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Chair

Mr. Brian Pallister

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• (1535)

[English]

The Chair (Mr. Brian Pallister (Portage—Lisgar, CPC)): I'd like to welcome our guest, the Honourable Carol Skelton, the Minister of National Revenue.

Minister, thank you for being here. Thank you to your associates.

Committee members, I know you'll be pleased to note the presence today of our report, "Canada: Competing to Win". As you see, it is lovely not only in its appearance but in its content as well. I look forward to hearing comments from all of you as you peruse the work that you've done over the last number of months.

Pursuant to Standing Order 108(2) and section 89 of the Canada Revenue Agency Act, this is the first five-year statutory review of the act. I understand the minister has some opening comments, and then we'll move, of course, to questions from the members of the committee.

Welcome, and over to you, Carol.

Hon. Carol Skelton (Minister of National Revenue): Thank you very much, Mr. Chair, and thank you to the committee.

I would like to introduce the officials with me today. Mr. Michel Dorais is Commissioner of the Canada Revenue Agency. Also with me is Mr. William Baker.

I want to commend the leadership of the chair for undertaking this extremely important review. In the past ten months I have learned a lot about the mandate and the unique governance model of the Canada Revenue Agency.

Based on my experiences with the agency and my peripheral knowledge of the other government departments, I am quite confident in saying that CRA has been one of the most successful business transformations within the federal system. Since assuming this portfolio, I have witnessed the timely and efficient manner in which the agency implemented and now administers several important initiatives of Canada's new government. Notably, they include the 1% reduction in the GST and the universal child care benefit program. I would like to provide an overview of the unique features of the CRA Act that make this impressive track record possible.

Within the CRA Act, our agency was given a one-of-a-kind mandate. For example, the agency has independence and freedom from political interference. It has unparalleled powers that enable it to operate more like a business, bringing the strengths of both the public and private sectors together to improve services to Canadians.

For instance, the act created an internal board of management, which ensures a more strategic, businesslike approach to running the agency. The board is responsible for overseeing the CRA's organization and administration and for managing its resources, services, property, and personal contracts. Its members bring both private sector skills and practices and a provincial perspective that strengthens the agency's administration overall. You will hear more of the CRA governance model next hour, when our chair presents.

As minister, I retain full responsibility and accountability to Parliament and to Canadians for the administration of tax and benefit legislation. I'm also responsible for the agency's activities under that legislation. The commissioner, the CRA's chief executive officer, is responsible for ensuring the day-to-day management of the agency under the board's direction and at my guidance.

A further improvement is strengthened accountability to Parliament, to reflect the special powers exercised by the agency, as well as strengthened accountability to the provincial, territorial, and first nations governments on whose behalf the CRA administers programs and services. The agency now reports annually to each of these provinces and territories.

Canadians can take pride in the confidence that provincial governments place in the CRA. For example, earlier this year, the agency delivered Alberta resource rebate payments to nearly three million Albertans. The Government of Alberta was very satisfied with the agency's service on this initiative, and other governments have noticed. We have recently signed an agreement with the Government of Ontario to begin administering Ontario's corporate tax, effective 2009. It is important, however, that CRA continues to be mindful of its need to balance services to clients with an open, cooperative, and fair approach to all taxpayers.

One of the questions I asked my officials when I assumed my role as minister was whether the agency was doing all it could to be an enabler to small and medium-sized businesses. Rather than continue with more than fifty advisory committees, I had officials focus on a results-based approach. I challenged the agency to find a way to reduce its paperwork burden on small and medium-sized businesses, so that these job creators can have more time to focus on what they do best, and that is to create jobs, not fill out forms. The result of my challenge was the establishment of the CRA-led action task force on small business task issues. This task force will recommend solutions and develop a framework to ensure that paperwork burden reduction becomes systemic within the agency. I look forward to receiving the task force's recommendations in the spring.

• (1540)

To be the best agency it can be, the CRA must maintain the integrity of the federal and provincial tax bases. It can best achieve this by building on the high levels of voluntary compliance within Canada's tax system. These compliance levels are forged and rooted in the confidence that Canadians place in the agency by virtue of its fairness, accountability, and integrity. Maintaining and building upon the trust that Canadians place in the CRA is a critical function for any Minister of National Revenue.

With this in mind and with the issue of the agency model in the forefront this afternoon, allow me to make one additional observation. While I'm a big supporter of the agency model, I recognize that it's not perfect, and sometimes the CRA's own strengths can highlight a weakness. Without question, there exists no federal government department that can deliver what CRA delivers with the same levels of competency, scale, and efficiency.

CRA's taxpayers are well served, but sometimes in our haste to meet these objectives, some dimensions of our interactions with them can be overlooked. What may be overlooked in the agency model is an independent channel for the average person or the ordinary business to access when they feel the agency has not fully responded to their needs.

