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Chair

Mr. John Williams

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•(0910)

[English]

The Vice-Chair (Mr. Mark Holland (Ajax—Pickering, Lib.)):
I will call the meeting to order.

The first item on the agenda is pursuant to Standing Order 108(3) (g), chapter 2, “National Security in Canada—The 2001 Anti-terrorism Initiative: Air Transportation Security, Marine Security, and Emergency Preparedness” of the April 2005 *Report of the Auditor General of Canada*, referred to the committee on April 5, 2005. We're here today to hear from several witnesses on this item.

Let me state at the outset that we're deeply appreciative of the witnesses making time in their schedule. I know there was extremely short notice. This is an item that the committee was very anxious to deal with, particularly given the fact that we may not have a lot of time to deal with additional items. I know schedules had to be cleared and accommodated to do this, and that wasn't easy, but it is deeply appreciated. I do thank you for making the time to be with us today.

I'm going to start with our first witness, from the Office of the Auditor General of Canada, Madame Fraser.

Thank you very much, Madam Fraser.

Ms. Sheila Fraser (Auditor General of Canada, Office of the Auditor General of Canada): Thank you, Mr. Chair.

Accompanying me today are Peter Kasurak, principal, and Ted Wood, director, both of whom are responsible for this audit.

This is the second of two chapters looking at projects undertaken as part of government's budget 2001 national security enhancement initiative. The first chapter, published in March 2004, examined the allocation of funds and monitoring of expenditures, intelligence issues, and some aspects of air and border security.

Chapter 2 of our April 2005 report examined progress toward improving national security since 2001 in three distinct areas: the air transportation security inspection program, including the installation of explosive detection systems; marine projects designed to track vessels and to enhance the security of our ports; and federal emergency preparedness.

[Translation]

Simply put, progress has been uneven. While improvements to marine security programs are proceeding well, I found serious weaknesses in emergency preparedness and in some aspects of air transportation security.

In emergency preparedness, funds were not allocated based on an assessment of risks. Equipment purchased for first responders in different cities was not required to be interoperable, thus missing an opportunity to create a national pool of compatible equipment.

Training for first responders is progressing very slowly with fewer than 200 of the 6,000 estimated first responders needed at the intermediate level being trained.

Public Safety and Emergency Preparedness Canada, a new department established in December 2003, needs to complete its proposed changes to the Emergency Preparedness Act and to finalize the plans, procedures and chain of command necessary to respond to threats to public safety.

Turning to air transport security, some key elements are being implemented successfully. Explosive detection systems worth \$1 billion have been installed at Canada's airports and the number of air transport security inspectors has increased.

Transport Canada officials say they have no major problem with the effectiveness of passenger and baggage screening carried out by the Canadian Air Transport Security Authority, or CATSA. However, Transport Canada has neither established performance standards nor carried out an assessment of CATSA's effectiveness.

[English]

Our audit also examined passenger screening at airports. However, information related to the effectiveness of air passenger security systems has been classified as secret. I must respect the government's information security regime. Accordingly, we have not reported this information.

This raises the question of how to deal with security requirements while providing sufficient information to Parliament so that it can scrutinize the spending and performance of security and intelligence activities. Although the government must weigh these issues and make difficult choices, it is Parliament, on behalf of Canadians, that must hold the government accountable for those choices.

Parliament needs to find a way to receive reports that contain classified information without jeopardizing national security, whether from security and intelligence agencies or from agencies such as my office, which are charged with scrutinizing these agencies on Parliament's behalf. I know the government has taken steps in this direction with the recent proposal to establish a national security committee of parliamentarians.

In our first audit on national security, I said that September 11, 2001, had changed our perception of how safe we are and has led to higher expectations for our security. The government still has work to do to meet those expectations.

That concludes my opening statement. This is only a very brief overview of our chapter on the progress toward enhancing national security in Canada.

We would be pleased to respond to committee members' questions.

• (0915)

The Vice-Chair (Mr. Mark Holland): Thank you very much, Madam Fraser.

I'll now go to Jacques Duchesneau, with the Canadian Air Transport Security Authority, president and chief executive officer.

Mr. Jacques Duchesneau (President and Chief Executive Officer, Canadian Air Transport Security Authority): Thank you, Mr. Chair.

[*Translation*]

Thank you for inviting me to speak with you today. This is the first time that CATSA has appeared before the Standing Committee on Public Accounts and we would like to introduce ourselves.

[*English*]

CATSA has been operating since April 1, 2002. The authority is a crown corporation. It reports to Parliament through the Minister of Transport. Myself, I am not a GIC appointment. I have been selected by our board of directors.

As part of the aviation security system, CATSA is one of many layers. Air travellers see us on the front line of 89 airports, and behind the scenes we work very closely with our partners in aviation security. These partners include intelligence and law enforcement agencies, airlines, airport authorities, and Transport Canada. Transport Canada sets policies and regulates air transport security. Our role is to operate an effective security screening system.

CATSA has six specific responsibilities. We screen passengers and their carry-on baggage. We screen checked baggage. We screen non-passengers. These are employees working at an airport, people who are accessing restricted areas. We have introduced a biometric-based identification card that will be used to ensure the identity of airport workers. We pay the RCMP to place its officers on selected flights and we pay eligible airports to contract with police services for effective aviation security.

In implementing those six responsibilities last year, CATSA prevented 738 prohibited items from reaching aircraft cabins, enabling about 40 million passengers to travel with confidence and peace of mind.

[*Translation*]

Security is our top priority and we welcome any input that helps us to do our job better. The Auditor General's report, before you now, has been and is still very useful to us.

While the Auditor General focused on Transport Canada and its responsibilities within the national security system, CATSA worked

very closely with the Office of the Auditor General. Because of her report and our discussions with her officials, we have received valuable advice.

We are in the middle of an audit right now. At the request of the Minister of Transport, Mr. Jean Lapierre, a team from the International Civil Aviation Organization arrived in Ottawa this week to measure Canada's performance against world standards. I am looking forward to receiving those results toward the end of the year.

This point bears repeating. We welcome scrutiny. Close inspection enables us to prevent errors. In our work, there is no room for error. If we make mistakes, then people can die.

Since 2002, we have improved continuously. We have improved the training and performance of screening officers and implemented state-of-the-art systems and equipment. I can assure you that we will continue to improve our effectiveness.

The Auditor General drew our attention to our relationship with Transport Canada. We take her concerns seriously and have already taken action to fix the problems. We are tracking our compliance letters better than before, as the Auditor General has already noted.

We now reply to every letter and take all action required to provide effective security.

[*English*]

I am particularly pleased that the Auditor General has praised our results in deploying equipment to screen baggage and detect explosives. It may be of interest to you to know that we are managing over 100 explosive detection system projects to enhance air transport security, and we expect to complete our projects ahead of schedule and under budget by the end of the year. So I think we are doing better.

On my final point, I have heard some people suggest that our system is not 100% perfect. I agree that it is not, and I suggest it will never be. A security system can never be fail-safe. We could never afford a system of 100% complete security, because such a security system would destroy the very thing it tried to protect. But there is such a thing as a security system that anticipates the unexpected and manages it successfully.

In step with our partners, our business is to detect terrorist capabilities, deter them, react effectively to incidents, and recover from them so we return to normal. Throughout, we are always learning. Security is always a work in progress. Our goal should be an aviation security system that effectively protects the public and wins their confidence. That is why we work continuously to improve air security so passengers can fly with confidence and have peace of mind. It is and always will be our top priority.

● (0920)

[Translation]

I look forward to your questions. Thank you very much, Mr. Chairman.

[English]

Thanks, Mr. Chairman.

The Vice-Chair (Mr. Mark Holland): Thank you, Mr. Duchesneau. We appreciate that intervention.

Next, from the Department of Public Safety and Emergency Preparedness, is Margaret Bloodworth, deputy minister.

Ms. Margaret Bloodworth (Deputy Minister, Department of Public Safety and Emergency Preparedness): Mr. Chairman, members of the committee, thank you for your invitation to speak with you about chapter 2 of the April 2005 Auditor General's report.

[Translation]

Yesterday afternoon, the Minister of Public Safety and Emergency Preparedness tabled a report entitled: *Securing an Open Society: One Year Later*, which outlines the progress the government has made since the national security policy was tabled one year ago. I believe this policy, and the creation of Public Safety and Emergency Preparedness Canada, in December 2003, demonstrate some of the significant improvements made to the national safety and security architecture.

[English]

As the Auditor General has pointed out in her report, many of the gaps and implementation problems that her audit found originated in the program before the new department was established. The amalgamation of the former Department of the Solicitor General, the Office of Critical Infrastructure Protection and Emergency Preparedness, and the National Crime Prevention Centre into the new department of Public Safety and Emergency Preparedness has established a national centre for public safety and security.

The department is part of a larger security portfolio that includes CSIS, the RCMP, the Canada Firearms Centre, the Correctional Service of Canada, the National Parole Board, and the Canada Border Services Agency.

The creation of the new department has also brought greater focus to the government's efforts in the area of emergency management. With a clear centre of responsibility and coordination and an authoritative reporting line under one minister, we have been able to achieve strong and coherent leadership on public safety issues at the cabinet level. There is no doubt that we now have greater capacity to address ongoing concerns and emerging issues in public safety and national security matters.

