else. And I think people understand that the process is such and our products are such that certain things we do are actually written into law; they have to happen. Those three sets of committees understand that and they have a vested interest in various parts of this process and in our getting our work done. It's worked out so they understand that if they are loading us down and it's conflicting with our major priorities, they aren't going to want that either. Those priorities are their priorities, since they've already decided how they want the process to work.

That's very much helped to have CBO be an integral part of the process at all stages.

Mr. Don Bell: You have an actual written list of priorities then, do you, and this is available?

Dr. Elizabeth Robinson: We have a written list of committees and we do have an operating plan in which we talk about what we're doing. But I was explaining before to a previous member that we have very strong codes of confidentiality in that we will work with people before they have anything that goes public. That can go on for months, if not years—that we're working confidentially. And so we won't tell people about that kind of work. We just talk in very broad generalities about the areas of work we're in.

• (1650)

Mr. Don Bell: For the most part you would be responding to requests. Do you initiate reports at all?

Dr. Elizabeth Robinson: Yes.

Mr. Don Bell: You do initiate them.

Dr. Elizabeth Robinson: There's a certain class of reports that we do self-initiate. They are the ones that are required in law. And then we have a whole class of reports that are more technical in nature; they explain what we did. I was explaining earlier that over the last four years we've been developing the capabilities to do dynamic analysis. We have a whole series of reports, both for the public and for more technical audiences, on what we're doing, so that people can understand it. Those are called transparency reports in our lingo. We also do various lengths of budget predictions that we self-initiate. We have self-initiation authority. It's actually written into the act that created us that we have the ability to provide standard budgetary information to people.

Then everything else is done by request, with letters from committee members. Sometimes they will come out of the blue. We have 20-odd committees in each body and we have relationships with them, and they have ongoing areas that they will look out for, for five to ten years at a time. They'll be working with us and we'll be doing work with them, and then they'll say they want a report on this. We may not get the letter right at the beginning—we may get it when we're halfway through the analysis—about what they want to see in terms of the report, because after a while it becomes a little more collegial if they've been working on the same project for five years or so.

Mr. Don Bell: How would you improve the process? Are there things you would change if you could? Are there other countries that have tried to copy you, and do you think some of them have done a better job? In other words, have they improved on the version that you have?

Dr. Elizabeth Robinson: One of the things about our budget process is that when a bill goes to the floor, that's when our major cost estimates are done. Of course, a lot of things can change on the floor, and certainly before the estimates are sent to the President.

The Houses meet together. If one House has passed one bill and the other House has passed another bill, they'll meet in conference committee and then that conference report will go to the floor. I'm not saying this whole discussion about improvements in terms of the CBO's interaction is highly political, but what happens at that point is that we get a lot of frantic phone calls about how much this conference report costs. Since our estimate is not required, it's very difficult to answer those concerns. So in terms of the process, I think there are some issues.

It's really been around the margins that, over the years, CBO has asked for improvements. For example, we have a panel of economic advisers who are mainly academics, but not only that; they meet in public session at CBO. In fact, sometimes we even get members of Congress coming down to talk to them. We have a very public process in developing our economic forecasts. The authority to have that panel was something we've asked for and received over time.

We have also had other panels for some of our longer-term projects, like our dynamic analysis project or our project to do the very long-term social security and health care program analysis. There have been things like that along the way that have changed, so we have worked on it.

Mr. Don Bell: My final question is, do you build in any factor of prudence for unexpected factors, or is that done by the people providing you with the information? Is that something you factor in, or is that done with the information you get?

Dr. Elizabeth Robinson: That's not done in the information we get, because we're dealing with raw data and we develop our own projections. We have not been instructed to be conservative or to be robust. We're supposed to give our best guess, and then it's up to Congress and it's up to the budget committees as to whether they want to build in a cushion. They have the ability to do that.

It's not something that has gotten a lot of traction in the United States, frankly. People have talked about it, and that's where you get the term "lock box". Sometimes people want it for certain programs, but it's not something that has been fleshed out as much as it has been in Canada.

• (1655)

The Chair: Thank you, Ms. Robinson.

I just have a couple of quick questions, if I may, just to clear up a few items.

On the information that you work with, is it only information that you get from your treasury board, raw data, or do you get any other data from other government agencies?

Dr. Elizabeth Robinson: Oh, yes, we have data sets now on Medicare, our health care for the elderly, and the claims data that come into that. We have expenditure data for our Medicaid program. We have a lot raw data to deal with.

The Chair: The reason I'm asking is that in terms of confidentiality or information that you shouldn't have or need to base your estimates on, is there a problem there? That's the basis of my question.

Dr. Elizabeth Robinson: The biggest problem usually is that the data is not collected—and that's for everybody in government. Of course, for our programs that the states are administering, it's very difficult to get fifty states to report data. So there are a number of systemic problems like that, but that's true for the executive branch as well as for us.

In terms of one of the things CBO can do, we have a mechanism whereby we can sign confidentiality agreements with private companies. We have some data from private companies, looking at prescription drugs and other things like that, that are proprietary in nature, but we can hold them as confidential. The executive branch can do that as well, but it's up to the companies whether or not they're going to share the information with us.

The Chair: Is there any danger that the information you get can skew your report or your outcome or your analysis? I think you've addressed this already.

Dr. Elizabeth Robinson: We try not to let that happen. Part of what we pay our experts for is to make sure they understand the quality of the data we're getting, and whether our opinion would be changed by other data that we don't have.

