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Chair

Mr. Leon Benoit

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• (1535)

[English]

The Chair (Mr. Leon Benoit (Vegreville—Wainwright, CPC)): Good afternoon, everyone. Today we have witnesses on the appointment of Moya Greene. We also have some motions that the committee will want to deal with at the end of the meeting.

Pursuant to Standing Orders 110 and 111, the certificate of nomination of Moya Greene to the position of president of the Canada Post Corporation was referred to the committee on April 11, 2005.

We have as witnesses Moya Greene; and from the Canada Post Corporation, Gordon Feeney, chairman of the board of directors. Of course, we've had Mr. Feeney here before on a couple of occasions reviewing his appointment and on some related business.

I will give the witnesses the opportunity to make opening statements, and then we'll go directly to questioning. Just go ahead and proceed as you would. Thank you very much for being here today.

Mr. Gordon Feeney (Chairman, Board of Directors, Canada Post Corporation): Thank you, Mr. Chairman.

It's an opportunity that we look forward to, having this discussion with you this afternoon.

I'm very pleased that I'm able to introduce Moya Greene, the candidate that the Canada Post board has nominated for the important position of president and CEO of the corporation. Ms. Greene is an outstanding nominee, in our view. We believe she'll be a first-class CEO in leading one of the country's greatest institutions.

Before I tell you about her many qualities and qualifications for the job, I do want to say a few words about the selection process.

When I was last here in October I gave the committee my personal commitment that the next CEO would be selected according to a merit-based process consistent with the Government of Canada's guidelines for the appointment of top executives at crown corporations. Having been personally involved in this particular process, I'm confident we have delivered on the commitment I made to you.

We took a series of steps to ensure this search reflected the rigour, the transparency, and the fairness that Canadians should expect from an institution like Canada Post. A position profile and accountabilities document as well as very explicit selection criteria for the CEO were developed and approved by the full board of Canada Post.

A special subcommittee of the corporate governance and nominating committee was established to steer this process to its conclusion.

The subcommittee conducted a competitive procurement process to select an executive recruitment firm to support it in the various phases of the search. The firm of Ray and Berndtson was retained for this purpose. Advertisements for the position were placed in the *Canada Gazette* and major Canadian newspapers in November 2004. Through a series of regular updates, Ray and Berndtson kept the subcommittee informed of the evolving list of candidates and potential candidates.

From the 43 people who actually applied for the position, the search firm assembled a long list of 17 of the most promising candidates. Ray and Berndtson interviewed all 17. They supplemented the interviews by talking directly to people who knew these candidates well. Through this process this long list was reduced to a short list that was tabled with the subcommittee.

On January 19, 2005, the short-list candidates made formal presentations and participated in a panel interview with the subcommittee. On February 9, 2005, the board, on the subcommittee's recommendation, proposed two candidates to the minister responsible for Canada Post. Moya Greene was the board's recommended candidate, and we're very gratified that the minister accepted our recommendation.

I have participated in many corporate searches for executives throughout my career, and, Mr. Chairman, I can tell you that this was the most thorough, most rigorous search I've ever been a participant in. Speaking on behalf of the entire board of directors of Canada Post, I can say we couldn't be more pleased than we are with the result of that particular process.

Moya Greene is an outstanding nominee for the position of president and CEO. Many strong candidates were considered for this job, but Ms. Greene's breadth of public and private sector experience and her exceptional combination of communication skills, leadership ability, and analytical and strategic thinking capabilities made her an ideal fit for our job.

She comes to this position having served as a senior officer in three of Canada's largest multinational companies. She began her private sector career as managing director of infrastructure financing at TD Securities before moving to the CIBC, where she was a senior vice-president in the retail products division. Most recently she has been senior vice-president, operational effectiveness, at Bombardier, where she led a global strategic review of the company's transportation division. This all happened in the last nine years.

Prior to those positions, Ms. Greene had a distinguished career with the Government of Canada, where she assumed progressively more senior positions in seven different ministries. During her 17 years in the public service she was a key player in complex reforms undertaken by the federal government in several highly visible programs and policy areas. This included leading the overhaul of the unemployment insurance program from 1988 to 1991 and implementing the broad reform of Canada's overburdened transportation system from 1991 to 1996.

• (1540)

Her achievements and qualities have been widely recognized in the business world. In 2003, *The Financial Post* placed her among the hundred most influential women. Last year the Women's Executive Network and the Richard Ivey School of Business named her one of the top 40 female corporate executives in the country.

The board feels very fortunate to have found a nominee of Moya Greene's calibre to lead Canada Post. Throughout the selection process she has distinguished herself as someone who understands what it takes to make a large, complex business successful, whether it is in the realm of finance, retailing, or global manufacturing. We were looking for someone who had in-depth knowledge and first-hand experience with both the commercial and public policy sides of running a business like Canada Post. In Moya Greene we're very confident we have found just such a person.

I welcome any questions you may have about our nominee as we go forward, our selection process, or any other matter related to this appointment. I am confident the members of this committee will conclude, much as the Canada Post board of directors did, that Ms. Greene is an excellent selection for this job.

Thank you.

The Chair: Thank you very much, Mr. Feeney, for appearing as the chair of the board of Canada Post Corporation and as the head of the nominating committee. Thank you very much for your presentation.

Ms. Greene, do you have a presentation to make as well?

• (1545)

Ms. Moya Greene (As an Individual): I do, Mr. Chairman.

Thank you very much, Mr. Chairman and honourable members of this committee. I am very pleased to have this opportunity to appear before you as you consider my nomination as CEO of Canada Post.

[Translation]

I believe it is appropriate that parliamentarians, who represent the interests of all Canadians, provide such a forum to candidates and to the public.

[English]

Canada Post is an important national institution as well as an important national asset for all Canadians,

[Translation]

as a global service provider, an employer of some 70,000 Canadians, or a generator of almost \$7 billion in revenues.

[English]

Mr. Chairman, honourable members of this committee, it's an honour for me to have been selected by the board of Canada Post as their choice for this position. I'm also very happy the minister and the government have supported their decision in the selection process by putting my candidacy before you today. This is a wonderful opportunity for me, but I also know, I'm very conscious, this is a significant responsibility.

As I look back over my career, I feel I have been preparing for this for a very long time.

Mr. Chairman, you and members of this committee have probably already received my CV, so I'm not going to go into a lot of detail. But if you'd allow me, I'd like to outline four areas I think will be of considerable help to me in terms of my experience to lead Canada Post.

The four areas are the following. I bring both public sector and private sector experience at senior executive levels to the position. Secondly, I have considerable experience with crown corporations, which, as you know, have added complexity. Thirdly, I have been involved in and have led key, complex, multi-stakeholder strategies and consultation exercises for the Government of Canada. And finally, the area that I think is my strong suit is the formulation of strategy and its practical implementation.

First, my private and public sector experience. Mr. Chairman and members of the committee, I've been a senior executive for 20 years. For the past nine years I've worked at very senior levels at three of Canada's largest multinational companies, first in financial services and most recently in global manufacturing. I understand the complexity of multi-billion-dollar enterprise and the diverse set of skills and governance processes that come to bear in the effective management of them.

[Translation]

Allow me to speak now about my experience with Crown corporations. They reflect additional complexity, in that they must fulfill both a corporate mandate and public policy objectives.

Mr. Chairman and honourable members of the Committee, I have spent much of my career in the federal public service, and it was there that I had some of my most meaningful experiences.

[English]

In my last role as assistant deputy minister in the Department of Transport, I was responsible for more than one-third of all of the government's crown corporations, including some of the largest and in fact the oldest: CN, for example. Their strategic planning processes, their operations, and their governance were part of my duties. I understand the appropriate relationship that should exist between the government and crown corporations. I learned first-hand the critical importance of finding the right balance, one that will allow the entity to compete in a global marketplace but will also ensure that its public interest vocation is completely and fully respected.

This brings me to the third point, the management of complex files involving diverse stakeholders. During my time in the federal public service I managed a number of these that required the balancing of competing and often conflicting interests among a wide variety of groups. Achieving consensus, Mr. Chairman and members of the committee, is never easy, but I think success in this regard resides in designing and implementing careful consultation processes.

In my role in the federal government, I was involved in the management of some of the largest consultation exercises undertaken to change policy. This experience honed my ability to frame issues and to find points of consensus among stakeholders with different regional or sectoral interests. I believe this will be important as well, as Canada Post charts its future course.

Finally, Mr. Chairman and members of this committee, let me now turn to what I consider to be a strong suit, the ability to formulate strategy and to preside over its effective implementation. This is where I've done some of my most rewarding work.

At Canada Post, setting the direction for the future will be a big part of the CEO's medium-term challenge. With the support of wonderful high-performing teams, much can be done. That was our experience with the national transportation strategy in 1994, with the revamping of federal employment training opportunities in 1989, and most recently with the Bombardier transportation turnaround plan. These experiences have been some of the most engaging work of my career, and it is an added bonus that these efforts have won outside recognition as well.