I'd like to take this opportunity to highlight some of the initiatives we have launched since the first Auditor General's report in 2004, and in the past year since the release of the national security policy.

The Government Operations Centre and the Canadian Cyber Incident Response Centre have been established and are now operational on a 24/7 basis.

The Government of Canada is in the process of implementing the national emergency response system, which ensures Canada is prepared for any type of national emergency by adopting an all-hazards approach.

Federal, provincial, and territorial governments have established a permanent high-level forum on emergency management. It held the first meeting of ministers responsible for this area in more than a decade, in January 2005.

Eighteen federal departments participated in Triple Play, a joint Canada-U.S.-U.K. counter-terrorism exercise from April 4 to 8, 2005.

The Government of Canada released a position paper in November 2004 on national critical infrastructure protection for Canada and is presently conducting town hall meetings across Canada to obtain input from critical infrastructure stakeholders for the development of a critical infrastructure protection strategy. Here, I would note that the feedback from provinces and private industry has been very positive in the two town halls to date.

In March of this year the Government of Canada released a chemical, biological, radiological, and nuclear strategy aimed at protecting Canada and Canadians by taking all possible measures to prevent, mitigate, and respond effectively to a potential CBRN terrorist incident. The Canadian Emergency Preparedness College is leading the development and delivery of a comprehensive chemical, biological, radiological, and nuclear first responder training program, in collaboration with the RCMP, Health Canada, Defence Research and Development Canada, and the Canadian Nuclear Safety Commission.

The college-led program has already reached some 800 first responders and is forecast to reach approximately 1,200 more over the next year. In addition, a parallel effort being made by the Public Health Agency of Canada has provided training to over 1,350 health responders to date and will continue reaching out to public health responders.

These numbers are not as high as we'd like them to be, but clearly represent solid progress, and probably most importantly, from my point of view, the trend in the rate of training is on the right path, i.e., upward.

The launch this summer of a web delivery of the introductory and basic levels of the college-led program will also produce major gains. These and other initiatives reflect the importance of a comprehensive and integrated strategy to better protect Canadians against a wide and increasingly complex range of threats. They are significant steps that improve leadership, coordination, and focus, not only at the federal level but also across provinces, municipalities, and the private sector.

That said, however, we clearly have a full agenda ahead of us.

● (0925)

[Translation]

For example, we have certainly improved cooperation with the provinces, territories and first line responders and look for new ways to leverage our capabilities.

Meanwhile, we will continue to embrace an integrated approach to emergency management and national security across government. We will continue to employ a model that adapts to changing circumstances.

We now have a solid foundation to build upon. And this was further enhanced by the recent federal budget, which committed on \$1 billion over five years for key national security initiatives.

[English]

In closing, I would like to say that I am proud of what we've been able to accomplish in a relatively short time as a department, but I also recognize there are a number of challenges ahead of us. This audit has raised some important issues, and we will continue to seek ways to improve the way we do business across the spectrum of our operations.

I'd like to echo what Mr. Duchesneau said. There is no 100% system, but we can and must continue to do better. This is an area that continues to change, and those of us involved in it, in all aspects of it, must continue to change and adapt to it as well.

We have much work to do, but I am confident that we're becoming much more efficient and effective at delivering a truly fundamental public service, helping to protect the safety and security of Canadians.

I'd be pleased to answer any of your questions.

The Vice-Chair (Mr. Mark Holland): Thank you very much, Madam Bloodworth. We appreciate that presentation.

We'll now turn to the Department of Transport and Marc Grégoire, the assistant deputy minister of the safety and security group.

[Translation]

Mr. Marc Grégoire (Assistant Deputy Minister, Safety and Security Group, Department of Transport): Mr. Chairman, members of the committee, thank you for giving me the opportunity to say a few words before going to questions.

Canada has one of the safest and most secure transportation systems in the world. Transport Canada has taken numerous actions since September 11, 2001, to further enhance the security of Canada's transportation system, particularly with regard to aviation and marine security.

We remain committed to ongoing improvements to the transportation security system. As Mr. Duchesneau and Ms. Bloodworth have said, this is a never-ending task. The Auditor General's recommendations in this area are a productive contribution to our efforts in this regard.

[English]

Initial security actions following 9/11 in 2001 focused on areas of highest risk: the screening of airline passengers and their carry-on baggage, and enhancement of onboard security. Further security actions have dealt with other areas of risk across all modes of transportation.

The December 2001 budget committed \$2.2 billion over five years to new aviation security initiatives. Actions taken by the Government of Canada in this area include:

[Translation]

—creating the Canadian Air Transport Security Authority. Mr. Duchesneau has told you at length about that organization as well as its term of reference;

—enhancing pre-board screening at Canadian airports;

—funding over five years for the purchase, deployment and operation of advanced explosives detection systems at airports across the country, covering 99 per cent of all air passengers;

—increasing the number of Royal Canadian Mounted Police officers on board selected domestic and international flights;

—providing funding over two years to airlines to help cover the cost of security modifications, including the reinforcement of cockpit doors on existing passenger aircraft;

● (0930)

[English]

- contributing annually to costs associated with aviation security-related policing at major airports, and one-time payments for heightened policing and security at airports resulting from the September 2001 terrorist attacks in the United States;

- providing funding for further significant increases in Transport Canada staff associated with aviation security functions, including hiring new inspectors to provide increased oversight of aviation security throughout the country.

[Translation]

Budget 2005 committed \$16 million over five years for the development of systems that will enhance aviation and national security by receiving and assessing passenger information. These systems will increase both aviation and national security.

The Government of Canada has also committed over \$900 million to a series of broad marine security initiatives since 2001. These have included:

—a broad range of initiatives falling under seven themes: Increasing surveillance and vessel tracking, screening of persons on board vessels, container screening for radiation, enhanced RCMP response teams and port investigators, enhanced interdepartmental collaboration, marine facilities restricted area access clearances, enhanced inspection and regulatory capacity.

[English]

- the Government of Canada national security policy six-point plan to enhance marine security, for which you can find an update published yesterday;

- establishing a marine facility security contribution program to assist ports and other marine facilities with security enhancements, for which the first tranche of announcements was done last month.

[*Translation*]

Transport Canada is working to further enhance the security of Canada's marine transportation system by:

—creating and implementing Marine Transportation Security Regulations, which provide a comprehensive regulatory framework for marine security, and incorporate the International Maritime Organization's International Ship and Port Facilities Security Code, which came into force July 1, 2004. The Auditor General's report states how this work has been well done.

—developing amendments to the Marine Transportation Security Regulations to provide for security clearances for certain ports and marine facility workers;

—working with the United States to harmonize the marine security regimes of the two countries so that Canadian flagged ships meet Canadian security standards can enter American harbours, and vice versa;

[*English*]

- requiring vessels to provide at least 96 hours' advance notice before entering Canadian waters.

- establishing enhanced security procedures in partnership with the United States for vessels entering the Great Lakes-St. Lawrence Seaway system.

- working with international partners to develop new international maritime security requirements.

[*Translation*]

Transport Canada continues to work diligently to further improve the security of the transportation system in Canada and is taking all reasonable actions to promote heightened safety and security in all modes of transportation.

We are committed to a broad-based analysis of transportation security risks in preparing for the next phases of security activity. Only through constant and thorough analysis and risk assessment can we ensure our overall security program continues to move forward in the right direction.

[*English*]

Transport Canada regularly reviews the transportation security system, security regulations, the standards, the procedures, the equipment, and the requirements to ensure it is effective in the face of the changing security environment.

[*Translation*]

Thank you, Mr. Chairman.

I will be pleased to answer your questions.

● (0935)

[*English*]

The Vice-Chair (Mr. Mark Holland): Thank you, Mr. Grégoire.

We're now going to turn to the first round of questions.

First, for eight minutes, I have Mr. Lastewka.

Hon. Walt Lastewka (St. Catharines, Lib.): Thank you very much, Mr. Chair.

I apologize for the meeting beginning late and for the absence of all the official opposition. I'm really concerned that this is a committee that is chaired by the opposition and set up by the opposition and then not attended by them.

Mr. Chair, I'd like to ask you first the question, when were you notified that you were going to be the chair today?

The Vice-Chair (Mr. Mark Holland): First, before I continue, as you know we can't refer to the absence of any particular member.

I did not realize until I sat down that this was the case. I understand.... In any event, we can't refer to the absence of any particular member.

Hon. Walt Lastewka: I have a couple of questions to ask. I can understand that a lot of things happened after 2001 and that a lot of work had to be done. My main questioning is going to be on the remarks by the Auditor General concerning setting of goals and plans and a critical path to make sure things were going to be done on an orderly basis.

I refer to paragraph 2.49, where it says: "We do not believe that Transport Canada's enforcement regime works well in the case of CATSA. No performance goals have been established". I know there was a short time to do things, but setting up performance goals—what is expected to be done—then what follows that, setting up proper plans to achieve those goals, which follows with money required to be spent and certain initiatives to be done....