The Chair: What is the fiscal year of your government? Does it end March 31?

Dr. Elizabeth Robinson: No, it goes from October 1 to September 30. We were talking earlier about what happens during the fiscal year. The payment of taxes comes about halfway through—the major payment date—but we have of course a quarterly system where corporations are paying in corporate taxes and estimated taxes and that sort of thing, so it helps to have a fiscal year—though it's endlessly confusing to have a fiscal year start on October 1.

The Chair: The same could be said of ours, which ends on March 31 and begins on April 1, and our tax collection date is April 30, so it's even worse.

You mentioned that you now have 235 employees, with a budget of how many million?

Dr. Elizabeth Robinson: It's about \$35 million.

The Chair: What's been the growth of the office in the last four or five years?

Dr. Elizabeth Robinson: In FTEs, it's been barely anything. I think when we started the dynamic analysis project about three years ago we recognized that we needed a couple more FTEs, so we did go up from 233 to 235. But we've been essentially at that level now for quite a number of years.

Our budgets have been going up, primarily with salaries and expenditures, with health care costs—you know, the normal costs. Those have gone up quite a lot in the United States. And recently, because of the budget deficits, we've been trying to cut where we can and do our part, but we still have to grow somewhat, or we'd have to fire people.

The Chair: What has been the difference between your numbers, whether spending or revenue, at the Congressional Budget Office and those of the executive branch? You said that you've not necessarily been coming out with the same figures. What's has it been for the last two or three years?

Dr. Elizabeth Robinson: For the deficit for the current year, it's well known that the executive branch of the federal government has a bias toward over-forecasting. It comes from the bottommost level of optimistic program managers who think they're going to get a lot done this year, and so they over-forecast what they're going to spend in the current year.

There are also of course political forces that do this, because in order to justify your budget year request, you want to show that you're spending and getting the job done. The executive branch has a bias upward.

The other thing is that the executive branch had some real questions about the validity of its revenue estimation modelling. In the 1990s, the revenues came in very much higher than people projected. It was like clockwork; every six months the projections would move up and move up and move up—and never go up high enough. And then in 2000-01, as happens when there's an economic slowdown, the situation rapidly reversed. It reversed because our tax code is built to allow companies to defer tax expenditures when they're having a hard time. They can realize their losses and gains in different years, and so when they start doing worse, the revenues fall off dramatically.

Then of course a lot of programs kick in to help people who are out of work or who have lost benefits. So what happens of course is then you see this rapid turnaround, and then the projections are always coming in too high. We saw that rapid up and down in the period when the Bush administration was first in, so they made some ad hoc adjustments to their revenue estimating.

As it turned out—and as I've mentioned—the economy's been fairly predictable for the last two or three years, which you wouldn't have predicted on the basis of the five years before that. So actually, the normal modelling did very well.

Those two factors combined to make the federal government significantly more off in terms of its deficit estimations for the current year than the CBO was. But I think now, with the current track record, it's getting a lot closer. It will be much closer to the reality than it has been.

• (1700)

The Chair: So we hope.

I have two more quick questions. One really quick one is that what we've been seeing in our programs that are being implemented is that it seems everything is being implemented over a five- or ten-year period. You were saying some of yours seem to be over a fifty-year period or a thirty-year period. Regardless of health care, how about the other programs?

Dr. Elizabeth Robinson: It's really the health care and retirement programs that will have to deal with this demographic shift that in the United States will occur between about 2010 and 2030. For most other programs you don't need that long a budget window in order to make policy decisions. Usually five years, or even less than five years, is perfectly adequate, and it's really only because we're dealing with social security and medicare right now that we need this long time horizon to effectively let policy-makers make informed decisions.

The Chair: For my last question is I need an opinion. What we're doing this year, or what we did for the last quarter, is we hired four independent consultants who are giving us their opinion as to what they think the estimates, or the budget surplus, or the deficit is going to come in at. They've worked for the finance department officials. They're right now on temporary contract. We like the fact that they do work with other people and other groups and are not solely dependent on us.

What would be your opinion of just keeping it at, let's say, arm's length and just subcontracting four or five groups independently, and not having to set up a Congressional Budget Office like yours? What would be your opinion? And of course it would be your personal opinion.

Dr. Elizabeth Robinson: Right, my personal opinion.

In the United States we're dealing with a budget that's \$2.5 trillion, and it takes a long time to develop an expert who understands how major portions of those programs are working, and the problem I think we've found with going with consultants is whether or not they're as committed to develop that long-term.... As you just said, they are on temporary funding; are they really going to invest for the long term to develop this expertise? And if it were a very long-term arrangement, then perhaps you could have the best of both worlds. I don't know. But I do know that it's not an easy thing to just pick up and do to predict these expenditures, and it takes a lot of experience.

•(1705)

The Chair: Thank you.

Again, thank you for appearing. Thank you for your input. I think it's going to help the committee. It confuses us a little bit more, but at least you've brought us a little bit of light on certain similar dilemmas that we've going to have—and we will have.

Again, thank you very much for your time. We very much appreciate it.

Dr. Elizabeth Robinson: Thank you.

And if you have any follow-up questions, let me know.

The Chair: Will do. Thank you.

The committee is adjourned.

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

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

**Also available on the Parliamentary Internet Parlementaire at the following address:
Aussi disponible sur le réseau électronique « Parliamentary Internet Parlementaire » à l'adresse suivante :
<http://www.parl.gc.ca>**

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.