Mr. Chairman, if I may, I'd like to conclude my remarks on a personal note. Most of you here have never met me, but people who do know me well will tell you I'm energetic, passionate about my work, and very forthright in my approach. Throughout my career I have approached every assignment with these parts of my character in the lead, and I undertake to you that the same would be the case for this position as CEO of Canada Post.

I have worked directly for or close to some great corporate and public sector leaders. I would come to Canada Post with the richness of that experience as well to guide me.

And most importantly, Mr. Chairman and members of the committee, I come to Canada Post secure in the view that there is a strong and knowledgeable team there who shares with me the sense of opportunity we have in the leadership of Canada Post.

• (1550)

[Translation]

Once again, allow me to thank you for the opportunity you have given me today.

[English]

Should you confirm my appointment, I look forward to returning to this committee or to meeting with any of you individually over the months and years ahead to discuss how Canada Post plans to deliver on each and every one of its commitments to Canadians.

Mr. Chairman, I'd be most pleased to take any questions that you or the honourable members might have.

The Chair: Thank you very much, Ms. Greene, for your presentation, for giving us that background information, and for the invitation for us to have you back here at some time in the future.

You are coming to this position at an interesting time, when there is a need to restore public confidence in the position you are here to discuss with the committee. Certainly, after what's happened in the past year or so, there is a need to restore public confidence in the position of president and CEO of Canada Post .

I'll go directly to questions.

Mr. Preston.

• (1555)

Mr. Joe Preston (Elgin—Middlesex—London, CPC): Thank you.

Mr. Feeney, thank you for honouring the commitment you made to us when you were here last about embracing the process to be used for hiring. I congratulate you, sir, on the work done to this point.

Ms. Greene, congratulations on being selected as the candidate. You certainly possess a long list of credentials with a good mix of public and private experience. Canada Post itself is a mix of public and private.

I'm going to ask some questions on the process. I'm going to ask you for your outlook on Canada Post now, in the past, and in the future.

You spoke in your opening statement of your ability to formulate a strategy and use it to make complex policy decisions. You're in a job that will require these skills.

Have you had much chance to do research on Canada Post? You've applied for the position and you're on the point of being chosen. Have you done much looking into the organization you're about to join?

Ms. Moya Greene: I'm not in the organization, but I've done as much as one can do from the outside. I combed through the publicly available materials such as the former annual reports. I've read the statute, so I understand the mandate that Parliament has given to the corporation. I'm also conversant with the new policy guidelines clarifying the accountability structures for crown corporations. I've done as much as you could reasonably do from outside.

Mr. Joe Preston: Super. The governance guidelines are a good start and they bring to bear some of the things the chair mentioned.

Are you familiar with the audit done last July by Deloitte & Touche on management practices at Canada Post?

Ms. Moya Greene: Yes, I am. The recommendations are sensible, and the corporation has implemented all of them. I had the opportunity to have a conversation with the outside auditor on the report. Generally speaking, the auditor believes the corporation has a strong internal control system, which has been tightened up and supervised by the board following the release of that report. I will want to make sure the tightness of those internal controls remain in place and that the recommendations continue to be followed. I have every confidence that this will happen.

Mr. Joe Preston: That's super. I'm glad to hear it. There were a lot of recommendations having to do with executive expenses, hiring practices, and other areas that needed to be tightened up. I'm happy to hear that you and the board will move forward on this and honour the management plan.

Canada Post is in a special circumstance because of its crown corporation status under access to information. How do you feel about the openness of Canada Post under access to information?

Ms. Moya Greene: Generally speaking, I am a very big proponent of transparency. I think it protects individuals and officers. It protects organizations. It makes things clear and above board. Generally speaking, I am very much in favour of transparency. Full, fair, and plain disclosure are more than mere watchwords for me.

There is an important point, though, that I think needs to be made in the case of a crown corporation that is the size of Canada Post. It has a very important public policy role, through the collection and delivery of the mail, but it also has an important commercial role. I would think that as far as access to information is concerned, we may need to be a little cautious so as not to undermine or defeat the commercial aspect of that role.

• (1600)

Mr. Joe Preston: We're certainly not talking about proprietary secrets or things that competitors would be able to use against you. It's more on the openness of the executive, the management piece, and things that were found in the Deloitte & Touche audit.

In the Deloitte & Touche audit, there was some talk of special hires, people who were hired and maybe shouldn't have been, or jobs created for people. You talked about being able to clean that up, look at the standards, and make sure that doesn't happen. An agreement needs to be in place. Under the new governance rules, they may even be caught there. What are we doing about the people, who are in place, who got there through those hirings?

Mr. Gordon Feeney: Basically, the number of people were tracked and interviewed personally and individually by the HR people. Several things have happened.

There were a number of tremendous people who were doing the jobs they were hired to do, and they continued to do so. They were put into one bucket. There were people who could maybe do some other jobs with the skills they had, but they could not do the jobs they had. They were put into other jobs. A number of people left the organization. There are no special hires who are not either gone from the organization or performing a productive role like every other person at Canada Post.

It was good for their morale. People don't like to be seen to be there for one reason and not on merit. The people at Canada Post, senior management, made sure that they're there because they can do the jobs.

That one is clean and done. The board had reports at every board meeting until it was finished and put to bed.

Mr. Joe Preston: That answered one very large question on management practices.

The other one then, of course, is on the outstanding expenses of the previous president and where we stand on that. In the last management practices, we were told that we would need to, first of all, put something in place so that it doesn't happen again. I'm assuming that we're well along on that road. Where are we on the transparency of the last president's expenses, if you will, and the repayment of them if they need to be?

Mr. Gordon Feeney: I would like to reinforce to the committee that what we put in place is very straightforward and not unusual in well-governed corporations.

The expenses for the CEO and president are signed off personally by me. They're reported to the board on a quarterly basis. Obviously, there are receipts and that type of thing. My expenses are signed off by the chairman of the audit committee and reported to the board at every quarterly board meeting. All expenses for the board members are signed off personally by me before they're paid. We feel that one is right where you would want us to have it, and we're pleased with that.

The second part of the question is on Mr. Ouellet's expenses. You know that the facts were made fairly publically in the papers last year and through proceedings in the House. Everybody has a somewhat common view on what's at stake.

Currently, Revenue Canada is on-site at Canada Post and has been conducting the investigation of this file for some time. They have all the files and documents that one would expect to receive. I don't know when they will finish, but when they do, I'm sure the board will be told immediately. I suspect that, as with most things, you will know at about the same time.

At this point, it's not something I can report on because I know nothing more than the fact that they are investigating it and we'll deal with it.

The Chair: Thank you, Mr. Feeney.

Mr. Preston, you're out of time for now.

Madame Thibault, for seven minutes.

• (1605)

[Translation]

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Thank you, Mr. Chairman.

Thank you, Mr. Feeney and Ms. Greene for being here today.

First of all, I have two quick questions for Mr. Feeney, if you don't mind.

Mr. Feeney, you won't be surprised by my question, since I asked you this when you came to meet with us previously. In your selection criteria, did you give any consideration whatsoever to bilingualism?

Secondly, was it important to have a female candidate? Faced with someone having equal skills or even superior skills, I will always prefer that the choice be a woman, obviously, given the catch-up that is still required both in the public service and in our institutions at various levels.

Where you had candidates of equal competence—in other words, of equal merit—were being a woman and mastery of both official languages among the criteria?

[English]

Mr. Gordon Feeney: Thank you very much.

Certainly bilingualism was an important issue. We were told that it shouldn't be a deal-breaker, so to speak, but we know within the corporation how important it is. It is a very bilingual corporation, and as you will have gathered by now, we have a very bilingual candidate to lead it.

With the question relative to equal candidates—would we favour a female candidate over a male candidate—that is a very tricky question to answer because I don't think there's a winning way to answer it. The good news here is that there was a significant difference between the qualifications of the person we're putting forward to you and those of many of the other fine candidates. It's not that several others couldn't have been the CEO, but our role was to find the best we could find, and it worked out very well. It was a

lady and she's bilingual and very knowledgeable. So we had part of our tough job taken from us by uncovering such a candidate.

[Translation]

Ms. Louise Thibault: Thank you, Mr. Feeney.

As you know, we only have seven minutes. So I'd like to address my next question to Ms. Greene.

Ms. Greene, looking at your curriculum vitae, which speaks for itself, it is clear that both in the private and public sectors, you set about making things work more efficiently and effectively. My question is not in any way intended to embarrass you or be funny.

In terms of rationalization, improving service to Canadians and managing the performance of a corporation like the one you could be given the job of running, perhaps you could tell me how you would go about reconciling those different elements.

In a few minutes, I'm going to talk about service. I am from Rimouski-Neigette—Témiscouata—Les Basques. And, like a number of my colleagues, I represent a highly rural area, and the rural areas are facing some major problems. So, I would be interested in your sharing your views with us. How would you go about reconciling service and performance?