I'd like you to comment on that item. Why were there no performance goals established? Why weren't there some proper internal analyses done in order to plan? As you see, I'm not going into the implementation, because I understand you're under a lot of pressure, but for performance goals and the pre-work, I'm having a hard time accepting those remarks by the Auditor General.

I'm glad she's made those remarks, because I think it's very important, no matter what it is we're doing, that we have proper, adequate goals, that we have plans to meet the goals, and that we have a system of rating how close we got to our goals.

The recommendation was that "Transport Canada should put in place system-wide performance measures that specify what it considers to be satisfactory performance", which I would expect to be something you would do up front. Tell me a little more about that.

Mr. Marc Grégoire: First of all, I cannot agree totally that we didn't have any kind of performance or goal. We do have some performance goals, we do have some performance standards; however, they probably don't meet the expectations of the auditors for that review. At least over the last 20 years we've done infiltration tests at airports to see how the screeners perform. That whole section cannot be discussed in the auditor's report because it is security sensitive, so we've asked the auditor to take that out of the report.

We do have inspectors who have a tool kit and who go regularly to airports and try to pass objects through the screening point, so that's one way of looking at the performance of CATSA. We were doing that before with the airlines that were operating that system. One of the goals of having CATSA take over the screening at airports was to improve the consistency of the screening operations among the airports. I would say that CATSA has significantly improved that through various means, one of which is by significantly lengthening and improving the training curriculum of the screeners. So that's one measure of performance—how the training curriculum is delivered.

As I said, I'm not at liberty to discuss publicly the infiltration test results, but that is an important performance. However, you cannot set a standard for infiltration tests, because if the infiltration test becomes too good, then we change the procedure. We have a large tool kit, and what we try to do is put ourselves in the mind of the terrorist. We try to see, first of all, how the screeners will determine if we're passing something through, but also we're introducing new gadgets and new ways to screen those people. If I compare this to what we have in the safety environment, it's very hard to have similar performance standards.

• (0940)

The Vice-Chair (Mr. Mark Holland): Before you continue, Mr. Kasurak would like to say something.

Mr. Peter Kasurak (Principal, Office of the Auditor General of Canada): I would like to make a point of clarification on what our expectations were. I think it's quite right for the Department of Transport to point out that they do have standards, and what the individual expectations are—for instance, infiltration tests. We were looking for a system-wide goal. In other words, how well should the whole system perform before you start intervening and taking either regulatory action, or from CATSA's point of view, management action with one of their contractors?

I don't totally agree with the comment that because you may make the test harder at some point, you can't have any standard at all. I would say yes, you have to realize that you intervened and changed...you may have to re-base things, and for a while performance might not look as good as it previously did, but you're still setting a goal and moving towards it. That would be our expectation for managing the system as a whole.

Hon. Walt Lastewka: The way I understood this was, yes, there were certain goals, and yes, there were certain systems put in place, but how are you performing to that? The Auditor General and I have had many discussions on goals and objectives—and performing too. We can set great goals and put in great systems, but if we're not performing properly we could be at 15% of the performance. I'm interested that there was not a good performance measurement system put in place.

So I'm going to ask both you and the Auditor General, what's missing here? As a parliamentarian, I want to know whether you are judging yourselves to your goals, which could be changed up and down, depending on all the security items—and I don't want to get into those details. I'm just asking, how well are we performing to what we said we were going to do?

Mr. Peter Kasurak: Mr. Chairman, I think that's precisely our point. That hadn't been done. The formal expectation seemed to be that nobody would ever fail an infiltration test, that all failures were bad, but everybody understood, as witnesses have already pointed out, that the system couldn't be perfect, so there had to be a certain amount of latitude in there, but that was never defined. What that realistic attainment by the people and the machinery we had had not been defined.

The Vice-Chair (Mr. Mark Holland): I'm now going to turn to Mr. Christopherson.

You have eight minutes.

Mr. David Christopherson (Hamilton Centre, NDP): Thank you, Chair.

I just want to underscore the fact that it is disappointing that neither the Bloc nor the Conservatives felt it was important enough to be here, given that they make some of the best speeches about how non-partisan this committee is supposed to be and about how our work is supposedly above all of that—and yet, here we are. What more important issue is there that I know than security?

And I stand reprimanded for saying that. The jury can disregard those remarks. How's that?

The Vice-Chair (Mr. Mark Holland): The member will note that we can't refer to the absence of any other member.

Mr. David Christopherson: Absolutely, Chair, and I appreciate your keeping me in line.

Perhaps I can also just mention that because of the system...I think this was one of those where four or five members sign a document and then it forces this meeting. I have to tell you, even as a member of a minority party in the House, I think that's a dumb rule. There has to be some means of having a little more buy-in than just four of us from one caucus...and then you can literally tie up the whole process.

The reason I'm raising it now is—and I understand how we got there and why it was being used, but what it means is that we're dealing with this issue on security, and I, as a member of this committee, do not have benefit of staff analysis on all of this because of the short notice with which the meeting was called. I don't think that's giving Canadians the kind of oversight scrutiny that we're expected to give them, especially on issues of security. I want to underscore that fact, that we're not doing as good a job as we can and should and normally would because the meeting was done in an unusual process, out of the regular norm. We're not going to have the same sort of review that we ought to have.

The Vice-Chair (Mr. Mark Holland): Again, there is the procedural rule. It's stated here on page 77. I refer you to Standing Order 106(4), where it's identified.

I agree. These are extraordinary times. Obviously, Parliament may only have a limited amount of time to conduct its business, and this is an extremely important item. Obviously, in an ideal world with an ideal scenario what you've just stated is absolutely true and always true, but there are circumstances and times when things do change and circumstances have to be accommodated.

Mr. Lastewka has a point of order. I've stopped the clock, so that's okay.

● (0945)

Hon. Walt Lastewka: I don't want to take up Mr. Christopherson's time.

As a member who has been here for a while on public accounts, you're talking to the converted here; the people who decided to use this system are not here.

The Vice-Chair (Mr. Mark Holland): Okay.

We'll carry on with questions.

Mr. Christopherson.

Mr. David Christopherson: Fair enough, thank you.

On the opening remarks, I try to be positive when I can at the outset. There seem to have been a lot of nice and good things said about marine security. Maybe it needs to be underscored that not everything is going to hell in a handbasket; some things work the way they should.

I'd like to ask the Auditor General if there is any particular reason why this is so. Is it because of the leadership in that department, in that maybe they didn't have as many challenges?

Voices: Oh, oh!

Mr. David Christopherson: I think I've touched an internal nerve here.

Why was one area able to do so well? How come one child is doing fine and the rest of them seem to be struggling?

Mr. Marc Grégoire: Thank you for the question

Actually, it was a huge challenge. We devoted a lot of energy to this. I've put a lot of energy myself into the marine security file since 2002. We started from scratch.

As some of you may know because of the Air India files recently in the newspaper, we've been building the aviation security framework since 1985. It was there before, but there have been big changes since the Air India bombing in June 1985. But for marine security, we hadn't done anything, virtually nothing. We started from scratch in the fall of 2001.

Margaret started this by establishing an interdepartmental committee on marine security. We started the consultation on what we should do. That led to the diplomatic conference of the International Maritime Organization in London. In January 2003 the government announced that it was moving ahead with the implementation of this new regulation.

From January 2003 to July 2004 we consulted all the stakeholders across the country. We established partnership with the Americans. We built up an MOU with the Americans on mutual recognition of the regulations. We drafted the regulations in the winter of 2004, and we implemented the regulation as we were drafting it, which is quite unusual because normally the implementation comes after.

In this case, the government was determined to implement the code and to be a leader on the international fora. We achieved it. We met the July 4 date. By July 1 we had delivered about 400 security certificates to port facilities and over 200 security certificates to ships.

We are very proud of the work done. It's a major accomplishment of this government, and we're very happy about it. We were doubly happy about the positive comments from the Auditor General, because I will tell you that I was quite concerned to be audited as we were implementing it, basically.

Mr. David Christopherson: Let's move to less sunny weather.

Mr. Marc Grégoire: Well, you can continue in the rain.

Some hon. members: Oh, oh!

Mr. David Christopherson: I think we've patted them on the back quite enough. We have a few other areas here we need to talk about.

Training: I remember raising this in the first go-around. The Auditor General has raised it as a serious concern, apparently, right across the board. Everybody recognized this, that first responders are the key to one of the most important critical aspects. We need a lot of training, upwards of 6,000, I think, and we've only had 200.

Where are we? Maybe I could ask for the ministry's response in terms of what they're doing to address the concerns the Auditor General has raised, and then I wouldn't mind hearing from Madam Fraser as to how she feels about those responses, and is that adequate.

● (0950)

The Vice-Chair (Mr. Mark Holland): Madam Bloodworth.

Ms. Margaret Bloodworth: I thank you, Mr. Chairman and Mr. Christopherson.

There's no question there are challenges on the training side. Looking back, I can say my take on what some of those involved earlier did is that they spent a huge amount of time and effort developing a course. Indeed, I understand they got a lot of credit from people for the quality of the course. A more general point I'll make is that maybe they didn't spend enough effort at that same time in delivering it.