Currently, taxpayers can file appeals for an adjustment, but these inquiries are only processed by the agency's employees. I should mention that these employees operate independently of CRA's program areas. While these employees are unquestionably professional in carrying out their duties, the public may perceive this appeal mechanism to be somehow slanted in favour of the CRA. Confronting this perception is an issue I take quite seriously. I have asked officials to provide me with a blueprint to improve the current avenues of rights and appeals that provide taxpayers and benefit recipients with an additional level of confidence in their dealings with the CRA.

Mr. Chairman, I'm hoping to have more to say about this early next year, and I would be pleased to come back to share my results with this committee. I am very much appreciative of this opportunity to speak to the members of the committee about the Canada Revenue Agency, and I thank you for your invitation. I would be pleased to take any questions that you or committee members have to ask of me.

• (1545)

The Chair: Merci beaucoup, Madame Minister.

We'll begin with six-minute rounds.

Monsieur McGuire, welcome, sir. It's over to you.

Hon. Joe McGuire (Egmont, Lib.): Thank you, Mr. Chair. I'd like to welcome the minister to the committee.

I just want to follow up on the visitor rebate program that's offered and processed out of the Summerside Tax Centre. Has the government changed its mind on dropping that program?

Hon. Carol Skelton: The GST rebate?

Hon. Joe McGuire: The GST rebate.

Hon. Carol Skelton: Minister Flaherty is in charge of that policy. As far as I know, he hasn't changed his mind.

Hon. Joe McGuire: In that case, there will be job losses at the centre. I believe the Minister of Foreign Affairs said there would be no job losses, and I think you may have also. I know the representative currently in charge of P.E.I. said there would be no job losses there.

Since the program will no longer exist and the work will no longer be processed at the Summerside Tax Centre, how will there be no job losses in the centre?

Hon. Carol Skelton: I want to reassure you, Mr. McGuire, that the program is in full operation until the spring of 2007, and the centre will continue to process claims until the spring of 2008. The agency will make every possible attempt to place and train the people so that they can continue to be employed with the CRA. We're looking at every avenue possible to see what we can do with those employees.

Hon. Joe McGuire: Since the program is going to be lost and bumping really can only occur within one centre, how are the other fifty full-time positions possibly going to remain when there are only five people possibly leaving there to be bumped or be replaced? You say they're going to be trained, but are you going to transfer another division into the Summerside Tax Centre? How would you actually save those jobs?

Hon. Carol Skelton: I would like to say to the honourable member that there are possibilities of all kinds of positions. When the Minister of Finance comes in with his new budget, we will look at all the things that we possibly can do to try to keep the jobs in Summerside. There could be a possibility of new programs being put there.

Hon. Joe McGuire: Thank you.

You had a very congenial meeting with Mayor Basil Stewart, as I understand it from you and from him. He was expecting you down before Christmas.

Hon. Carol Skelton: Oh, I'm just like Santa Claus. I might pop up at anytime.

Hon. Joe McGuire: Are you going to go down before Christmas?

Hon. Carol Skelton: I am looking seriously at it.

Hon. Joe McGuire: Thank you.

Hon. Carol Skelton: You're welcome.

The Chair: Thank you, Mr. McGuire.

Mr. Pacetti, please continue.

Mr. Massimo Pacetti (Saint-Léonard—Saint-Michel, Lib.): Thank you, Ms. Minister, for coming by. We have been asking for your presence for awhile, because this five-year review is a never-ending task. I think we're on a ten-year review, actually.

I want to discuss something that you're responsible for. I understand that you're not responsible for the GST rebate, but I understand that you're responsible for cutting the advisory committees. I know you referred to them in your brief.

What I have here is that the Canada Revenue Agency eliminated not just one advisory committee, but they included various ones like the charity advisory committee, the disability advisory committee, the pension advisory committee, the tax professionals advisory committee, and the Assembly of First Nations advisory committee. How is this area going to be run if they're not going to seek any advice? This doesn't make any sense. Are we looking to just save less than a million dollars here? It think that's all you're going to save.

In the end, how is CRA going to get any direction if they're not going to speak to the public? From all the hearings we've had to date, it seems they already have a bad reputation, so I just don't see how we're going to be able to recommend anything in our five-year review if, at minimum, these advisory committee boards are going to be eliminated.

• (1550)

Hon. Carol Skelton: I would like to respond to that.

When I sat down and looked at the advisory boards, there were only three advisory boards that came from western Canada. They weren't spread out across the country the way I felt they should be, and they met, to me, not the right number of times per year.

I thought we would look seriously at redoing the whole program. The small business task force is a prime example of what we are doing now. We're seriously looking at ways that we can be innovative and get a broad scope right across the country, without costing the taxpayers a lot of money.

Mr. Massimo Pacetti: I don't mean to interrupt, but we're limited in our time.

We're not talking about the small business task force. If there is nobody from out west, you can always have somebody put on these advisory committees. If anything, we could even move them to Saskatoon. I have no problem with that. But the idea is that the issues are not going to come before the Revenue Agency. The charities advisory and the disability one, from what I understand, are still functioning, but without government subsidy. They're still answering the phone and they're still running.