Later I will have a question about the rural dimension and rural issues.

Ms. Moya Greene: Thank you, Ms. Thibault.

As far as I'm concerned, the starting point is the mandate that has been given to the Crown corporation. That is clearly set out in the legislation; I believe it appears in section 5. Its mandate is mail delivery to Canadians, at a reasonable price. However, the second part of that is that the Corporation has to be economically viable—it has to show a profit. So, in order to reconcile those two objectives, there are a number of things that have to be done. First of all, it has to come from the companies, the businesses associated with the Corporation's public mandate, such as Purolator. It also has to come from the technology which is already part and parcel of the companies. I believe that, working step by step, it is possible to balance the two—in other words, profitability and service. That is already the case.

• (1610)

Ms. Louise Thibault: Do you think, as regards your long-term planning, that we should be moving more towards privatization or a public-private partnership that would be so expensive that we would be focusing more on privatization than on the public sector? I'd like to hear your vision of what the Corporation could become in ten years' time.

Ms. Moya Greene: No, at this time, I do not think so. I believe there is still a need in Canada for a special service that provides mail delivery to Canadians. That public objective is still very important. There is no real competitor. It's not the same situation as for CN, which was facing competition in just about every area, be it trucking, or even from CP. That is not exactly what we're talking about here.

In a distant future, given the electronic changes that we are seeing even now, the way we receive different forms of communication may change, and the acceleration of those changes will be clear. However, that is certainly not the case now.

Ms. Louise Thibault: I'd like to talk about the service being provided in our small communities. I live in a village, by the name of Le Bic, which has a population of about 2,000. Let me give you an example: it is impossible to use an ATM card. And that's not the only example. We cannot carry out our transactions at the Canada Post Corporation using an ATM card. Either you have cash and can buy your stamps or, if you don't have any cash on you, you have to go back the next day. It's just impossible.

Do you believe in equitable service across Canada, both in the rural areas and the urban centres? How can we achieve that equity, so that the people you are there to serve—taxpayers all across Canada, and particularly in Quebec—can benefit from that equity?

Ms. Moya Greene: Ms. Thibault, I believe it is extremely difficult to provide Canadians with exactly that same service, whatever region we're talking about. What I do see as important is that the mail be delivered to Canadians at a reasonable price. The price has to be high enough for the Corporation as a whole. Perhaps we will be able to provide equitable service, but it will not be exactly the same everywhere. It won't be equal.

The Chair: Thank you, Ms. Thibault.

Ms. Marleau, you have seven minutes.

[English]

Hon. Diane Marleau (Sudbury, Lib.): Welcome, and congratulations. I think you'll do well for Canada Post.

I know a little bit about Canada Post. In the past, Canada Post has had a habit of dabbling in different kinds of businesses. They've continued to deliver the mail, but they've had a tendency to go into side businesses. Some have been successful; some have been very costly. I'm wondering what kind of direction you see Canada Post heading in. That's question number one.

There has been no new door-to-door mail delivery, and I understand that, and I don't expect that to come back. But while the government has had a policy of not closing small rural post offices, and Canada Post has paid lip service to that, on the other hand, they have squeezed these little post offices until it's been almost impossible for them to remain open. You make it too difficult, you say it's not your fault, and the small post office closes down. And Canada Post says, well, that's not our fault.

That's a very difficult issue for many people because the rural post office is probably the only direct connection for them. I'd like you to tell me a little bit about what you plan to do about these particular, really serious issues for people in those regions who have no other sources.

The third question is this. I want to know what kind of direction you will give and what kinds of guidelines you will put forward on advertising and promotion. Canada Post has very important commercial endeavours such as Purolator, and it does and should play a very important role in advertising and promotion across the country. I want to know just exactly how you see that going forward, and how you will make sure that all regions of the country benefit equally, or, at least if not equally, that there will be some benefits that go to the regions where there's very little going on.

That's a big challenge. I'm wondering whether you'd consider using these small branches in the outlying regions to deliver certain services. I know recently Canada Post went into the business of currency exchange. Well, I don't care if Canada Post competes with the big banks, but in downtown Ottawa you really don't need post offices to be doing currency exchange. You might need it in some small town somewhere where there is no bank, but I don't see the value of that in a large city like Ottawa or Toronto.

Was that enough, or would you like more?

• (1615)

Ms. Moya Greene: First, Mr. Chairman and honourable members of the committee, let me preface my remarks a little bit by saying that I'm not there, so I don't have the specialized knowledge that you obviously have, Madam Marleau.

However, if I can, I'll say a few things generally about competitive services, because I think they're very important. Not only do I think they're important, but if you look at the act, you'll see that Parliament thought these services were important. According to section 5 of the act, Canada Post has a responsibility to deliver the mail to Canadians at reasonable cost, but it also is asked to occupy fields that are necessary or incidental to any product or service, and it has an obligation to be profitable, to not go back to the bad old days when as much as \$500 million a year in operating deficits was the unfortunate history.

I think I would like to say three things about competitive services. Canada Post is in a field where it is competing against companies that are sometimes 10 or 15 times larger than it is, and some of these companies are publicly owned, like the German postal system. That's number one.

Number two, the revenue and the net income derived from these services is necessary to keep the rate for first-class mail delivery at a reasonable level. That said, I understand the thrust of your question is not to be silly about it, and if we are in a place where if we compare how well we're doing that business with everybody else in the business, and the benchmark comes up wanting, then as a leader of the organization, I think that's definitely something we would want to look at.

So in terms of my direction, I haven't formulated any yet, but there are areas of particular interest for me, and one of them will be a customer orientation—always a customer orientation—and making sure that we compare the performance of the companies, all of them, in the Canada Post group not just with the plan, but also with competitor companies in those markets so that we have a sense of how well we're doing.

You mentioned the importance of rural post offices, as did Madam Thibault, and I agree with you. They are very important facilities as locations where this service, which is the mandate of the company, can be delivered, but I would ask that the committee and Parliament think broadly about how best in the future to do that in all cases.

• (1620)

The Chair: Thank you, Madam Marleau. Your time is up.

We'll go to Mr. Poilievre for seven minutes.

[*Translation*]

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Thank you for coming, and congratulations.

[*English*]

I'll start with a question with regard to the single-purpose audit that is under way. I understand it's not complete.

Is that correct, Mr. Feeney?

Mr. Gordon Feeney: On Mr. Ouellet's file, that's correct.

Mr. Pierre Poilievre: When it is complete, are you committed to making the findings public?

Mr. Gordon Feeney: I think there would be little choice on that as long as it's not an invasion of privacy. I'm sure more than the chairman or the CEO, the minister will need to make it public in this building because there's been sufficient attention on it. So I think it's a given that it will become public knowledge.

Mr. Pierre Poilievre: It will become public knowledge then.

Mr. Gordon Feeney: I say all of that respecting the privacy of an individual, and I think we always have to respect that.

Mr. Pierre Poilievre: Okay. Would you pursue legal challenges to recover the funds?

Mr. Gordon Feeney: You know, I've read about this. I've had people ask me that question. I would like to clarify a point of view I have about these expenses. I have never personally looked in the file. It wasn't at the top of my hit list, because I had things to do and other people were looking after that, but while there may not have been receipts for some expenses, nobody has really said that they weren't legitimate expenses. Because there were no receipts does not mean they're not legitimate expenses, so you have to separate those two.

Mr. Pierre Poilievre: Is the single-purpose audit going to distinguish—

Mr. Gordon Feeney: Oh, absolutely, because it'll become a—

Mr. Pierre Poilievre: —between legitimate and illegitimate expenses?

Mr. Gordon Feeney: Well, sure, because it's a personal tax issue.

Mr. Pierre Poilievre: Okay. Once that is determined, will you pursue legal action to recover those expenses that are not legitimate?

Mr. Gordon Feeney: If expenses have been charged to the company that in the view of the revenue group are not legitimate, then obviously for our shareholders—and we have more shareholders than any other company in Canada, even though we often refer to a single shareholder, the Canadian taxpayer, whom we work for and who owns our company. As far as I'm concerned, sure, you have to do what you have to do when you're running a business.

Mr. Pierre Poilievre: So your answer is you will pursue legally recovering any funds that were expensed illegitimately?

Mr. Gordon Feeney: Expenses that are not legitimate will be recovered. That's the obvious business thing we have to do.

Mr. Pierre Poilievre: Sure. Okay.

Mr. Gordon Feeney: Now, one would hope you don't have to go into the courts of Canada to do it.

Mr. Pierre Poilievre: Are you aware of any negotiations between Canada Post, the minister, and André Ouellet regarding these issues?

Mr. Gordon Feeney: No.

Mr. Pierre Poilievre: Okay.