Now, I think they would say to me if they were here today—and I'm guessing—well, we wanted to make sure we had the right framework and the right course. I come from the school—and it's more general—that says yes, in an ideal world one has all one's framework, all one's goals, and all one's theory done first, and then you go and implement. I don't think in this area we can afford to do that; we have to do a little bit of both as we go along.

There's no question we have to increase training, and we have done so. We have made significant changes at the college, and we have new management at the emergency college. Probably more important than that, we have brought the provinces and territories more into it, because they are very involved. My greatest test for whether we're on the right path or not is that I've actually had provinces say to me they're pleased with the direction we're taking.

Now, I stress direction. Nobody thinks we have achieved where we are...but just in terms of the number of courses overall, we have now gone from the college delivering 22 courses overall in 2003-04, 14 in this area and 8 regionally, to delivering 42 courses in 2004-05, 17 here in Ottawa and 25 regionally. For 2005-06, 56 courses are scheduled, 22 here and 34 regionally, and they may be increased by pilot efforts. We are also putting the introductory, basic CBRN courses on the web base so we will reach many more people.

I would not sit here today and say we've achieved what we want to achieve. We still have a lot more work to do, but I am confident we're on the right path. More important than me being confident, I think, is that provinces would say we're going in the right direction.

Mr. David Christopherson: Thank you.

Let's see if Madam Fraser agrees.

Ms. Sheila Fraser: I'll use the term I often use of “guardedly optimistic”. The department has clearly indicated they recognize that there's an issue and that the issue is complex. It's not just about preparing the course but also about how you get people to attend and the roll-out of that. We've certainly seen efforts to improve the outreach to bring provinces and others into the courses. We see indications too that the number of courses, as Ms. Bloodworth mentioned, has increased.

Mr. David Christopherson: Have they set targets, are they satisfactory, and are they going to achieve them?

The Vice-Chair (Mr. Mark Holland): There'll be other opportunities, I'm sure. If you wish, I can put you back on the list to speak again.

I'm now going turn to Mr. Wrzesnewskij.

Mr. Borys Wrzesnewskij (Etobicoke Centre, Lib.): Mr. Chair, I won't get myself in trouble by referring to the absence of any particular members, but I think it's commendable that members of the NDP and Liberal caucuses are in fact attending to the business of governance.

I'd just like to quickly refer back to Monday, May 2, when there was an attempt to hijack the work of this committee. As that did not occur because of our rules and procedures, the caucuses of two of the parties are busy during these committee meetings discussing strategy on good governance.

The Vice-Chair (Mr. Mark Holland): I'm cautioning you. Let's stick to the questions.

Thank you.

Mr. Borys Wrzesnewskij: I have a question for Mr. Jacques Duchesneau on the report.

Mr. Duchesneau, in the report you refer to 89 airports that you work with. There are a lot of small private airports, and perhaps your mandate is strictly limited to this, but has there been an attempt to take a look at the issue of these smaller airports, especially when you take into consideration that we do know that at one point in time people with ill intent were looking at using crop dusters, smaller planes from smaller airports, as a method to disperse biological agents or, perhaps using smaller planes as a tool of terrorism?

Has there been any work in that field?

● (0955)

Mr. Jacques Duchesneau: I would not like to defer the question, but I think this question can be addressed by my regulator, Transport Canada. It is set in the CATSA act and in the regulations that we take care of the 89 airports. That represents just over 99% of the travelling public in Canada. I can't give you the number for smaller airports, but I'm pretty sure my friend Marc Grégoire will be able to give you the exact number.

Some hon. members: Oh, oh!

Mr. Jacques Duchesneau: I was sure that Mr. Grégoire was....

Mr. Marc Grégoire: I think “exact” is pushing it a bit, because in fact we have literally thousands of places in Canada where people can use an airplane, and that's not including farmers' fields. There are at least 2,000 registered aerodromes. We have more than 250 certified airports, and we gave CATSA the mandate to screen 89 of those.

Have we looked at crop dusting? No. This is something that we're going to look at in the future. Perhaps that connects to some of Peter's comments during the audit that we did not have a documented risk analysis for the whole aviation security framework—which we do have, by the way, on the marine security side—but we plan to have one.

We did address, clearly, the risk with the international community, with our partners south of the border. Clearly the risk was for passenger-carrying aircraft, big passenger airplanes that can be used as a weapon. We also rely a lot on the intelligence we gather, both from the different agencies and CSIS, but mainly CSIS.

There's no intelligence at this point in time to say that these people could be a threat now. However, we have amended the Aeronautics Act through the Public Safety Act, 2002, which the House promulgated in May 2004. With this new legislative power, we now have the authority to go further in general aviation. We could screen pilots, for instance, in the future.

Mr. Borys Wrzesnewskij: Mr. Grégoire, though, what about timelines?

Mr. Marc Grégoire: Regarding timelines, this is something we want to look at in the coming year. We'll ask ourselves, are we going to do anything, and if so, when? So the timeline is in the coming year, and we plan to finish that by the winter of 2006. We're developing a transportation security strategy where we will rank the risk in the various areas. So we're not doing anything at this point in time in this area.

Mr. Borys Wrzesnewskij: So the timeline is that within the next year you'll look at it and then establish timelines for security measures. For instance, Buttonville Airport in Toronto—hundreds of small aircraft, hundreds of pilots, right close to downtown Toronto—is outside of the mandate.

Mr. Marc Grégoire: Yes, they don't screen passengers. But you have the Gatineau Airport and you have Carp Airport. Around Montreal, one can think of at least a dozen small airports. But these are airports used for small aircraft.

You could have a small aircraft come in through the window here—and that would probably slow down the meeting—but that would certainly not create what we have seen in the United States as a threat. This is not a significant threat like others we're looking at.

Mr. Borys Wrzesnewskij: So, Mr. Grégoire, notwithstanding that there is intelligence out there, which is publicly known, that people of ill intent, with terrorist intent, have looked at that possibility, perhaps in this coming year we'll take a look at this sort of mechanism of delivery. It's not coming through this window. What I believe they were looking at was a form of disseminating either poison or bacteria, and so on.

Just as a note, when you see the security in airports these days, it sounds good that 99% of all flying passengers are covered off in that sort of way. It's very simple when you realize that has been covered off. If I have ill intent, there's no way I'd go near that airport. I'd find that 1%. So it's discouraging to hear that perhaps in this next year we'll be looking at putting timelines to cover off that potential contingency.

But I'd like to move on to a different—

• (1000)

The Vice-Chair (Mr. Mark Holland): You have 50 seconds. You can come back, if you'd like.

Mr. Borys Wrzesnewskij: And you can add that 50 seconds to the next round. Thank you.

The Vice-Chair (Mr. Mark Holland): I'm sure the people at the back of the room are hoping the meeting isn't going to be slowed down in said manner.

I'm going to turn now to Mr. Murphy for eight minutes, and then Mr. Christopherson.

Hon. Shawn Murphy (Charlottetown, Lib.): Thank you very much, and I want to thank the witnesses for appearing.

I have a couple of questions, Mr. Duchesneau, on CATSA.

On the financial statements, perhaps you could explain to me some of the headings. On your revenue, you have government

funding, but I would have expected to see revenue coming from the actual charges that are levied against each passenger.

Mr. Jacques Duchesneau: That's a very good question. It's important because we often hear that the air transport security charge is called the CATSA tax. It's not. We don't determine, collect, or manage the amount of money that passengers pay when they board a plane in Canada. It is done by the Minister of Finance. All the money that we receive at CATSA comes through appropriation.

Hon. Shawn Murphy: As members of the public accounts committee, and to try to develop a regime of accountability, how are we to determine whether or not the funds being collected from the travelling public throughout Canada in any way relate to the \$234 million that's being appropriated from the Government of Canada and transferred to CATSA?

Ms. Sheila Fraser: Chair, I could perhaps respond to that question.

The Minister of Finance has asked us to audit a financial statement that indicates the fees collected under the air security charge. So we have the total revenue as compared to the total expenditures by CATSA—and I believe perhaps others, but mainly CATSA. A financial statement has been prepared, and it is available, I believe, on the Department of Finance website.

Hon. Shawn Murphy: But with all due respect, Ms. Fraser, that really wouldn't entail an audit. They would know exactly, for the fiscal period ending March 31, what they collected from the travelling public, and then you would take that and compare it to the \$234 million. Would that not be correct?

Ms. Sheila Fraser: That's correct.

Hon. Shawn Murphy: For the public and members of Parliament, it's available on the website, but you would think it would be available in the CATSA report.

Ms. Sheila Fraser: The way the charge was established, it is not CATSA that collects that. It goes into the CRF, and then there is an amount appropriated back to CATSA for its expenditures.

Hon. Shawn Murphy: I assume either one of you two would know, how much did the government collect from the travelling public for the fiscal period ending March 31, 2004?

Ms. Sheila Fraser: I can get that. I don't have it available.

Mr. Marc Grégoire: The Minister of Finance published those results about two or three months ago. They do an analysis on a yearly basis. The Minister of Finance committed to do that on a yearly basis, to publish a report on the revenues from the tax and the expenditures.

I should add to Ms. Fraser's points that the expenditures are not solely CATSA. Transport Canada, for instance, receives some of those funds. Over five years, that's \$300 million that is allocated to Transport Canada and other parties. The RCMP got some of that money in the first couple of years. So in regard to the \$2.2 billion over five years, which is now reduced because the tax was reduced, all those numbers are available through the finance department, which did very detailed analysis again this winter.