I think it's from a lack of understanding or because there is some type of insensitivity regarding this issue. Can you just answer on charities, disabilities, and the pension advisory? I'm not even talking about the tax professionals. The tax professionals are pretty well concentrated in big urban centres like Toronto, Montreal, or Ottawa.

The Chair: Mr. Pacetti, your time has elapsed. We'll ask the minister if she cares to—No response is necessary.

Hon. Carol Skelton: I want a clarification, though, because there was a point put on—

The Chair: Thank you, Madam Minister, but we don't need a clarification. If you wish to get a clarification in the second round, please do proceed to get that.

Mr. Paquette.

[Translation]

Mr. Pierre Paquette (Joliette, BQ): Thank you, Mr. Chairman.

Madam Minister, I would like to thank you because I had informed you about a problem in one of or Attikamek communities. Yesterday, we met people from your office, as well as from the Agency, and it looks like we're headed towards a settlement.

This situation revealed a rather worrisome state of affairs, meaning that in a community like Manowan, where people are illiterate—they speak French, but cannot read it—they are sent forms, but are unable to understand what is being asked of them, particularly as the documents they are asked to provide are not the sorts of things to which they have access. For example, they are asked for mortgage contracts, even though they do not own their houses, or even rent them. It is the band council that...

So I was wondering, perhaps along the same lines as Mr. Pacetti's question, about how the Agency could do something to take these realities into account. As it happens, 30 families had their food supplies cut off and they reacted when their cheques did not arrive. Would it not be a good idea to work more closely with the band councils? This question led me to wonder about the methods we use to deal with these people, who are first class citizens. I think that you agree with me on that.

[English]

Hon. Carol Skelton: I can't talk about the individual case because it is confidential. I would like to reassure you, though, that we are speaking to the first nations leadership. I've met with Chief Fontaine, and after Christmas we are going to be looking seriously at what we can do to help the first nations and people right across this country with the problems you were mentioning.

[Translation]

Mr. Pierre Paquette: In the case that concerns us, I think that if the band council had been informed that the Agency was conducting an investigation, that a family support mechanism could have been put in place to help them properly complete the questionnaires or that steps could have been taken with the agency to explain a number of things such as why some requests were not applicable or irrelevant for aboriginal people. I wanted to know whether concretely, beyond the fact that you met Mr. Fontaine, efforts of this kind were going to be made over the next few months.

Mr. Michel Dorais (Commissioner, Canada Revenue Agency): Mr. Chairman, I would like to thank the MP for his question. It is clear that in this specific case, it is difficult for us to discuss the details. The member knows full well that we met the community, and we are continuing to work with it to find a very positive outcome.

Mr. Pierre Paquette: I am not speaking about this case in particular. The case is an eye-opener, an illustration. The problem is more general. I know that there is another community in the North Shore area that found itself in the same situation.

Is there no way different way to administer programs, audits and investigations in aboriginal communities?

• (1555)

Mr. William Baker (Deputy Commissioner and Chief Operating Officer, Canada Revenue Agency): Yes. Sometimes we launch projects that affect all the aboriginal communities throughout the country. We always try to find ways of addressing their needs. There are going to be many discussions with these community chiefs to identify the best way of administering these programs.

Mr. Pierre Paquette: I will return in a moment to the audit programs. Madam Minister, in Quebec, there are two treatment centres, one in Shawinigan and the other in Jonquière.

Will these two centres remain operational in the short term? Is there a threat that they might be closed?

[English]

Hon. Carol Skelton: There are no plans to close them.

[Translation]

Mr. Pierre Paquette: Thank you.

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

We will now continue with Ms. Ablonczy.

[English]

Ms. Diane Ablonczy (Calgary—Nose Hill, CPC): Thank you, Mr. Chairman.

Thank you, Minister, for being here.

You, of course, have the most loved department in the entire country, so the challenges are always huge. We appreciate it that you spoke to us about wanting to ensure that the agency was an enabler of small and medium-sized business. You're aware that there have been recent stories. In fact, one person, my own constituent, called me because he was very upset. In the case of my constituent, he had paid his taxes early and still got a 10% penalty. He was dinged for another \$8,000 or \$9,000 because he hadn't paid through a bank.

I find it kind of hard to swallow when somebody pays their bill, and it's paid not only on time but early, and then they're charged interest. I just wonder how that could be justified. And there are other such stories. I just wonder what your response is or what the agency's response is to what seems to be a manifest unfairness.

Hon. Carol Skelton: It's been the law for a long time. It was just never enforced. The agency sent out letters and notified businesses right across the country that it was going to be enforced. The notices went out, the penalties were assessed, and businesses were notified, but there were a lot of people who were shocked because they maybe hadn't read their information from CRA or weren't notified by the people who were doing their accounting or their books.