All right. That's excellent. I want to reiterate the remarks made earlier by my colleague. It just seems, Ms. Greene, that you have a lot of qualifications and that you bring a strong background to this position. We also welcome your offer to be a regular guest here at our twice-weekly show. We would look forward to having you back on a regular basis.

That concludes my questioning. Can I just give my remainder over to Mr. Preston?

The Chair: Go ahead, Mr. Preston. You have about three and a half minutes.

Mr. Joe Preston: Great.

Mr. Feeney, I commended you for honouring your commitment to follow the guidelines, but one of the guidelines is that you make the CEO selection criteria public. Did we do that? Is that on the website?

• (1625)

Mr. Gordon Feeney: I can't answer that they're on the website, but every person who applied—and it became a public document—received a very extensive number of pages as to what the criteria for the job were. Then, when we looked at the candidates, the search firm took the criteria established last fall and applied them to each candidate, right through the piece, in about eight different categories—so yes, we did it.

Mr. Joe Preston: That publicized it to each candidate who expressed an interest, but is it really open to the public?

Mr. Gordon Feeney: Oh, it can be. To me, it's a public document once you hand it out to 50 people, but the answer would be, sure, anybody could have it; there's no question. Just this morning, as a matter of fact, I sent it to the president of one of the unions because they had asked for it. There's no secret about it at all. As a matter of fact, we're rather proud of the document.

Mr. Joe Preston: Excellent. That's all I have right now, sir.

The Chair: Okay. We'll go to Monsieur Godbout, for seven minutes.

Mr. Marc Godbout (Ottawa—Orléans, Lib.): I would like to thank the two witnesses. We've become accustomed to seeing Mr. Feeney now at this committee. He's learning the rules a bit too fast, I guess.

Madame Greene, I don't want to go into the credentials—they're quite impressive—but you've been through quite an extensive selection process. Could you give us your comments on that process? No process is perfect.

After that I'll go to Mr. Feeney with the same question. If we had to do it all over again, what could we possibly do better in that process?

Ms. Moya Greene: Mr. Godbout, I have to say to you that this was certainly the most extensive recruitment I've ever been involved in, from the point of view of making it very clear that all of the documentation, all of the criteria that would be looked to, would be full and complete. There were very extensive interviews, lengthy interviews, many hours with professional executive recruiters, and then there was the preparation of a formal presentation to the nominating committee of the board.

I know because people called me. On the background checks, the firm spoke to deputy ministers whom I hadn't worked with for sixteen years, so they went back quite a long way. As a candidate in the process, it was unlike any other process I have been involved in.

Mr. Marc Godbout: Mr. Feeney.

Mr. Gordon Feeney: When I made that commitment last fall, I did it deliberately, and ethically I planned to carry it out. Before we started I had the minister document...even though I thought I knew most of them, because, as you know I had been involved in another hiring.... That was documented, and we followed them. I think in many cases we went far beyond the requirements. The reference checks were the most extensive checks I had ever witnessed. This company spent up to an hour with some of the references and documented every word of the conversation under various headings. They were very intrusive kinds of questions.

I sleep very well at night knowing that we have not left too many rocks unturned.

Mr. Marc Godbout: I would like to come back to Ms. Greene.

How do you see that very special relationship with the board as a CEO? How do you plan to establish that relationship? I've studied that for a few years, and I would like to know how you would see your role towards the board, and vice versa.

Ms. Moya Greene: As a CEO, I see my role as leading in the management and the execution of the strategies that are approved by the board, and of course by the minister as a representative on behalf of the government and the shareholder. Fundamentally, that's the job of the CEO, to make sure that all of the essential processes and procedures that have to be in place to guide and manage a very large multi-billion-dollar enterprise are in fact there and are working.

I see the CEO's role as being fundamentally a collaborative role, with many people involved: first, the outside auditor; secondly, the

internal auditor to be fully apprised and to be open to any flare-ups that may be developing and that are inevitable. That is the nature of running anything complex.

In terms of my relationship with the board, after being involved in various facets of corporate governance issues in various places over the years...and now, probably just like you, I've just completed the directors course.... The responsibilities on boards of directors today are probably greater than they were even five years ago. Their responsibilities for oversight require a healthy tension between the CEO and the board, and I respect that completely.

My nature is to be pretty open, pretty transparent. Whether you're dealing with employees, with representatives of employees, with customers, or with the board that has the legal responsibility charged with the oversight of the organization, my view is that being open and transparent is always the best way to improve the overall management of the organization. In a word, I see it as collaborative, but I see there being a necessary healthy tension between the board of directors and the CEO, the management team of the organization.

Does that answer your question?

• (1630)

Mr. Marc Godbout: Yes. If we had more time, I would elaborate.

The Chair: You still have a minute and a half.

Mr. Marc Godbout: I will ask you a question. When will you tell them to butt out if they micromanage what you're trying to do?

Ms. Moya Greene: Well, that's a very interesting question.

I think you'll feel it around the issue. If it's a request for information, my view is boards of directors, with the oversight responsibilities they have today and the legal responsibilities, which have increased, have a right to a lot of information, and they have a right to that information being presented to the board in a manner that is digestible. That doesn't mean they move into the CEO's office to manage the company.

Mr. Marc Godbout: I'll leave it at that, because I have a quick little question.

You're a private public corporation in a way, and Madame Marleau has touched on a subject.... Some are saying that sometimes you're going into some areas that are not really your core business. You might be selling cards just close to this little drugstore, or *magasin général*. Are you going to clean that up a bit so that you remain a Canada Post Corporation and not be in direct competition with private business?

Ms. Moya Greene: I don't know this particular example, but what I would say is the following. I really am going to try to build upon the progress, Mr. Chairman and members of the committee, that has been made over the past decade. For me, building on the process and the progress that has been made really revolves around focusing on the customer and focusing on business performance.

This is a little bit of a backhanded way of getting at your question, Mr. Godbout, but if we look at business performance across all of the companies in the Canada Post group of companies and I see, or we see as a team, that some businesses are just not doing very well and are not doing anything relevant to what the competition is doing, then I would certainly have some questions to ask about those businesses.

The Chair: Thank you.

Merci, Monsieur Godbout.

Mr. Lauzon, you have five minutes.

Mr. Guy Lauzon (Stormont—Dundas—South Glengarry, CPC): Thank you very much.

Welcome to our committee.

Ms. Greene, I share the other members' respect for your qualifications. You come eminently qualified for the position.

I have a question I'm having a hard time.... I've been trying to think how I should ask it. I want to do it because you are so qualified, and I haven't seen a résumé that would be more suitable for the job at hand. But one of the things you mentioned was transparency, and it's because of what has gone on in the past, in our recent history—and not only maybe in this position, but in others—that I wonder if it wouldn't be to your advantage to put on record whether or not you had any political affiliations prior to this position.

• (1635)

Mr. Francis Scarpaleggia (Lac-Saint-Louis, Lib.): A point of order, Mr. Chairman.

Ms. Moya Greene: I have no problem answering that question.

An hon. member: She has no problem answering the question.

Mr. Francis Scarpaleggia: I'd still like to make a point.

The Chair: Yes, Mr. Scarpaleggia.

Mr. Francis Scarpaleggia: I believe that under the rules that question is not permitted.

Mr. Guy Lauzon: I actually am doing it for Ms. Greene. There is no malice meant by it. I mean that. I'm really glad I asked it, because—

Ms. Moya Greene: I defer, Mr. Chair. How would you like...?

The Chair: Mr. Scarpaleggia, are you saying you have reason to believe this question is out of order?

Mr. Francis Scarpaleggia: Absolutely, Mr. Chair.

The Chair: Could you explain that, please?

Mr. Francis Scarpaleggia: If you look at the rule here, it says:

The scope of a committee's examination of Order-in-Council appointees or nominees is strictly limited to the qualifications and competence to perform the duties of the post. Questioning by members of the committee may be interrupted by the Chair, if it attempts to deal with matters considered irrelevant to the

committee's inquiry. Among the areas usually considered to be outside the scope of the committee's study are the political affiliation of the appointee or nominee, contributions to political parties and the nature of the nomination process itself.

The Chair: Mr. Scarpaleggia, what are you referring to as a reference?

Mr. Francis Scarpaleggia: This is the rules of the House, interpretations of the rules of the House.

The Chair: Part of what you said is within the Standing Orders. Standing Order 111(2) says that:

The committee...shall examine the qualifications and competence of the appointee or nominee to perform the duties of the post to which he or she has been appointed or nominated.

Mr. Francis Scarpaleggia: It's Marleau and Montpetit.

The Chair: Marleau and Montpetit?

Mr. Francis Scarpaleggia: Mr. Chair, with all due respect, and you know I have a lot of respect for you as chair of this committee, I have to say that I took exception to the fact that we've been moving outside the terms of reference of this hearing. Going back to the point of order I tried to raise before, when Mr. Poilievre was going back to expense accounts and this and that and the other thing, I think, with all due respect, Mr. Chair, we should stick to the business at hand.