Hon. Shawn Murphy: But you can see the problem I'm having, how confusing it is to the public. When this fee was first implemented—I recall it vividly; I was on the finance committee at the time—the finance officials were telling us it was going to cost \$28 per person for a domestic round trip in Canada. I was convinced that figure was totally erroneous, that it was way too high, that they had no justification at all for coming up with that figure—and they didn't—and we had some pretty heated battles.

The figure is now reduced, I believe, to \$14 for a domestic trip. It may be lower than that now.

• (1005)

Mr. Jacques Duchesneau: It's \$10.

Hon. Shawn Murphy: It's a long way from the \$28 that the finance officials were arguing before the finance committee back in 2001 as being required to fund this CATSA.

But again, I guess I just thought it would be in your report. If there is some fee that would go to RCMP for...because this is air travel, right? We're not talking marine or road. So whatever work the RCMP do, it should really be defined and delineated and explained as being a result of this fee that's being paid by the Canadian public.

But you're saying you have nothing to do with that?

Mr. Marc Grégoire: Actually, for the money that CATSA provides the RCMP for the aircraft protective officers, that is the armed RCMP officers who are on board selected aircraft, the amount is not specified in there because for security reasons we don't want to divulge the size of this program to Canadians—mostly to terrorists.

Hon. Shawn Murphy: I'll just move on, because I'm running out of time.

Back when these discussions were being held, one of the things we had an issue over was that a lot of the screening equipment that you were expensing really—according to the information we were getting—would not be available for two, three, four, or five years down the road. Has most of that screening equipment been implemented or bought?

There was a kind of waiting list to get it.

Mr. Jacques Duchesneau: The equipment was available. That was not the problem. We really deployed what we could, in time. It was directly related to the airport being able to receive the equipment that we had to put in place. The equipment was kind of big, and certain airports had to do some renovation in order to have enough space to receive the equipment. That's the major problem.

But we have deployed, so far, over 1,000 pieces of equipment in the airports.

Hon. Shawn Murphy: There's no waiting list to get the—

Mr. Jacques Duchesneau: It's not a problem getting the equipment. The problem is really with the airports trying to get the space to put in the equipment.

Hon. Shawn Murphy: I just have one minute left.

For my last question, I'll go back to you, Ms. Fraser. The financial statements for CATSA have this entry: "deferred capital spending". I must confess I'm not totally familiar with what that means. Then it's

shown as a government appropriation, like CATSA is a separate crown corporation. I find this somewhat strange.

Can you explain that to me?

Ms. Sheila Fraser: Is it on the right-hand side of the balance sheet?

Hon. Shawn Murphy: They don't have a right and a left. It's on the liability; it's a liability....

Ms. Sheila Fraser: That's fine.

It's because CATSA capitalizes its fixed assets. It doesn't expense its fixed assets as it acquires them; it establishes an asset and then the related funding is set up as an offset.

Hon. Shawn Murphy: And then it would be amortized over time.

Ms. Sheila Fraser: And then we amortize the two over time.

The Vice-Chair (Mr. Mark Holland): Mr. Christopherson for eight minutes, and then Mr. Wrzesnewskij.

Mr. David Christopherson: Thank you, Mr. Chair.

I think maybe we could just get a chance to pick up on where I left off, which was on the training. You were enunciating the things that you had in hand, then I think I was about to ask Madam Fraser whether those targets were acceptable, whether they were being met, and whether she believed they were going to be met.

Ms. Sheila Fraser: We haven't done, Mr. Chair, any kind of follow-up work to see what specifically has been done. We will obviously be coming back at some point in the future to do a follow-up, but I think perhaps Ms. Bloodworth can give you more information on that specifically.

Ms. Margaret Bloodworth: Let me make a couple of points.

First of all, on the 6,000 that was used in the report, I did go back and look at the Treasury Board submission of the day. I must say that it appeared to have been an estimated guess. I'm not even sure how educated a guess it was.

I'm not being critical of people at the time. I don't think they actually knew how big a universe it was that would need intermediate training. It was intended to cover health professionals, fire people, paramedics, and police.

We are in the process now of looking at how many there actually are, but we need to do it with the provinces. This is not a goal we should be setting, but I'm not prepared to stop training in order to do it.

I go back to my earlier remarks, when I said that I think in this field in particular, in an ideal world we would have all our goals, our framework, and our theories set out, and then we would start to do it.

I don't think we can afford to do that, so I guess I'm pushing my people in two directions. I'm saying that we should get the training out to whoever is out there, recognizing that in the course of doing so we may be training some people who are a lower priority than others. That is an acceptable risk to take, given the area. At the same time, we should get under the proposed CBRN strategy. It is not only about training, it is wider. Let's establish with some precision the universe that we're talking about, in cooperation with the provinces and first responders.

There was a universe estimated at the time. I think it needs some testing, and I would certainly hope we would do that over the course of the next year or two. I say the next year or two because, in this area, one of the things that can derail us is actual emergencies, where people then have to go and do that. I'm not prepared to commit to doing it this year, because if something happens, it could slip to next year, while we do the others, but it is something we have on the to-do list.

• (1010)

Mr. David Christopherson: I have some small experience in some of these areas.

I'm curious about negotiations with the provinces on financing. I don't want to spend a lot of time on this. Having been at the provincial level, I'm only curious.

A lot of the training, you could argue, is also part of the provincial mandate. Are there many of these jurisdictional questions, where the provinces may be trying to get the feds to cover training that they might otherwise have to, but you can get new money under a federal program?

We know how things work. Isn't that right? How is that toing and froing taking place between the provinces and the feds?

Ms. Margaret Bloodworth: I have no doubt that they would like us to pay for as much as we could, but none of us have enough money to do what's needed to be done. That's not a criticism. I'm not sure there is enough money in the short term. As for every other area, we have to set our priorities and get money as we can.

I wouldn't characterize it as negotiations. On training, for example, the provinces have actually been brought into the advisory group on training, as a whole, and on CBRN, because we need to set goals collectively. There's not much point in my sitting here or my staff sitting here in Ottawa saying that we think 10% of firefighters should have the upper-end training. People would rightly ask, what do we know? I think everyone agrees on the principle that the federal government is not in the business of training firefighters and police officers. I've said that when I chaired meetings of deputies related to emergency management. There are lots of people better equipped to do that.

There are certain higher levels of training. CBRN is a particular example of that. The country can't afford to have numerous centres developing it, and the provinces agree. It makes sense for the federal government to be a centre to do that.

I can't say we've agreed on every area, but I think that in principle, when we're going through various areas, they would agree that there are some areas where it makes sense, as a country, to focus on one level for doing it. CBRN is probably a good example. There is another group of areas where some of the bigger provinces may be able to do what the smaller provinces can't.

That's why I am firmly committed that we have to do it. We are in the process of bringing the provinces far more into the actual setting of the agenda of the college and what it should do. I think that is probably one of the reasons they're pleased with the direction that we're taking.

Mr. David Christopherson: What level of uniformity will there be across the country in the various jurisdictions, given what you've said?

Ms. Margaret Bloodworth: Let me use CBRN as an example. There is a basic level we probably should have for every police officer, firefighter, and probably paramedic. That's an awareness of CBRN, enough to know when they're facing that kind of threat, and enough to protect themselves, but they're not going to have to deal with it themselves. Somebody else is going to deal with it.

I think we would aim for a fair degree of uniformity on it. We are not there yet. There will be differences, because the provinces are different. If you take a large city like Toronto, they're probably going to have people trained at higher levels because of the size of Toronto. I'm not sure Charlottetown will necessarily have people trained at the higher level, because they won't necessarily have a need for that, but they have a need to be able to tap into it when they need it.

At the highest level, training with live agents—that's the nice, polite term for all those germs and chemicals—is done actually in one place in the country, at the defence establishment out at Suffield, Alberta. I think everyone agrees that's the way it should be, because we can't afford to have several. There will be great uniformity, because it's done in one place. I'm less concerned about absolute uniformity for the awareness of it, as long as we achieve the goal of sufficient awareness for police and fire and paramedic officials to be able to protect themselves, which is what the goal is for them.

That's kind of a long answer, but I think it is a complicated question.

• (1015)

Mr. David Christopherson: Yes, I knew it was when I asked it.

The Vice-Chair (Mr. Mark Holland): Mr. Christopherson, just before I go to you, Mr. Kasurak has a comment.

Mr. Peter Kasurak: Yes, my comment is on the question of uniformity.

Our report pointed out the importance of uniformity—not so much that uniform levels of training be achieved, but that the standards of training and equipment be the same so people could operate together. Even if a province feels it doesn't need to be at quite the same level of training or equipment, when it has to go and assist somebody else, they'll be able to work together. We thought, at the time of our audit, that hadn't yet been achieved. We think it's another goal towards which the federal government should progress.

The Vice-Chair (Mr. Mark Holland): Mr. Christopherson, you only have 30 seconds left—I'll go to you, Ms. Bloodworth—and then you can come back on the list, if you wish, Mr. Christopherson.

Go ahead.