I have asked the agency that we not enforce it until December 31, and that the people who were assessed the penalties have the assessment turned back. As of December 31, it will be the law. After that, if they don't comply with the law, then they will be fined, shall we say, or assessed the penalty, or have a penalty imposed.

Ms. Diane Ablonczy: I commend you for giving this period of time, but what does it matter to the agency how they get their money, as long as they get it? If they get it two weeks early, into their own hands, through a cheque or by someone bringing a bag of cash or whatever, why would they be able to insist on it being paid in a particular way?

Hon. John McKay (Scarborough—Guildwood, Lib.): A brown bag?

Hon. Carol Skelton: I will ignore the banter that's going back and forth across the table, but—

Ms. Diane Ablonczy: I think it's the bag of cash that—

Hon. Carol Skelton: When I was a small business person, I always went to my financial institution and paid my Revenue Canada bill. I had a receipt in my hand when I did that. I think it provides protection for the consumer if they go to their financial institution and have it done.

As a consumer, I was always concerned that it would get lost in the mail or something, and I didn't want Revenue Canada penalizing me for not making my payment when it was due.

Michel, can you—?

• (1600)

Mr. Michel Dorais: I can just add that this section of the Income Tax Act applies to businesses that have a monthly payroll deduction of \$50,000 or more. These are large businesses in the country that are making remittances that range in the millions of dollars, and sometimes as much as over \$20 million.

What was happening was that the deposits were coming to our office on Friday after 3 o'clock on a three-day weekend, so the cheque could be cashed only on Tuesday night. Given that abuse that took place, we decided to enforce the legislation that has been in existence since 1993.

Ms. Diane Ablonczy: A lot of accountants, too, have complained that they used to be able to go to the government building in a particular city, go to the service counter, pay the taxes due for their client, and then get a stamp saying that, yes, the money was paid into government hands. Now these service centres are being closed down, and this is causing difficulty for accountants who want to see that service and are used to that service on behalf of their clients. I wonder if you could respond to that concern.

Hon. Carol Skelton: When I came to the agency, I found that the whole issue of stamping, when it was brought to my attention, was offered in some locations and not in others. Rather than it being discontinued, I felt it should be expanded to all the locations. I'm assured that the practice of stamping, while not necessary for the operations of the agency, served a useful purpose. By Monday, I think stamping will be available at all locations across Canada.

Ms. Diane Ablonczy: It will make for many happy accountants, I'm sure, when they hear that announcement.

Hon. Carol Skelton: Mr. Chair, I know there's skepticism, but it's true.

An hon. member: No. It's positive.

The Chair: We'll continue now with Mr. McKay, for five minutes.

Hon. John McKay (Scarborough—Guildwood, Lib.): All this talk about brown paper envelopes has made me wonder what's in Ms. Ablonczy's brown paper envelope over there.

Ms. Diane Ablonczy: As a former parliamentary secretary, I'm sure the member will know that brown paper envelopes generally are empty.

Hon. John McKay: The government's income trust decision has created a number of nasty surprises for Canadians, not the least of which will be a deemed disposition on December 31, and a deemed disposition possibly at a value in excess of the value of the units. Have you been approached about some transitional provisions to assist Canadian taxpayers who will have some very nasty surprises coming into this year?

Hon. Carol Skelton: I will say that, no, I haven't been approached. The Minister of Finance is looking at all avenues to help people right across this country, and I'm assured that when the time comes he will make the decisions necessary.

Hon. John McKay: Would you react favourably to some sort of administrative approach to dealing with the harm caused by this decision?

Hon. Carol Skelton: I'd have to see what was proposed. I can't act on a hypothetical.

Hon. John McKay: It's not going to be very hypothetical for very long, because December is rolling in.

I'm going to turn the rest of my time over to Mr. Savage.

Mr. Michael Savage (Dartmouth—Cole Harbour, Lib.): Thank you, Minister. I have a couple of questions.

Earlier this year, the universal child care benefit was introduced. There was a lot of discussion prior to that, in that if we're going to have this system—it's one a great many Canadians don't believe in, including me—there are better ways of doing it, either through the child tax benefit or some other way that would make it more equitable, particularly for lower-income Canadians, as opposed to high-income, single-earning Canadians. Can you tell me how many options were looked at in terms of delivering the universal child care benefit?

Hon. Carol Skelton: Do you mean how many agencies?

Mr. Michael Savage: How many options were considered by the government?

Hon. Carol Skelton: Oh, options. The HRSD department and Minister Finley looked at it.

Mr. William Baker: The policy emanates from that department, of course, but because the Canada Revenue Agency had administered the child tax benefit for a number of years, we were really off to a running start in terms of our ability to identify eligible families and children. We were therefore asked to implement this following last spring's budget.

•(1605)

Mr. Michael Savage: Did you look at any options that would have allowed the benefit to stay more in the pockets of lower-income families as opposed to higher-income families? For example, there was the child tax benefit.

Mr. William Baker: We would have administered the policy as it was directed by the Department of Finance.