The Chair: Mr. Scarpaleggia, that line of questioning I feel is in order in examining the competence and qualifications of the appointee.

Mr. Francis Scarpaleggia: Mr. Chair, the—

The Chair: Please, just let me explain. I'm talking about the issue of the expense account and all that. I think how the candidate will handle that is a legitimate question for this committee.

Mr. Francis Scarpaleggia: Mr. Chair, the question was not addressed to the candidate; it was addressed to Mr. Feeney.

The Chair: Yes, the question properly should have been directed to Ms. Greene.

Mr. Francis Scarpaleggia: But it wasn't and you didn't interfere, Mr. Chair.

The Chair: These questions now are being asked of Ms. Greene.

You're right, Mr. Scarpaleggia. I certainly should have asked the member to ask the question to Ms. Greene. I acknowledge that.

Mr. Francis Scarpaleggia: That's all.

The Chair: Thank you for your intervention.

Certainly Ms. Greene has indicated she is quite willing to answer the questions.

Go ahead, please, Ms. Greene.

Ms. Moya Greene: Well, the answer is no.

Mr. Guy Lauzon: I actually did that for your benefit, Ms. Greene, because I think now at least you know there can be no question. I think it's on the record now. That was the intent. I certainly didn't mean to embarrass you. I appreciate the intervention, though.

And by the way, all that intervention is not coming out of my five minutes, I hope.

I'd like to turn now to your career with HRSDC. I had a very wonderful career with HRSDC myself during the same years you were there, and if I remember correctly, I think we had to downsize about 15,000 employees during that period.

Ms. Moya Greene: It was over a longer period, I think.

Mr. Guy Lauzon: Yes, it was over a five-year period.

•(1640)

Ms. Moya Greene: Yes, it was over a five-year period.

Mr. Guy Lauzon: I forget what it was called, but there was a name for it.

Anyhow, there are people who are still with the organization who say, first of all, that those cuts were too severe. This is the opinion of some people. Of course, hindsight is 20/20. They say the cuts were too severe, and as a result, there were a lot of people who were put on contract. In other words, they weren't public servants any more, but they could come back and work for the government under the auspices of a company or something. Their position is that the cuts were too severe, the work had to be done through contract, and although the numbers were reduced, in fact we're now back up to those levels, and we still have some of the contractors.

The reason I bring that up is I look at the trend at Canada Post. It went from 64,000 employees in 2002 to 72,000 in 2004. I'm just wondering where you think you would go as far as personnel is concerned.

Ms. Moya Greene: I don't have an answer to that question. I'm not there and I just don't have the facts, Mr. Lauzon, upon which I could give you a reasonable answer.

As far as I know, I come to the corporation at a very good time in the corporation's history, in the sense that not only is the corporation profitable, but the corporation has a very strong relationship with its unions. That's an important legacy that I will want to build upon.

So I can't really give you an answer to that question, but should you confirm my appointment, I can assure you that I will want to come back to this committee and I will want to engage this committee on any broad strategic directional change of that nature.

Mr. Guy Lauzon: I think Mr. Feeney had a—

Mr. Gordon Feeney: Only to explain the jump in the number. It was simply a case that—and I don't know if the numbers will be exact—a large number of rural contractors were brought on to the payroll during a period there. I think it was several thousand people.

Mr. Guy Lauzon: In the last two years?

Mr. Gordon Feeney: Yes.

Mr. Guy Lauzon: It's my understanding that some of my colleagues from the west are concerned about 600 small outlets being closed.

Mr. Gordon Feeney: I've seen some of these press releases and comments. I don't know where the numbers come from. I've only been around for a few months, as you know, but we know and respect the moratorium. I understand from my discussions with management that we have challenges some days with some of these units—getting people to run them if there's been a death or something, or if somebody retires, etc. But 600, or even 60, would be way over the moon.

Mr. Guy Lauzon: So there's no corporate direction to cut any at the moment.

Mr. Gordon Feeney: No.

Mr. Guy Lauzon: Thank you very much.

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

Madam Thibault is next for five minutes.

[Translation]

Ms. Louise Thibault: Thank you very much.

You may think that I'm harping on this, Ms. Greene, but I want to come back to one point with respect to the comments or questions I put to you earlier about service in rural areas, and comments made by my colleagues in that regard as well. I want to give you an example that specifically deals with Quebec.

You know very well that in the rural areas, we have an aging population. There is no more public transit; that is the reality. There can be villages located 40, 50, 60 or even 80 kilometres away from the area where postal service is provided. Putting a letter in the mailbox is one thing, but accessing all the services that go along with that is another—for example, a postal money order. Very often, there is no financial institution on site either. You worked for two of them, and you are therefore aware of the fact that many financial institutions have closed their branches in rural areas.

So, I will ask you the same question again, considering that you have already told us you would be pleased to come and see us again. Based on your vision of your mandate, would you be prepared to take a close look at this situation with colleagues in your organization and provide answers as to what postal services will be provided in rural areas in two years, or five years, so that Quebeckers and Canadians can continue to hope that they will benefit from this service?

I just want to conclude by telling you about our current reality. When the postal outlets were closed in our area, they told us that they had to act quickly because they had asked local convenience store owners to provide this service for compensation. However, the cost and the bother of doing it are such that convenience store and garage owners say they are not interested. So, postal outlets are being closed because there is no alternative.

How will you be reflecting that in your vision of the future? All these people pay income tax, and are entitled to receive services. We have every right to live in the regions. This is a concern to me. I would like to know whether you intend to look at this.

I will have a second question for you, if I have any time left.

•(1645)

Ms. Moya Greene: First of all, I will look at this matter closely, because I want to know exactly how the Corporation provides services. I want to know what the other options are. When the number of addresses in a small village goes down, for example, what can we do to continue to provide this service? That is really problematical. Mail volumes drop, and yet the number of addresses increases, as well as their distribution. How can we put those two things together? At this point, I don't know, but I can assure you that it is something I will be looking at closely.

Ms. Louise Thibault: Fine, thank you.

I may be wrong, but in terms of human resources management, I believe that two thirds of Canada Post's operating budget is spent on wages and benefits.

Ms. Moya Greene: Yes, that is quite accurate.

Ms. Louise Thibault: I said it was two thirds, but it doesn't really matter if it's 66 per cent, 67 per cent or 68 per cent; it is still in that general ball park. But I want to talk about your vision of the future. We are seeing the same situation in most federal institutions: the payroll and what goes along with that are considerable.

How do you see the future in terms of operating costs, in light of the documents you were able to peruse when you looked at this, and in relation to the efficiency and effectiveness that you are still hoping to maximize in future? How are you going to deal with all of this? Are you expecting changes, through attrition or other means, to keep the Corporation afloat and continue to provide profits to the government of Canada? How are you going to deal with this?

Ms. Moya Greene: That is one of the major challenges for us in the years to come. The wider the dispersal and the more addresses there are to cover, then with a rate set at two thirds of the Consumer Price Index, there is no doubt that you need to be efficient and that other Canada Post companies have to make a maximum contribution. So, I will be looking at all of that.

However, I do agree with your premise, Ms. Thibault. It is a major challenge. In fact, it may be the greatest challenge the Corporation will be facing in the near future, because we do not want to go back to operating deficits.

Ms. Louise Thibault: Do I have any time left, Mr. Chairman?

[*English*]

The Chair: You may ask one more question.

[*Translation*]

Ms. Louise Thibault: Do you have broad experience in the area of collective bargaining, labour relations, or union management relations? Have you had an opportunity, in the course of your career...

Ms. Moya Greene: I have accumulated a fair amount of knowledge in that area. I gleaned this knowledge in different jobs—first, with the Department of Labour, and then, once it was put in place, with Human Resources, through boards composed in equal parts of employer and union representatives. I also gained experience in this area through the CN privatization exercise. There was a great deal of discussion with the many unions involved. I am not saying I'm an expert, but I do feel comfortable in that area.

•(1650)

[*English*]

The Chair: Merci, Madam Thibault.

Mr. Scarpaleggia is next for five minutes.

Mr. Francis Scarpaleggia: Thank you, Mr. Chair.

Again, congratulations on your appointment.

Your CV is extraordinary, and I think we have in front of us—I say this most sincerely, without any partisanship—two excellent individuals who will complement each other so well. You both have some retail experience and have worked with large corporations. Mr. Feeney, you have extraordinary business experience.

What I'm particularly impressed about, Ms. Greene, is that you have an understanding of the public sector and of public service mandates. I think that's very important, because Canada Post is not a private corporation. It does have as its mission to accomplish certain public policy goals, and, as you said, it's a national asset. I believe personally it's a national asset that can be used to strengthen our country.

One of the areas I'm quite interested in and have been interested in for a number of years is the area of culture and communication. I think Canada Post has a role to play in enhancing Canadian culture, and I mean this in a broad sense.