Ms. Margaret Bloodworth: If I could just add to that, I think we are further ahead on the training than the equipment. You'll remember I talked about how people spend a lot of time on the quality of the course. One of the explicit goals of the training is to make sure police officers, firefighters, and paramedics are training in the same language they can use. We still have a long way to go, because we still have a lot of training to do, but I think we are further ahead.

The biggest problem we have with equipment is lack of international standards. Fortunately our allies, like the U.K. and the U.S., recognize that, and we are working towards standards together with the Defence Research Establishment, which is what we use as our scientific base. In an ideal world we would have standards before we bought any equipment; I don't think we can wait to have equipment until we get standards, but we do agree that there should be standards. We are devoting some time and effort and resources to get these.

The Vice-Chair (Mr. Mark Holland): Next is Mr. Wrzesnewskyj, for eight minutes.

Mr. Borys Wrzesnewskyj: Thank you.

Ms. Bloodworth, unfortunately we didn't receive a copy of your report to us today, but in terms of first responders, there seems to be a discrepancy between the numbers you had listed and the Auditor General's numbers. There are 200 in the Auditor General's remarks. In point 5 she refers to fewer than 200 of 6,000 estimated to be required. Now, did I mishear? You had listed off some other numbers.

Ms. Margaret Bloodworth: No, I think what it is.... Her numbers were as of when they did the audit. We have continued to train. I'm giving numbers as of today and going forward. Okay? That's where I made my point—that for me, the most important factor is that the pace of training is accelerating, so that's the difference in numbers. It's not that we disagree with the numbers.

Mr. Borys Wrzesnewskyj: Okay.

In terms of breakdown, I think in general it tends to be firefighters who would be the first to respond to an emergency situation in large numbers. Is there a prioritization? Is it our firefighters, is it our police you're training as first responders?

Ms. Margaret Bloodworth: No. If you think in terms of a very large incident, it's not certain it would be only fire—or if it was fire, police might be there right away, and also paramedics. We would put first responders as fire, police, and paramedics, because yes, you may have a little difference in time, but very little. If there is any kind of major incident, the three of them come very quickly.

Mr. Borys Wrzesnewskyj: I believe it was Mr. Duchesneau who said that you put RCMP officers on certain flights. So beyond just screening at the entry, you're also taking care of security on planes.

I know there was quite a bit of discussion about cabin doors, and there are all sorts of airlines coming into our airports. Is there an international standard that's now been developed for that purpose, or is that wide open as well?

• (1020)

Mr. Jacques Duchesneau: I feel so bad again. Mr. Grégoire wants to give the answer.

Mr. Marc Grégoire: It's too easy, Jacques.

Actually there is an ICAO, the International Civil Aviation Organization, standard that Canada adheres to. So for all aircraft of a certain size carrying passengers—I believe it's over 100,000 pounds—it's mandatory for them to have reinforced cockpit doors. In Canada we followed up on this regulation. We amended our own Canadian aviation regulations in time to be in line with the international aviation date, which I forget now, but it was at least two years ago. I believe we have provided grants to airlines in Canada to help them reinforce their doors. About 500 airplanes have their doors.

Mr. Borys Wrzesnewskyj: So there's 100% compliance?

Mr. Marc Grégoire: In Canada, yes, and in all airplanes flying in Canada as well.

Mr. Borys Wrzesnewskyj: Okay.

This may go into a realm that you may not be able to talk about publicly. You mentioned inspectors that test your screening facilities. What kind of success rate do you have with those inspectors?

Mr. Marc Grégoire: Well, you gave the answer at the beginning. That would be exposing the vulnerabilities to terrorism, which we don't want to do.

Mr. Borys Wrzesnewskyj: So with RCMP officers on the planes, there's an assumption that there are still vulnerabilities that need to be covered off in terms of screening.

Mr. Marc Grégoire: You should see the security net as an added layer. Security is not doing just one thing. When we want to build a security framework in a mode of transportation, for instance, we put in a number of measures. So having aircraft protective officers on board selected flights is one measure. The cockpit reinforced door is one measure. Better screening at airports is one measure. Screening of baggage with explosive detection equipment is one measure. It's when you put all those measures together that you're able to say you have a good security system.

Mr. Borys Wrzesnewskyj: I have a final question.

The Vice-Chair (Mr. Mark Holland): Just before you do, Mr. Wrzesnewskyj....

Mr. Jacques Duchesneau: Perhaps I could add to the answer that was given.

We call that, and you saw it in our annual report, the layers of the onion. You have at the centre, the aircraft and the passengers. But there are different layers that protect these passengers.

The security concept that we're trying to put in place is based on five pillars: detect, deter, react, recover, and learn.

The detect part is mainly done by intelligence and police services. What do we know about a passenger before he gets to the airport? That's important. That's how we evaluate risks and threats.

The deter part is mainly what we do. We put in a lot of equipment—screeners—before people have access to the restricted area. They need to see that we mean business. That's the deter part.

If there is one incident in one airport, well, the third pillar is to react. We need to inform all 89 airports to be on an alert status so we can see if terrorists will try to penetrate at different locations at the same time.

And if all these fail, we need to recover quickly. In the United States, for instance, their major concern is not the attack itself, but how they will recover from the attack.

Since we are learning—the infiltration tests and all the performance reports that we are putting in place—we need to learn from mistakes. That's how you become a highly resilient organization. Nuclear plants cannot make mistakes. We cannot make mistakes. So even a small incident needs to be used to make us learn about the whole concept I just described.

Mr. Borys Wrzesnewskyj: This is just a question from personal curiosity. These are pretty impressive numbers in terms of what you called potential threats to air travel, and you list 580,000 sharp, pointed objects. Do you have a breakdown? For instance, how many of those are nail clippers as opposed to actual knives?

•(1025)

Mr. Jacques Duchesneau: Nail clippers aren't on anymore. But would you believe that people still come to the airport with loaded weapons?

Mr. Borys Wrzesnewskyj: That's what I'm getting at. How many pose real threats?

Mr. Jacques Duchesneau: There are a lot—738,000 prohibited items were intercepted. We get box cutters in the thousands. That's what put four planes down on 9/11.

Mr. Borys Wrzesnewskyj: I fly a lot. I've had a number of days where I've flown out of different airports on the same day, dressed exactly the same. I have a stainless medallion on a chain. In one airport I get stopped, and in the next I don't.

Mr. Jacques Duchesneau: Consistency is one of the problems we are still facing. It has improved a lot, but we need to make sure the equipment is tested properly. It also depends on the environment. But how does your medallion become a threat to aviation security? That is the real question.

Mr. Borys Wrzesnewskyj: It's a fair size, so I'm surprised when I actually pass through without problems.

The Vice-Chair (Mr. Mark Holland): Okay, we'll watch out for the medallion.

Mr. Lastewka.

Hon. Walt Lastewka: I'm going to refer to recommendation 2.93. It's concerning the minister's powers and responsibilities, which this committee has discussed a lot. I was trying to find out exactly where Bill C-6 is. I understand it's been given royal assent. It is being implemented, yet we find out that it needs to be updated because it does not define the minister's powers and responsibilities. Is that correct?

Ms. Margaret Bloodworth: Bill C-6 established the Department of Public Safety and Emergency Preparedness Canada. There is

another piece of legislation, the Emergency Preparedness Act, that defines the emergency powers. It needs updating. But 17 months ago, when we started the department, we made some choices on priorities. One of my choices was that we had to start by setting up an ops centre, getting the training organized, and so on. We had to amend the Emergency Preparedness Act, but that could wait till the second year. We are going to start consultations later this spring or summer on the Emergency Preparedness Act. There is a long list of things to do, and we will only get them done if we set some priorities.

Hon. Walt Lastewka: The Emergency Preparedness Act, which will eventually come back to Parliament, what is the target date for that?

Ms. Margaret Bloodworth: We're starting consultations in late spring or early summer. Our goal is to bring it back to Parliament next winter. Now, this depends on a lot of things. I'm being a bit cautious. First of all, it depends on our consultations, whether people think we're on the right track.

Second, some of this may be quite controversial. For example, Ontario recently undertook legislation on emergencies, and there was considerable controversy about how far to go in extending powers. It will also depend on political events. So though our goal is next winter, I can see it easily slipping till next spring, depending on the degree of controversy and on whether significant events occur between now and then.

Hon. Walt Lastewka: Yesterday, there was an incident in the United States. We could look at it as a bad incident. In my view, however, it was a good test run, a good dry run, executed without loss of life. They found some faults, and I'm sure there will be a lot of meetings. I know we can't release information that could be security-related, but I want to make sure I have the comfort that we're doing dry runs and testing similar to yesterday's, because the best way to test the system is by surprise.

Are we doing that?

•(1030)

Ms. Margaret Bloodworth: Well, fortunately we have not had a real incident of that type, and I say "fortunately", because I hope while I'm there, there never is one. But over the course of the last seventeen months we have had several incidents, whether they were aircraft...where people weren't quite sure what they were doing and so on, that have tested us. If I go back to about a year ago, I remember I had one. I don't even remember the details of the incident, but it did show up some problems in our connections with other departments, and we learned from that.