Mr. Michael Savage: So there were no other options considered. Those would have had to go through you for consideration of cost and things like that, one assumes.

Mr. William Baker: What we would have considered, Chair, were the administrative requirements in order to be able to deliver

that benefit as of July 1, to make sure that families received it. Any consideration of options around the policy formulation would have been undertaken by the Department of Finance.

Mr. Michael Savage: What I'm saying is that surely one of the policy considerations would have been whether there was some way we could make sure part of this would stay with people who actually need it. The Caledon Institute, as you may have seen, has put out a report indicating that a dual-income-earning family making \$30,000 a year kept something around \$200 of that, whereas a \$200,000, single-income family kept, I think, \$1,000 of it. Was there no consideration given to using you guys to say there were different options for delivering this in a better way?

Hon. Carol Skelton: I have to go back to the fact that this was a policy issue that was directed to us from the Department of Finance. I can't answer—

Mr. Michael Savage: All I'm asking is if you were not asked to look at other options.

Hon. Carol Skelton: The Minister of Finance directed us to deliver.

Mr. Michael Savage: Let me ask you about students.

How much time do I have?

The Chair: About a minute.

Mr. Michael Savage: We have heard about the help for students in the form of textbook tax credits and scholarships. What is the status of those? Are those ready to be implemented or are they being implemented?

Hon. Carol Skelton: Again, I'm sorry, but that's all policy.

Mr. Michael Savage: But if it's a tax credit, wouldn't it go through your department?

Mr. William Baker: We would administer it.

Hon. Carol Skelton: We administer it.

Mr. Michael Savage: Is it being administered now?

Mr. William Baker: There's continued work with the Department of Finance to work out the administrative provisions.

Mr. Michael Savage: When will it be in place? What is the target date for implementation? Can you tell me that?

Mr. William Baker: I'd have to confirm that, sir.

Hon. Carol Skelton: We don't have those numbers.

Mr. Michael Savage: It was announced in the budget of 2006. Would that not mean it was going to be in place at some point in time—some time in the next thirty or forty years perhaps?

Hon. Carol Skelton: Yes, most definitely.

Mr. Michael Savage: Thirty, or forty?

Mr. William Baker: Typically it would be with the upcoming policies, but I'd want to confirm that.

The Chair: Thanks very much, Mr. Savage.

I'll use my prerogative and just introduce a couple of topics for discussion here.

Since we know the tax debt in the country has grown faster than total taxes paid for a decade and a half, we know we have a challenge, at the very least, to collect unpaid taxes. The committee has just finished its prebudget consultative process and put together recommendations. The report was just released today, and we may have a suggestion, Minister, that you can take to your colleague, the finance minister, if you're supportive of it, and he might change a policy that may assist. This is an issue or recommendation that relates to the fairness aspect of our system.

Obviously, if it rests on any foundation at all as far as tax collection is concerned, our system rests on the foundation of perceived fairness. It's a voluntary system. Surely, if it isn't perceived as fair, people won't cooperate in the system to the degree that we'd like.

One of the policies that was introduced in terms of tax collection about sixteen years ago was to create a differential obligation on the part of Canadian taxpayers, in terms of the interest they owed Revenue Canada on late payments versus the interest they were awarded on money owed to them. Our recommendation as a committee is that these interest rates be leveled, that they be the same. From the standpoint of perceived fairness, at the very least, as a committee we think this is a valid recommendation. Obviously, charging more to Canadian taxpayers than they get for the money that's owed to them hasn't worked in terms of encouraging them to pay their taxes promptly and on time, so I would argue against anyone who would advance the idea of this change being somehow a disincentive to Canadians to pay their taxes.

If you'd like to comment on it, great. If you're supportive of it, great. I know the committee would appreciate it. We know it's a policy issue, but we also know that a whisper from you to the minister would of course convince him to make the change.

Hon. Carol Skelton: Oh, you're so sweet.

I will take your advice to the minister and ask him to look at it. I will tell him that it comes from you and that I respect each and every one of you and hope that he looks at it.

The Chair: Thank you very much, Minister.

On the issue of the outstanding tax amounts, I think \$18 billion, approximately, was the last estimate we had heard. I want to throw you an open-ended suggestion here, and perhaps you could respond as to how the agency is working on this file. I understand there is, what is it, \$5 billion that constitutes doubtful accounts and is not recoverable? This has been an ongoing problem, for a long time. What is the agency doing to address this massive challenge?

• (1610)

Hon. Carol Skelton: It's a huge priority for me, and I felt the pressure right from the beginning because of my concern for the taxpayer out there. But I'm going to allow Bill to tell you what I have tasked him with.

Mr. William Baker: Mr. Chair, members may have read the response to the public accounts committee report that I believe was tabled on September 30. You will find in that, for those who haven't had a chance to study it in detail, a very detailed plan to revitalize the collections program over the next few years. It really involves two things. The first is modern information systems that will equip us to

do a much better job in identifying risks and taking the proper actions; and secondly, we are reorganizing the way we deliver the collections program. We have roughly 4,000 collection agents to make sure we're getting maximum return from their investment.