Obviously, the post office is a cultural symbol in and of itself, but Canada Post is the monopoly distributor—and I don't use “monopoly” in a pejorative sense, as for me it's a positive thing—for a multitude of Canada's own magazines. As a cultural product, if I may call them that, magazines have a success vis-à-vis other Canadian-owned or produced cultural products like television, books, music, and film. Canadian magazines have a success that outstrips that of those other cultural products. Canadian magazines have, I believe, a 41% market share of the magazine sector in Canada, and the success of these magazines is not the result of newsstand sales, because they're crowded out on the newsstands by foreign publications, especially American publications; they depend almost entirely on distribution through Canada Post.

One of the problems they've been facing recently.... I don't expect you to have a complete, detailed answer to this, but it's something I would hope you would think about as the CEO of Canada Post. What we've noticed in the last little while is that the cost of mailing these magazines has been going up quite dramatically. The magazines themselves receive a subsidy from Canadian Heritage, and of course they use that to pay postal costs, but the subsidy isn't rising as much as the cost of mailing these magazines.

I know you're a for-profit business to some extent, but would you consider doing something to alleviate the cost pressures on Canadian magazines in terms of the postal costs for these magazines?

Ms. Moya Greene: Mr. Scarpaleggia, what I can assure you is that I am going to try to be very customer-focused, and I suspect the Canadian magazine community is an important customer for Canada Post. One of the very first things I will want to do is to sit down with the representatives of all of our customer groups to hear first-hand from these customers what they perceive to be the issues and the challenges and their expectations of the company. What I do know from my business experience is that if you lose sight of your customer, your customer will find another way to lose sight of you. I don't want that to happen.

I'm not there yet and I don't know the facts. I cannot say that a break on the rate is the way to go immediately, but what I can say is that in my first 100 days in Canada Post, if I am confirmed in this appointment, I plan to spend a lot of my time hearing from customers. On the basis of that, I'll be in a better position with the management team of Canada Post, our board of directors, and people who have an interest in particular sides of the business in Parliament, such as yourself, to formulate a view. That I can guarantee you I will do.

•(1655)

Mr. Francis Scarpaleggia: I appreciate that. I have just one final thought or maybe a plea on behalf of Canada's magazine industry for both you, Ms. Greene, and Mr. Feeney. There is really no alternative means for a magazine to get to someone's doorstep. Yes, they are customers and the people receiving the magazines are clients, but they're citizens of a great country and of a great culture. Please do the best you can for them.

Ms. Moya Greene: We will. We will certainly look at it.

The Chair: Thank you, Mr. Scarpaleggia.

Now we'll go to Mr. Preston for five minutes.

Mr. Joe Preston: I won't take that long. I just have a couple of questions, for both.

What is the length of your appointments?

Ms. Moya Greene: Mine is five years.

Mr. Joe Preston: I should know yours, Mr. Feeney, but I forget. Three?

Mr. Gordon Feeney: Yes.

Mr. Joe Preston: I have asked this question of some of the other candidates we've had come before the committee, so I'll ask it of you. What are your thoughts about coming back on the reappointment date to go through this process again? It would be for us to find out what kind of job you've done and ask you questions at that time about your knowledge of the corporation, which you'd then be involved with, if indeed you're willing to stand for reappointment when the time comes.

Mr. Gordon Feeney: I would say personally that it should be an expectation on the part of everybody, whether you're new or whether you're being reappointed. I think you would probably get a more lively conversation with a reappointment than with a new appointment.

Mr. Joe Preston: That's my thinking.

Mr. Gordon Feeney: That's why you would like to get us back.

Mr. Joe Preston: Ms. Greene.

Ms. Moya Greene: I plan to be here, if I'm confirmed, pretty regularly. We'll probably waltz up to the five-year mark and won't know we're there.

Mr. Joe Preston: Well, we had to do it. Perfect.

Thank you very much.

That's all I have.

The Chair: Before we get to Mr. Szabo, I have a couple of questions on the Conservative time.

I have had representation made from several libraries in my constituency about the issue of books being sent to the library at no cost through Canada Post, whereas similar material on CD, DVD, or tape doesn't get that treatment. They're concerned about that. I think it's probably an issue for the heritage department or some such department. Could you just explain how Canada Post gets paid for that, or do they in fact get paid for these books that are delivered at no cost to the library?

Ms. Moya Greene: I don't know the answer to that question. I would have to get back to you on that.

Mr. Gordon Feeney: I'm reluctant to say how, because I know it's not the full amount we feel it costs us. I think it's something we probably should come back or write to you and tell you about. I know it's a very current issue, one the management team is dealing with. As far as the board is concerned, we haven't had anything come to us that says how this problem can be solved, but I know it's an issue from just being around the place.

The Chair: If you could get back to the committee with that, I'd really appreciate it, because I've had many libraries ask me about this. It's an issue in a rural area like mine.

Mr. Lauzon, you still have a little bit of time left in the Conservative slot.

Mr. Guy Lauzon: I don't have a question.

I'm not sure whether it was Mr. Godbout or Ms. Marleau who mentioned the post offices becoming store-like. I guess post offices are pretty sacred to smaller communities, and they've mentioned this because the small stores in the smaller communities are having a hard time and really don't need the competition. Maybe in your strategic thinking you might just keep that thought in mind.

•(1700)

The Chair: Thank you, Mr. Lauzon.

I don't know if there's really a response needed. I think it was a comment.

Mr. Gordon Feeney: I think it would have little impact on the bottom line.

The Chair: Thank you.

We have Mr. Szabo for the last questioning before we go to the motions and the other business of the committee.

Mr. Paul Szabo (Mississauga South, Lib.): Thank you.

I have been reflecting on this little exchange about political affiliation, and I'm disappointed that there was a response given. I'm pretty sure you cannot ask anybody about their religious affiliation, about their sexual orientation, or about their political affiliation. It is not a factor, unless you are applying for a position in one of those disciplines, to be part of a religious group or something like that.

It does set an unhealthy precedent for others who come here. Had you been a card-carrying member of the Conservative Party, or any other party, what were we supposed to do with that? There are rules in terms of those things, and I think it's for everyone's best interest.

Political affiliation was never.... You didn't sell yourself on that, you didn't promote it, and I'm pretty sure the questioning from the headhunter did not have anything to do with any characteristics other than your experience, your expertise, your capabilities, your educational background, etc. Those were the principal matters on which you were assessed.

Now, I'm sorry, but we're left with this position where we have hundreds of people who may have to come before this committee, and all of a sudden this question is going to come up, and it's not relevant. So I'm interested.

The Chair: Excuse me, Mr. Szabo, a point of order.

[Translation]

Ms. Louise Thibault: I thought you had ruled on that, Mr. Chairman.

[English]

Mr. Paul Szabo: Well, he can rule, but I can comment on it.

The Chair: Yes.

I don't think there really is a question, Ms. Greene, and I'm not sure it would be in order. I think Mr. Szabo was more commenting on a ruling of the chair.

Mr. Paul Szabo: No, I wasn't. I was commenting on the response. I did say that.

Mr. Feeney, sir, in fairness, this is not the way Canada Post will operate, will it? Will you be asking people about their political affiliation?

Mr. Gordon Feeney: No. I'm a little intrigued with this exchange, because we came here as very open, transparent people, as only two good Maritimers know how to do. Having been asked the question, really, we were quite happy that it was one of those things we didn't have to deal with because there was no affiliation.

I don't think Moya Greene saying she has no affiliation puts anybody who follows us to this committee on any different ground than they would have been had we not come here. We just answered a question and—

Mr. Paul Szabo: No, no. I think you can voluntarily do that. But the first answer is that it's not appropriate to ask that question. Even within your own organization, people watching this, and Canada Post employees today and tomorrow, will want to know, well, is this

going to be an issue with regard to my future employment? It should never be an issue.

Mr. Gordon Feeney: It is not an issue, but you will recall that shortly after the appointment there was the inference that there was political—

Mr. Paul Szabo: I can tell you that everybody has a \$10 membership fee, but very few people in Canada have membership cards and a direct membership.

I can tell you that I'm absolutely positive that Ms. Greene has attended a political fundraiser, with the bank and all the other.... I mean, everybody has done it, because that's what you do.

In any event, I wanted to ask you about Bombardier. It says on your résumé that you were there from 2003 to 2004. Can you put months on that, please?

Ms. Moya Greene: Yes. I was retained, I believe, in October of 2003 and I left the company shortly before Christmas of 2004.

Mr. Paul Szabo: And when did Mr. Tellier leave Bombardier?

Ms. Moya Greene: I think he left on December 15, 2004.

Mr. Paul Szabo: Were you aware of the position to be open at that time?

Ms. Moya Greene: At Canada Post?

● (1705)

Mr. Paul Szabo: At Bombardier. Were you interested in replacing Mr. Tellier?

Ms. Moya Greene: No.