So there's that kind of learning that I absolutely agree has to happen from real events that occur, and then there are deliberate exercises through which you plan to test a system. You need to do both. We had a very major exercise about a month ago that we participated in with the U.K. and the U.S. And actually, following this meeting I'm scheduled to go back and have a meeting about how we did on that exercise. If I look at it from my perspective as one who participated in it, I think we did reasonably well on some things. Certainly the coordination between departments, and the working with the provinces—because the Province of New Brunswick and the Province of Nova Scotia participated with us—worked very well.

But are there lessons we're going to learn from it? Absolutely. And indeed, that's the purpose of having exercises and incidents. We have made quite an effort to make sure that after every incident we say, "What can we learn from that?" My staff now know I will ask them how it worked, and whether it worked well, and what we are going to do differently.

We still need to do better on that, but I would say, when I compare what we're doing to what we were doing a year ago, we're a long way ahead of where we were. And I would hope a year from now I could say we're a long way ahead of where we are today.

Hon. Walt Lastewka: I guess my last—

The Vice-Chair (Mr. Mark Holland): Sorry. I'm going to have to go to Mr. Murphy.

Mr. Murphy, we are in the second round of questioning, so you have five minutes, and then we go to Mr. Christopherson.

Hon. Shawn Murphy: Thank you very much, Mr. Chairman. I may not even need the five minutes.

I'm just going to go back to my original question dealing with the transparency of the fee. As I stated originally, when I came in first, I felt strongly that it was basically a tax on the travelling public, and it would have a detrimental effect on some of the short-haul domestic flights within Canada. The fact that it was subsequently decreased from \$28 to \$10 would indicate that I was probably quite correct in my assertion back three years ago. Again, I think the relationship between what is collected by the Government of Canada and what is paid should be transparent.

Now, the answer I got when I asked the question before was that it was in somebody's website, but my suspicion is that there's somebody in this room who would know the information regarding how much the Government of Canada is collecting from the travelling public, versus the appropriations of \$170 million for the fiscal period ending March 31, 2003, and \$234 million for the fiscal period ending March 31, 2004.

Mr. Marc Grégoire: Again, I don't have the exact numbers, and I don't see any colleagues from the finance department. However, you cannot look at this in isolation for one year. The finance department has adopted the principle of looking at this over a five-year period.

So yes, indeed, if you look at one year, the last year for instance, you will see that Finance and CRA have collected more money than CATSA has spent.

Hon. Shawn Murphy: Approximately how much do they collect?

Mr. Marc Grégoire: Over five years, if you compare the expenditures with the reduced charge and the expenditures and the revenues, they balance.

Hon. Shawn Murphy: No, but my question is approximately.... I take it you may know the answer.

Mr. Marc Grégoire: The revenues collected are approximately \$400 million per year.

Hon. Shawn Murphy: Approximately \$400 million per year.

Mr. Marc Grégoire: Excuse me, \$400 million over five years.

Hon. Shawn Murphy: But Mr. Duchesneau has indicated there's no backlog of equipment—

Mr. Jacques Duchesneau: There's no problem getting the equipment. There's a backlog to deploy all the equipment, because not all the airports are ready. But if you look at the five-year perspective, our budget was originally \$1.942 billion, and it's been reduced. I don't have the numbers because I didn't talk with the Finance people, but if we go to the figure that Marc has just said, \$400 million a year, that's about what we're going to be spending over a five-year period.

• (1035)

Hon. Shawn Murphy: I'd like to see the analysis on that. We have to bear in mind the history of this, because I've had this argument before. People sat at that table and argued until they were blue in the face that the \$20 figure was the correct figure needed to finance this operation. I said that wasn't right. Now that you've reduced it to \$10, it clearly indicates that the people who said that—not before this committee, but before the finance committee—gave us wrong information.

Does anyone here recall those discussions? It was quite public at the time.

The Vice-Chair (Mr. Mark Holland): There are a couple of interested parties who want to answer that question.

I'm going to turn first to Mr. Grégoire, and then to Madam Bloodworth.

Hon. Shawn Murphy: So I think we should be given an analysis on it.

Mr. Marc Grégoire: One of my colleagues, Serge Dupont, is an ADM at Finance. He's in charge of this revenue sheet. He produced those numbers two months ago, I think.

You're quite right the numbers at the beginning were a bit too big, but they didn't know that. They based it on the forecast.

Hon. Shawn Murphy: They were three times too big.

Mr. Marc Grégoire: But two years in a row the finance department reduced this charge. I'm sure if the committee clerk calls Serge Dupont, he will provide you immediately with the tables on the comparison between the revenues and the cost, which were, by the way, audited by the AG's office.

Ms. Margaret Bloodworth: As Deputy Minister of Transport I wasn't involved in the discussions of the committee, but I was obviously involved in the internal ones. I think I can say without revealing any great confidence that you were not the only one who believed it was going to be too high.

But in fairness to the Department of Finance, this was done in December 2001, and one of the big factors in whether you have enough money is the amount of air traffic. There was a significant drop in air traffic following September 2001. Nobody at that time really knew when it would level off, or if it had levelled off. Finance was saying, prudently, they didn't know whether the air traffic was going to stay there. If the traffic went down, they would need that amount of fee because they had x amount of expenses.

Subsequently, those of us who thought it could be lower were proven right. But at the time we were making estimates too. I was basing that on estimates, and we were more optimistic about the level of air traffic, which I think was the biggest factor at the time. We were being more optimistic about its recovery level than those in Finance were ready to be, given where they came from and what their concerns were. There was certainly a lot of discussion at the time. It was not a number picked out of the air.

The Vice-Chair (Mr. Mark Holland): Mr. Duchesneau.

Mr. Jacques Duchesneau: Just so we won't get it wrong, we're talking about \$10 for a two-way flight, but that's a domestic flight. It's \$14 for a transborder flight—\$7 per leg—and \$24 still for an international flight.

The Vice-Chair (Mr. Mark Holland): Mr. Christopherson is next, for five minutes.

Mr. David Christopherson: Thank you.

Just before I finally leave the training aspect, because I know it's of critical importance to actually making a difference, I want to say that I assume part of the plan is to train the trainer. I wonder where that's at. Does the federal government do 100% of the train-the-trainer level, and then do the provinces pick it up, in terms of who they send to these sessions, and then do on-the-ground training for their colleagues?

Ms. Margaret Bloodworth: You're talking about CBRN here, because it varies depending on what type of training you're talking about. With the CBRN we are training the trainer. You're quite right, especially at the lower level of knowledge, there is a train-the-trainer program. Indeed, we're now moving to web-based training, which we hope to roll out by August or September of this year for the introductory and basic awareness programs. That won't be enough on its own, but it will allow a lot—

Mr. David Christopherson: You say “web-based”, but that's really just—

Ms. Margaret Bloodworth: There will be a course right on site that people can use at their workplace.

• (1040)

Mr. David Christopherson: Right, but that's not hands-on training.

Ms. Margaret Bloodworth: No. An introductory course is not all hands-on. It makes sure you know what to look for, and so on. You're quite right that train the trainer is part of that.

Mr. David Christopherson: I just want to return to the issue you raised in your ninth paragraph, with reference to the national security committee. But I don't think that's up and running yet.

Until such time as we get there—and we don't know how much of that this can deal with, because there will still be some levels of security information that won't even get to a parliamentary committee—it's going to stay tighter than that. But right now, when you do an audit of these things, where is that reported? If it can't be reported to us, I assume that doesn't mean it's not done; it just means you can't report it to us. Where does it get reported to?

Ms. Sheila Fraser: I should make it clear too that we have access to all of this information, so it's not a question of our being able to look at this information.

Mr. David Christopherson: I assumed that you could, yes.

Ms. Sheila Fraser: We obviously can discuss the findings of the audit with the department or the agencies concerned. If there were really significant issues we could raise it with the minister, but we cannot go beyond that. We can only really deal with people who have similar security clearances to discuss that kind of information, and that is why we are unable to report any of it to Parliament.

Mr. David Christopherson: I see.

Perhaps then, through you, Chair, the deputy can give me a sense of where we are with the national security committee of parliamentarians, and where she expects that we're going with this?

Ms. Margaret Bloodworth: That's actually being led out of the Privy Council Office, but I do know that there was tabled the report of the committee because some parliamentarians were asked to look at it, parliamentarians who've been involved in national security, and then there was a government response to that. I believe the intent would be to have legislation either this spring or later. It was announced in early April—April 4. There will have to be legislation, because it will be a legislated committee in order to ensure the right protections for the information and so on, and the Privy Council Office is in the process of preparing legislation that would then go before Parliament and be discussed.

Mr. David Christopherson: In the absence of that, it's a real concern, because it's so easy for things to be just covered off as national security. And I'm not suggesting that anyone would ever deliberately try to provide any fig leaves for something, but we don't know. That's the whole point. And so a big part probably of what needs to be looked at, and arguably the most critical aspects, could indeed be buried in material that is deemed to be security, national security, and is not getting here. And I'm not looking to beak through that. I've been a justice minister, I know how that has to work, and that walls have to be there. Fair enough, but there needs to be some method of accountability beyond what I just heard from the Auditor General. That's not nearly acceptable enough.