I should point out that notwithstanding the large amount of tax debt in total dollars, the vast majority of Canadians pay their taxes on time. Our accounts receivable at a point in time represent roughly 5.5% of what we bring in, in a given year, and we write off actually far less than that in any given year.

The Chair: Thank you very much.

[Translation]

The next person to speak will be Mr. Paquette. You have five minutes, Mr. Paquette.

Mr. Pierre Paquette: Thank you very much.

On another matter, I would like to hear from you what role the Agency plays in combatting money laundering and tax evasion in tax havens. It has an international dimension. It is a well-known fact that this scourge is becoming increasingly widespread. One sign of this is the increase in direct investment from Canada in Barbados, an amount that has grown from \$5 billion in 1995 to almost \$25 billion in 2005. This cannot simply represent money in direct investments.

So what is the Agency's role and how does the Agency organize its work with other entities, such as the RCMP and FINTRAC, the Financial Transactions and Reports Analysis Centre of Canada? Recently, a bill concerning ways of improving FINTRAC's work was studied, and everyone at the Agency seemed happy about it. Could you speak to us a bit more about it.

[English]

Hon. Carol Skelton: I want to say that Minister Flaherty and I take this whole tax fairness issue very seriously. The government is reviewing tax havens. CRA is working internationally with groups such as the Organization for Economic Cooperation and Development and the Leeds Castle Group, which Michel is chairing. There will be a meeting in—

Mr. Michel Dorais: January.

Hon. Carol Skelton: —January, in British Columbia.

The Leeds Castle Group is a group that combats global compliance through a joint international shelter information centre, so they work with information.

I just want to reassure this committee that our present Prime Minister won't avoid paying Canadian taxes.

I'll let Bill go on a bit more about the collections.

Mr. William Baker: The officials share the concern about the activity in international tax havens and aggressive tax schemes that syphon money out of the country. The key is information.

We lead a group with OECD, with seven countries. We've set up a four-country information sharing group. We've also created centres of excellence across the country within the last year that bring together our international tax experts and our tax avoidance experts, and they are really starting to have a more impressive impact on our ability to counteract this.

We've launched some projects that I can tell you have very significant consequences from tax reassessments. We can't talk about those, of course.

[Translation]

Mr. Pierre Paquette: Between you and FINTRAC, who takes the initiatives? We know that within FINTRAC, there are very compartmentalized areas. They cannot deliver information, but simply answer your questions. I would like to know how you operate. Is there a specific service within the Agency that handles that?

Mr. William Baker: Yes, a division of our Compliance Programs Branch focusses on compliance. Links were established with FINTRAC and we work very well together.

•(1615)

Mr. Pierre Paquette: Excellent.

[English]

The Chair: *Merci beaucoup, Monsieur.*

We'll continue now with Mr. Wallace.

Five minutes, Mr. Wallace.

Mr. Mike Wallace (Burlington, CPC): Thank you, Mr. Chairman.

And thank you, Madam Minister, for being here today.

I have a few questions for you. One is following up on another tax credit. Back in the riding I've heard from a number of the charities I am involved with about the uptake on the tax advantage of putting shares to the credit of different charity organizations. Can you tell me if there has been an uptake. Are we doing it? Can you tell me how? It seems to be happening. I would like to know whether CRA has noticed a change in that yet, or will they not see that until the next tax year?

Hon. Carol Skelton: We don't have that information, but we will provide it to you as soon as we get it.

Mr. Mike Wallace: Okay, so you don't know.

Mr. Michel Dorais: I'm not sure we have any information yet.

Mr. Mike Wallace: So on any of those tax changes that were announced in the budget, CRA may not see the actual results until people submit their income tax. Is that not correct?

Hon. Carol Skelton: That's correct.

Mr. Mike Wallace: Thank you for that.

I know we recently announced in Ontario—I'm an Ontario member of Parliament—that we have amalgamated our tax system, in a sense, our payment system with the province. Can you explain that to me? What difference will that make?

Mr. Michel Dorais: This is one of the largest projects we have with a provincial client now. There will be a single return for corporate taxes in Ontario in 2009. The project is a very complex one. We're in the process of implementing it with Ontario right now. Starting as early as next year, we'll combine the audits and then gradually implement the project. By 2009, Ontario businesses will have one single return.

Mr. Mike Wallace: Okay, thank you.

Mr. Michel Dorais: And one auditor.

Mr. Mike Wallace: Oh, and only one auditor calling on them. That will make people keep their hair longer.

I have two more questions, if I have time. I've talked to staff in my constituency office about the kinds of things they see. Often it's people who are uptight about CRA and the issue of dealing with big bad government. Are we doing anything, or do we have any projections about what we might do, to try to make it easier for people to not be as afraid of the tax system as they are with CRA?