Mr. Paul Szabo: Why?

Ms. Moya Greene: Well, there are a number of reasons. I don't think that was ever a likelihood, Mr. Szabo. That's number one. So it never entered my mind. Number two, there were other things that were possible for me, which I was interested in pursuing.

Mr. Paul Szabo: So you were at Bombardier for about a year. You were living in Montreal, and now you've moved back to Toronto. If you take this position with Canada Post, are you moving to Ottawa?

Ms. Moya Greene: I will be buying a house in Ottawa, yes.

Mr. Paul Szabo: Are you familiar with Canada Post's report card on employment equity, especially with respect to visible minorities? Are there any plans to deal with it?

Ms. Moya Greene: I'm not familiar with this matter. I will want to find out. If I am confirmed in this position, the first three to four months I will be doing what I call a "deep dive" in every functional area of the corporation. If there are outstanding issues—I gather from your question that certain groups may be underrepresented—I will want to understand the situation and act accordingly.

The Chair: That completes the questioning.

I would like to thank Ms. Greene and Mr. Feeney for coming this afternoon. I appreciate the information you've given and the answers to the questions. I look forward to seeing you again in the future. All the best to both of you.

Ms. Moya Greene: Thank you, Mr. Chair and honourable members of the committee.

The Chair: We're going to suspend for one minute before we get on with the rest of the meeting.

• (1707) _____ (Pause) _____

• (1710)

The Chair: We have three items of business to deal with. One is the issue of Mr. Ouellet coming before the committee. As the committee knows, we had agreed to have him come.

The second is a motion from Mr. Poilievre, of which notice was given.

The third is to deal with a motion we passed last week and the possibility of asking the law clerk and parliamentary counsel for the Senate to come to give us some expert advice on it.

I will start with the André Ouellet issue. He was invited to appear for Thursday, May 12. The clerk attempted to contact him and there was no response. The clerk later found that he'd been out of the country. He's now back in the country. We still wanted him to come on May 12, but he can't because he has an ailing, elderly mother he's visiting in Montreal. However, he's willing to appear on May 31.

I understand there is a will on the part of some members of the committee to have Mr. Ouellet appear on May 12 as he was asked to do. Mr. Lauzon, you have a motion.

Mr. Guy Lauzon: Yes. Has everyone got a copy of this?

It says:

That Former Canada Post President André Ouellet be summoned to appear before the Standing Committee on Government Operations and Estimates to discuss Deloitte and Touche's report on Canada Post's sponsorship, marketing and advertising activities on Thursday, May 12 at 3:30.

We probably won't be here on May 31, so I would like to deal with it.

The Chair: Madame Thibault, discussion or debate on the motion.

[Translation]

Ms. Louise Thibault: It's more of question, Mr. Chairman.

Can we summon someone?

[English]

The Chair: The question was, can we summon someone, and the answer is yes, we can.

I'd like to remind everybody that we are still in public and it's televised. I just thought I'd let you know that.

It's a fair question and that's the answer.

Mr. Guy Lauzon: I think we should insist that Mr. Ouellet appear on the date we've chosen, especially because we've been waiting for this for quite some time. I would like to get that done.

The Chair: Is this motion agreed to? Does everyone agree with that?

This is an issue we've been dealing with. It's an ongoing issue the clerk has been dealing with, so it's not necessary to.... We dealt with this before through a motion. The problem is we haven't been able to have him come on the date, or to come after all this time.

Mr. Paul Szabo: I just asked the question, was this motion properly tabled and with the proper notice?

The Chair: I'll allow the clerk to answer the question as to whether it is properly brought before the committee.

Yes, it's been properly brought before the committee.

Is there any other debate?

Mr. Paul Szabo: I haven't seen the motion, so.... It says "we insist"? Mr. Chairman, what I would suggest—

Mr. Guy Lauzon: No, be "summoned".

Mr. Paul Szabo: Mr. Chairman, I think everybody has to be treated with some respect, and it should be worded in a way that we invite him or ask him to appear—

Mr. Guy Lauzon: That's not to be taken literally.

Mr. Paul Szabo: But then again I think—

Mr. Guy Lauzon: But we've invited him. I want it stronger than "invited". The invitation is not working, so I want something stronger than invited. What's the term we can use, "insist" that he come?

Mr. Paul Szabo: If you're insisting, then you're getting to the point where you're going to order him to come. I would think he has the opportunity to respond to a date. He may have, given that it's, what, the fifth already. We're talking within one week. I'm not sure about you, but plans sometimes are made—

Mr. Guy Lauzon: This has been going on since April 11.

Mr. Paul Szabo: I understand that, but he has not been available. Call him to appear as a witness, but—

The Chair: Mr. Lauzon, is that a friendly amendment, "call" rather than be "summoned"?

•(1715)

Mr. Guy Lauzon: With respect, whatever works to get Mr. Ouellet to come to this committee. We want the witness to appear before our committee. I think that's only appropriate.

Mr. Joe Preston: Whatever works, but the wording of the motion is the motion that we've already passed to ask him to come here, if I'm not mistaken. No? That's not the wording of the original motion? Thank you.

The Chair: Does everyone agree to making that friendly amendment? Mr. Lauzon, do you agree to that?

Mr. Guy Lauzon: Mr. Martin said "called"?

Mr. Paul Szabo: "Called" or "requested to appear" May 12 with regard to the subject matter. I think you have to get the answer. If there's a legitimate reason why he cannot, he will be able to respond to that. If he refuses, then you can deal with it in another fashion.

The Chair: Mr. Szabo, we've gone through the process.

Mr. Paul Szabo: He has not refused to appear. He had a reasonable explanation?

The Chair: Maybe I'll let the clerk explain exactly what has happened.

The Clerk of the Committee (Mrs. Miriam Burke): He was contacted earlier this week and the date proposed was May 12. He had plans to visit his parent in Quebec on that date within that period.

Mr. Paul Szabo: I'm sorry, we invited him to come on the 12th, specifically on the 12th? And he's advised that he is not available—

The Clerk: He's not available until May 31. There's a break week there, and then the next available time that is available both for the committee and for him is May 31.

Mr. Paul Szabo: He has not refused to come.

The Chair: Mr. Martin.

Mr. Pat Martin (Winnipeg Centre, NDP): Mr. Chairman, if I might, I think the committee could be reasonable if there were some really serious emergency or something. But let's put this in perspective. He's supposed to come, not at his convenience or at his leisure, but when it's convenient for us.

We've had this glaring example at the public accounts committee recently where three witnesses were simply saying, "We're not coming any more", when they're called. This is Herle and O'Leary and Kinsella now. When they are called to that committee, they are now saying, "No, we're not going".

People who are unwilling or reluctant to come to the committee are kind of testing Parliament in a way. There's a pattern developing here. I remember when Radwanski wouldn't come to this committee. He was out having lunch, it turned out, on the day he was unable to attend the committee. The chair of the committee, at the time, used the strongest language possible, saying, "You are called", and I believe the word "summoned" was used. We didn't have to have the police lead him here or pick him up and arrest him. He then listened to the wishes of the committee.

I don't think visiting a family member in Quebec is a good enough excuse when a House of Commons standing committee requests your attendance to be here.

The Chair: We've made the amendments so that it is "called". The clerk can let Mr. Ouellet know that we really expect him to come on May 12. And that's the bottom line here.

(Motion agreed to)

The Chair: The second motion is on the issue of Mr. Poilievre's motion, the motion we brought to the committee last meeting, but that we couldn't deal with because the time just ran out. The clerk has indicated that she feels it might be out of order because the heritage committee is the committee that actually would initiate this expenditure.

Mr. Poilievre, it's your motion. Do you have some comment on that?

Mr. Pierre Poilievre: It's actually not at all the jurisdiction of the heritage committee because the decision has to be made by Treasury Board, which is the jurisdiction of this committee. Treasury Board is exclusively the jurisdiction of this committee, and Treasury Board is exclusively responsible for making the decision contained in this recommendation. Because it is exclusively the domain of Treasury Board and because Treasury Board is exclusively the domain of this particular parliamentary committee, it makes sense that we would be discussing it here.

•(1720)

The Chair: Excuse me, Mr. Poilievre. Could you just mention very briefly what the issue is again? The committee members don't have anything in front of them.

Oh, you do? Sorry.

Go ahead.

Mr. Pierre Poilievre: What we're dealing with here is the National Capital Commission, the biggest land owner in the national capital region, regarding a hospital that occupies about 50 acres on a very small piece of land contained within what's called the greenbelt of the National Capital Commission. The hospital is paying annualized rent to the National Capital Commission. It is the only hospital in the city of Ottawa, and to my knowledge in the province of Ontario, possibly in Canada, that pays rent at all, and certainly it's the only hospital that pays any rent to the federal government.

The Chair: A point of order, Mr. Szabo.

Mr. Paul Szabo: We seem to be debating the motion. I would like to ask whether or not this motion is in order. I don't believe it is.