But again, given what we're dealing with here, this is not just a failure of delivery of service when things go wrong, it's a failure to provide adequate security for the Canadian people.

Ms. Margaret Bloodworth: Certainly the government agrees. They have proposed bringing in legislation to create this committee. But I think it's important to note that there are people outside of us—I'm using the collective “us”—involved in delivering who can look at it. The Auditor General can look at the information, and while she doesn't actually publish it, if she had a concern she would know it. It's not just up to us. And indeed, I think she would find ways, if it were something that she really had a huge concern about, of relaying some without the actual details.

I am not defending the current system, let me be clear. The government agrees with the committee. But I wanted to make clear to the committee that it's not a question.... As the Auditor General has said, she has access to the information. It's not a question that I can hide it and say there's something I don't want anybody outside the department to see. It is accessible by the Auditor General. That said, the government recognizes the dilemma and has proposed a committee.

Mr. David Christopherson: Again, if that were sufficient, this committee wouldn't exist.

The Vice-Chair (Mr. Mark Holland): We're over time, but I know that Mrs. Fraser wants to say something, and I also have Mr. Duchesneau.

•(1045)

Ms. Sheila Fraser: I wanted to make a couple of short comments, Chair.

First of all, the government has agreed with it, and we think it is really important given the increasing importance of intelligence and security activities and the increasing amount of money. Members might be interested to know too, we were just recently hosting an international meeting of colleagues from around the world where we discussed how they dealt with security issues. Many countries, for example, the U.K., have had a security committee in place for a very long time, because they have been dealing with these kinds of issues for much longer than Canada has. And I think the parliamentary committee looked at the models elsewhere, but most of the countries that we would compare ourselves to do have some mechanism by which parliamentarians can be informed. Either there is a security committee, in the case of the U.K., the U.S., and I think Australia as well.... New Zealand has a smaller committee. In the U.K., in fact, even the public accounts committee delegates its chair to receive

reports on behalf of the committee. So there are mechanisms elsewhere that certainly were reviewed, and the proposal is similar to the methods that are used elsewhere.

The Vice-Chair (Mr. Mark Holland): Mr. Duchesneau.

Mr. Jacques Duchesneau: Just to give you a CATSA perspective, we have a board of 11 people, all GIC appointed. They all have a secret security clearance, and they have access to the infiltration test results at every meeting. Our internal auditors are the Office of the Auditor General of Canada, so they also get the information.

The Vice-Chair (Mr. Mark Holland): Mr. Lastewka. You have five minutes.

Hon. Walt Lastewka: Thank you.

I'm going along exactly the same line as Mr. Christopherson. If he has another question to ask, he can take some of my time. I'm going along the same way.

I understand we have a new department, we have new legislation, a lot of implementation, a lot of things happening, and I know that specific security clearances have to be made, and so forth. But how does that translate, and how do we communicate that to get the confidence of Canadians?

We heard a lot of good things on marine and so forth. I have an item, which I will discuss with Mr. Grégoire after the meeting, where it wasn't that good.

It's along the lines of how we communicate with Canadians to get their confidence that all the departments are doing the right thing, that we're doing the proper audits through the AG, we're making corrections, and we're doing all those things. What is the vehicle through which we can express to Canadians that we're doing the right thing, or we're on the right track?

That's why I'm sharing exactly what Mr. Christopherson is saying. We can't just say “Trust us”.

The Vice-Chair (Mr. Mark Holland): Ms. Bloodworth.

Ms. Margaret Bloodworth: I think you've raised a dilemma that all of us in the security and safety field face every day in many ways. It is the dilemma we face and, indeed, you face as well. I personally don't think there will be one track here. I think it will have to be a variety of tracks, because I don't think any committee of parliamentarians, given all the pressures on parliamentarians, is ever going to be able to look at everything. They're going to have to pick and choose what they look at. So to simply say they'll do it will not be enough. I think the Auditor General has to do it, I have to do it, all of us have to do it. But what is “it”?

When we talk about the confidence of Canadians, there is a fine line between confidence that we're in the right direction and a false sense of security. We still have many things to do in this country to get us to the level where I think we should be. That's not a criticism of any of us involved, or indeed of any government or parliamentarian; it's a fact that there are many challenges.

Let me use emergency preparedness as an example. I believe strongly that the individual has a big role in emergency preparedness. During the first 48 to 72 hours of any big emergency, whether it's terrorism or natural, if you are able-bodied you should assume you have to look after yourself and your family. We haven't done a good enough job of communicating what that means to Canadians. But they also need to know that we are doing what's right to get ready for dealing with the things that are beyond individuals.

I don't have any magic answer. Part of my job involves going out and talking to various groups and talking about where we are. But I certainly would never say—and it's been referred to before—that we have 100% guarantee of a great system. We will never have that. We will never have a system that's perfect, and we should never tell people we have a system that's perfect. We should tell them what we're doing and what it means to them. If I talk about terrorism, any system can be defeated by somebody who is determined enough. That's why we worry about recovery and response, because we know whatever we do on the preparedness side can never be complete.

That's a long, kind of non-answer, because there is no perfect answer. But I think we should not put on one parliamentary committee the expectation that they will do it all. I think I have a role. I think Mrs. Fraser has a role, I think Jacques Duchesneau has a role, Marc has a role, we all have a role in explaining to Canadians in various levels. Some of it does amount to "Trust us", but it cannot just be, "Don't worry, go away". It's a question of telling them what we can tell, but realizing there are some things that, for their own safety and security's sake, we're not going to tell them publicly.

• (1050)

Hon. Walt Lastewka: I live close to the border. My riding's close to the border. My son-in-law is American. I travel to the U.S. a lot. I have many friends in the U.S. I understand their frenzy and insecurity, and I say to myself every time I come home from the U.S. that I sure wouldn't want to see our country in a frenzy like that. A lot of us Canadians don't appreciate their situation, and I don't want their situation here.

I guess I should maybe have prefaced this by saying that I'd like to leave you with that assignment—including you, Auditor General. It's time that we reversed this once in a while. I think we have to have a mechanism or some way to assure Canadians that we're trying our best, and we're going to every corner, and we're trying to do upgrades, and we're trying to learn from tests. We're trying to do things, and somehow we have to relay that. I don't know how to relay it, and it's a challenge for all of us.

Ms. Margaret Bloodworth: I agree.

Hon. Walt Lastewka: But when a constituent comes in and asks that question, the answer should be the same across the country. I feel very strongly about this. That's why, Mr. Chairman, Mr. Christopherson and I were going along the same route there. I have a concern because, as a parliamentarian, I feel I'm not doing my job, to be able to go to search in that direction.

The Vice-Chair (Mr. Mark Holland): Mr. Lastewka, we'll take that as a final comment.

I want to take this opportunity to give the witnesses, if they so choose, the chance to make closing remarks.

Ms. Sheila Fraser: I would just like to thank the committee for its interest in the work we have done. As can be expected, it's an important issue, so we'll be going back to look at progress at some point in the future. The government has certainly responded to our recommendations. As I said, we are guardedly optimistic.

The Vice-Chair (Mr. Mark Holland): Thank you, Ms. Fraser.

Are there any further comments?

Mr. David Christopherson: If you start flying a private aircraft, we're going to worry.

Voices: Oh, oh!

The Vice-Chair (Mr. Mark Holland): Ms. Bloodworth.

Ms. Margaret Bloodworth: I'd like to echo Sheila's comment thanking the committee for their interest. It is a very important area for Canadians, and I think it's important that people understand that it is a work in progress, and indeed, it will always be a work in progress. But we have quite an agenda to do, and we're committed to doing it.

The Vice-Chair (Mr. Mark Holland): Let me again reiterate my thanks to all the witnesses for being here today. I think it was a very productive meeting, and I certainly appreciate....

Oh, Mr. Grégoire, do you have a closing statement?

Mr. Marc Grégoire: I'd just like to say a few words.

I really appreciated the exchanges we had. I'd like to add that we have a lot of dedicated and very professional employees, both in Transport and in the other department, in CATSA, who have basically devoted their lives since September 11. Many of them were very dedicated before, but since then many have worked weekends, nights. They have the dedication to make the system better, and they're working very hard at it.

So I want to commend those people, and some of them are here in the room. Some of them have been involved since the mid-eighties. So we have security at heart. We're using all kinds of mechanisms to build confidence, and we have seen through various Ipsos-Reid or other surveys of Canadians that Canadians' confidence is there; otherwise, they wouldn't be flying.

Canadian confidence has built back up to a very high level since September 2001, and they are flying again. Yes, there are still risks, but we're beavering away at addressing those.

The Vice-Chair (Mr. Mark Holland): Mr. Grégoire, thank you so much for those closing statements.

Mr. Duchesneau, would you care to add something, very quickly?

Mr. Jacques Duchesneau: Very quickly, I'd just tell you that screeners are not there to screen people or deploy equipment; we're there to save lives. That's the major message.

I cannot help but tell Mr. Christopherson that I fly public airlines, and I don't have a private plane, so I feel very confident in the system.

• (1055)

The Vice-Chair (Mr. Mark Holland): That's very reassuring.

Thank you again to the witnesses. We're deeply appreciative of the time you've made to be with us today.

The meeting stands adjourned.

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