Hon. Carol Skelton: When I gave my opening remarks, I talked about trying to make it easier for people and cutting the paperwork down to make it as simple as possible. We're trying to make the toll-free numbers, anything that we do to help people.... Our volunteers who help people complete their tax forms give tremendous hours and work very hard. I know with working with people in the agency—

Can I read something into the record? This just came. It's dated October 30:

On October 30, 2006 I spoke with two wonderful ladies when I called the Revenue Canada toll-free number regarding my company's GST number.

She has the name of her business listed here, but I won't read that.

I would like to thank those ladies for their help and kindness.

Since I've taken over as minister, I've stressed over and over to the departments that I really want to be people-friendly. But the reputation of the tax agency goes back many years, and it's going to take us awhile to get over that.

Mr. Mike Wallace: Do I have more time?

The Chair: You have one minute.

Mr. Mike Wallace: Okay.

On more of a technical question, just based on my previous experience, you're telling us we're running 5% or 5.5% in terms of accounts receivable. Is that correct? Do we do any comparisons on how other governments are doing, whether provincially or federally, in terms of returns? Are we ahead of the curve on that? Is there an actual goal for the department?

Mr. William Baker: Mr. Chair, we do assess our performance relative to other countries. It is extremely hard to do it on a numbers basis because every tax administration is different. For instance, we collect provincial taxes that most national tax administrations don't. We also collect outstanding benefit payments and so on.

I can tell you, though, that I just recently saw a report from the OECD that is looking at the debt collection practices of a number of different countries, and Canada was cited an extraordinarily large number of times for the work we're doing on modernizing our good collection practices.

I should also point out that just about every developed country is experiencing some of the same pressure we are with growth in revenue collections partly because the economy has been growing.

•(1620)

Mr. Mike Wallace: Okay.

The Chair: We will continue with Mr. McKay.

Hon. John McKay: Thank you, Mr. Chair. I am glad to see that once a year the government receives a nice card.

Hon. Carol Skelton: Yes, that's the first one I've had.

Hon. John McKay: I've been trying to get a handle on how much it costs to administer a tax credit. The last budget contained a whole potpourri of tax credits, and there has to be some administrative cost every time you put a line in there.

Can anyone, the minister or otherwise, give me some handle on how much it costs? I will pick an example: the sports credit. What is that going to cost to administer?

Mr. Michel Dorais: I can't answer the member with specifics on this particular credit.

The only thing I want to mention to the committee is that we're working very hard now to provide some indicators to the committee in the next reports we will table to Parliament on how much it costs to administer the flow of money, because it is very important. The agency collects taxes and administers credits, but it also administers benefits. So singling out one element is extremely difficult to cost. Sometimes it's possible; sometimes it isn't.

What we are trying to do now is to determine how much it costs to administer \$100. If we can get all the data, in the next few reports to Parliament we're hoping we'll be able to give you some very precise numbers on how this is evolving.

Hon. John McKay: If you knew how much \$100 would cost you to administer, presumably you'd know what a \$500 tax credit would cost you to administer.

Mr. Michel Dorais: Not really. It would be \$100 of a flow of money in the agency, either through a benefit or through a tax collection.

What this will allow the committee to do is to compare from year to year whether it is costing us more or less to administer the same amount of dollars.

Hon. John McKay: I'm surprised that at this stage of the game, given the sophistication of the CRA, that you don't have a clue as to how much a credit costs you.

Mr. Michel Dorais: We can provide some data on certain credits or certain payments that we do for certain programs.

Hon. John McKay: Give me an example.

Mr. Michel Dorais: I'll have to ask my colleagues. I do not have those examples here, but we can give some breakdown on our costs. We cost everything, but there are things that are not easy to pull out.

Hon. John McKay: I'd be surprised if you said anything other than that you cost everything, because this budget is just full of credits, and presumably you have to work up a cost of some kind so that the government could know that in the process of giving all of these credits it is going to cost them money. So what is it going to cost?

Mr. Michel Dorais: Mr. Chair, with your permission, our chief financial officer just joined us and he might have something to say on that.

Mr. Ralston.

Mr. James Ralston (Chief Financial Officer and Assistant Commissioner, Finance and Administration Branch, Canada Revenue Agency): Thank you.

On the subject of costing, there are a couple of different ways to tackle it, depending on the circumstances.

On an ongoing basis, we try to track the cost, on a unit basis, of servicing the accounts: the T1 accounts, or the individual accounts; the T2, or corporation accounts; things like the GST accounts. So we don't do it on the basis of individual measures, but we can give some sense of what the aggregate cost of a revenue stream is.

The other thing, though, that I think is maybe more pertinent to your question is when there is a new measure that comes in, we will go through an exercise of trying to determine what would be the incremental cost of that measure. We do that largely for budgeting purposes so that we can advise the Department of Finance on how we might need to have our budget adjusted. Those would then appear in Treasury Board submissions, and ultimately in supplementary estimates.