The Chair: Mr. Szabo, perhaps you could give an explanation as to why you feel it's not in order.

Mr. Paul Szabo: I'm going to ask the clerk, because it's dealing with a financial contract that has been negotiated and still has eight years to go. The property has to be owned by the federal government in perpetuity. This is not a normal commercial transaction. This is an arrangement between the hospital...

We would have to have a whole bunch of witnesses, and even then, I don't think this committee has the authority to amend a contract, an existing lease. The motion does not even express a period during which or when this should be effective or started. Is it eight years or 13 years from now?

In any event, it is a financial contract, and the motion is seeking to override a financial contract of the Government of Canada, which is clearly not in the purview of this committee.

Mr. Pierre Poilievre: Could I respond to that?

The Chair: Mr. Poilievre, go ahead, please.

Mr. Pierre Poilievre: Of course, the motion—and Mr. Szabo knows this—does not amend a contract. It doesn't come anywhere close to amending a contract. It gives a recommendation to Treasury Board to make a decision that is fully within the purview of Treasury Board to make. Treasury Board has control over this decision and it can act on this decision. We as a committee can offer recommendations to the Treasury Board.

The verb here, and the fourth word in the motion, as Mr. Szabo has already read—and he fully knows it, though he is trying to muddy the debate—is “recommend”. It does not seek to amend a contract. So the intervention, Mr. Szabo, was entirely specious.

The Chair: Thank you, Mr. Poilievre.

Madame Thibault has a comment.

[Translation]

Ms. Louise Thibault: In light of Mr. Szabo's comments, would Mr. Poilievre agree to the idea of bringing someone in for a few minutes—say, fifteen minutes—at an upcoming meeting? In any case, if the contract is still valid for another eight or nine years, no changes will be made immediately. Could we not have someone in to talk about it?

After that, once we have looked at this carefully, you could make another recommendation. At that point, we could decide whether or not this amendment is in order and within the purview of the Committee. Then we could possibly support you. That would be a good way of establishing the facts and then dealing with the motion based on those facts.

[English]

The Chair: Madame Marleau, and then Mr. Martin.

Hon. Diane Marleau: While Treasury Board, in the end, okays the transaction, the Treasury Board itself is not the entity I think that is responsible for this. The National Capital Commission is. The National Capital Commission is the one I believe they signed the lease with—I'm not sure. But the National Capital Commission manages all of these government lands around the capital, and it reports to the heritage committee.

I'm at a loss to think why we would summon the National Capital Commission here to deal with a contract that has a number of years yet to run. I'm not at all sure what business it is. We could make a recommendation, but it doesn't mean anything. We don't know what directives are given to the National Capital Commission. It's a little far-fetched. Maybe you should do a little bit more research into how this is done, who signed the original contract for the leasing of the

land, what kinds of negotiations have gone on, and what is happening, before we jump the gun and do this.

• (1725)

The Chair: Mr. Poilievre, would you like to respond specifically to that before we go to Mr. Martin?

Mr. Pierre Poilievre: Yes. I have all that information, and there was ample notice of motion given out so that you could find all that information before considering the motion itself.

But secondly, the National Capital Commission cannot make this decision without Treasury Board, and if Treasury Board makes the decision, the NCC cannot block it. In other words, this is exclusively a decision to be made by Treasury Board. The National Capital Commission cannot act on this either way.

There is nothing wrong with any parliamentary committee offering a recommendation. I suspect that these are bureaucratic obstacles designed to avoid having to vote on this subject, because the Liberals on this committee want to side with the NCC instead of siding with the hospital.

Mr. Marc Godbout: You want to make political points.

Mr. Pierre Poilievre: No, I want to support my hospital.

Mr. Marc Godbout: It's not...[Inaudible—Editor]

Mr. Pierre Poilievre: Yes, it is, right next door.

The Chair: Order.

Mr. Martin.

Mr. Pat Martin: Mr. Chairman, I would only ask that we read the motion carefully and take it in the spirit that I take it in. The motion asks that this committee recommend to the Treasury Board that this hospital should be relieved of this tax. It's very softly worded, and it's only asking us to make sort of a general policy statement that, as a matter of policy, we don't believe hospitals should be paying rent on government land. I think that's the national precedent. I'll agree that this is probably a precedent.

As to whether it should be properly in front of this committee, we're the oversight committee for a catch-all of institutions, agencies, and so on, that don't fall under public accounts. You could argue that the activities of the National Capital Commission, as a crown corporation, or a government institution, or an agency, should properly be here. So I would speak in favour of voting for this motion simply because it sends the recommendation from this committee to Treasury Board that, as a matter of policy, hospitals shouldn't pay taxes on government land, period.

The Chair: Thank you, Mr. Martin.

Mr. Lauzon, you wanted to make a comment.

Mr. Guy Lauzon: Very briefly, I think my colleague here is probably scoring political points with his constituents, as I would. He's trying to make sure the hospital balances the books, or gives better service, or whatever.

I agree with Mr. Martin. All we're doing here is making a recommendation to Treasury Board, which will in turn probably—hopefully—recommend it to the NCC, they'll do the deal, and that's it.

The Chair: Okay.

Madam Marleau, and then Mr. Godbout.

Mr. Marc Godbout: I really have a point of order.

Hon. Diane Marleau: Go ahead.

The Chair: Yes, go ahead.

[*Translation*]

Mr. Marc Godbout: I would like the Committee to deal with the issue of whether or not this is in order and within the Committee's mandate. I understand that the Clerk is not sure and I respect that fact, but I would like us to request a legal opinion from House of Commons staff.

[*English*]

The Chair: Madam Marleau.

Hon. Diane Marleau: I agree with my colleague here. I think we need an opinion as to whether this is within our purview. Frankly, I don't blame you for trying to score points, but we can't start passing motions irresponsibly on everything that comes before us because it sounds good. We do have some responsibility to behave properly.

So first of all, let's find out whether it's within the purview of this committee and how these things are managed. I mean, to just pass a motion because you think Treasury Board can suddenly change everything would I think be false. If it is within the purview directly of Treasury Board, Treasury Board would not act without cabinet making a decision on it.

This is fairly serious. Yes, wishful thinking is great, but I think we have to be responsible here. Let's find out if this is within our purview, and then if it is, let's ask a few questions.

● (1730)

The Chair: Still on the point of order, Monsieur Côté.

[*Translation*]

Mr. Guy Côté (Portneuf—Jacques-Cartier, BQ): Thank you, Mr. Chairman.

I just want to be sure I understand what we're talking about. The Treasury Board Secretariat comes within the purview of this Committee. In this case—in particular, this motion—can you assure us, Mr. Poilievre, that the National Capital Commission cannot make this decision alone and that it must go through the Treasury Board, which ultimately can approve or reject a lease, for example?

[*English*]

The Chair: Mr. Poilievre.

Mr. Pierre Poilievre: That is exactly the process. This decision cannot be taken by the board of the National Capital Commission.

They make a recommendation, and we can make a recommendation, but the decision will have to be made by the secretariat of the Treasury Board, and we have a mandate over the secretariat of the Treasury Board. We are the parliamentary committee that deals with that. Heritage does not; health does not. We do. So let's take responsibility for our job and address this issue.

An hon. member: Let's call the vote.

Mr. Pierre Poilievre: No. I haven't even had a chance to introduce my motion.

Mr. Marc Godbout: I asked for a point of order on that. I need a ruling from the chair on this.

The Chair: Yes.

Mr. Marc Godbout: I think you should consult, but if you want to render your opinion, you can.

The Chair: Order.

I really need some time to consider the point of order. I'll consider it, and we'll bring it back to the next meeting. I'll certainly bring a ruling back on the point of order. Depending on what I find, we'll deal with the motion or not at the next meeting.

We have one other item to deal with, and that's the issue of Senator Massicotte appearing before the committee. We passed a motion to have the senator appear after the Minister of Public Works appears, if we want to do that.

It's been suggested to me that we should have some legal advice on that at the committee. It would take about a half an hour. It could be offered by the law clerk and the parliamentary counsel for the Senate. They're experts on sections 14 and 15 of the Parliament of Canada Act. I think that maybe wouldn't be a bad thing to deal with. Whether we actually ask the senator to appear or not can still be left in the open, but at least we'll have it dealt with it.

Is there agreement by the committee to proceed with that?

● (1735)

Mr. Paul Szabo: Have we abandoned the review of the estimates? Is that the idea, and the steering committee is not going to be engaged in the business of the committee?

The Chair: No, in fact we're continuing as planned. We will take about a half an hour of one of those meetings to deal with this.

Mr. Paul Szabo: A half an hour to get a legal opinion, to get a...?

The Chair: About a half an hour is probably what it would take.

We need a vote on having the law clerk and the parliamentary counsel here. Is it agreed?

Some hon. members: Agreed.

The Chair: The meeting is adjourned.

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