• (1625)

Hon. John McKay: In theory, your incremental costs for this should be known for this global bunch of credits, if you will. This is comparable to your moving the base rate, the base personal exemption, up \$100 or \$500, or whatever.

So can you point me to that? Can you show me that?

Mr. James Ralston: As I say, what we can do is through supplementary estimates (A) or (B), where you can see the amount of the increment related to a particular budget measure at the time it is first implemented. But after that point in time, the increment becomes aggregated within the revenue stream that it forms a part of.

The Chair: Mr. Dykstra.

Mr. Rick Dykstra (St. Catharines, CPC): Thank you.

I appreciate it very much.

One of the questions—which I guess is related to a change in service that happened under the previous administration and which is still going through its implementation stages—deals with when a client of CRA comes into an office and has a decision to make with respect to wanting to speak to someone or to use a telephone.

Generally speaking, a lot of the concerns that I have received in my riding office revolve around the fact that the phone is positioned in such a way that the client can actually see the folks working inside who used to be able to help them at the counter and who now, unfortunately, aren't able to do that. Especially for a riding like mine, where I have a number of senior citizens who need to use the facilities on a regular basis and have found it very difficult, I wonder if you could comment on how that implementation is going, and also if there is a review that is going to take place that could potentially help some of these folks.

Hon. Carol Skelton: We're setting up a system where people can make appointments to go in and sit down with someone to help them with their problem. I think you will find that once our clients get used to it, they will quite enjoy it, because instead of having to sit and wait until their turn comes, they will be served efficiently and be looked after very well, and they'll be very happy with that service. People are trained to help them and will do that. I think we're finding with a lot of the people who come in that if they have a specific complaint, they will go to a person trained in that speciality or in whatever type of tax problem they're having.

Mr. Rick Dykstra: Just to follow up a bit on that, will there be a potential review of the service to ensure that it is actually providing a better source of in-and-out for folks, or whether it may not be?

Hon. Carol Skelton: It's being monitored and measured. We'll see what it looks like in the spring. It will be looked at again, but we're looking at it right now.

I go back to the time when I used to work for Canadian Blood Services, which brought in an appointment system. When I was working with them, I said it would never work, but it's working like a darn now. People really enjoy it and are being treated fairly, efficiently, and quickly, and they are quite appreciating the whole thing.

Mr. Rick Dykstra: Thank you.

Another question I had revolved around—and you spoke a little bit about it in your opening remarks—the whole or single process for administration of, at least, the Ontario corporate tax collection. I wonder if you could comment a little further on that and on how the new process is actually going to help businesses in provinces like Ontario, and on what impacts it will obviously have on the CRA.

Hon. Carol Skelton: I'll let Michel deal with that, as he started talking about it earlier.

Mr. Michel Dorais: The impact on business is phenomenal. In fact, there is virtually unanimous support in Ontario business for this project to proceed. Both governments have agreed; they've signed the agreement and have announced it. The teams are in place, of about 60 people each, and are now working on the various aspects of it. We're no longer in negotiations with Ontario; we're into joint implementation. As I said, the timetable is very ambitious. During 2007 we will share the audit function, and by 2009 Ontario businesses will have a single return, a single taxable income, and a single auditor at the time of an audit.

• (1630)

Mr. Rick Dykstra: Speaking of auditors, very quickly, Chair, earlier in the year, when the CRA was in and Michael was in to present, we talked about a number of the auditor's reports that had come down and some corrections that were being made.

As a new minister, have you had the opportunity to review some of those recommendations from the auditor and a chance to begin the implementation of those changes?

Hon. Carol Skelton: Yes, the Auditor General is our auditor, and I respect her words. I'm very serious about implementing those and have instructed the officials to make sure it's done and done properly.

The Chair: Thank you, Mr. Dykstra.

Thank you, Madam Minister. We appreciate the straightforwardness of your answers. You've put a much friendlier face on the Canada Revenue Agency than the previous minister did, so we thank you especially for that.

We'll now invite Ms. Roveto to come forward, and we'll continue with a presentation from her.

Thank you, again, on behalf of the committee.

Ms. Roveto, I hope I'm not rushing you, but I want to make sure there's lots of time for exchange with committee members. I welcome you and your colleagues and invite you to proceed as you wish with your introductory remarks, please.

Ms. Connie Roveto (Chair, Board of Management, Canada Revenue Agency): Thank you, Mr. Chair.

I believe my introductory remarks have been tabled and distributed to the members of the committee.

I'd like to begin by introducing my colleagues. You know Mr. Dorais, who was present for the minister's presentation. Also accompanying me is Deborah MacDonald-McGee, who is the corporate secretary and a major source of the board's functioning; and Mary Anne McMahan, who is legal counsel to the board.

The Chair: So you're the only non-Scot in the group.

Ms. Connie Roveto: I have to say, I've never seen a place with so many MacDonalds and McMahons as the Canada Revenue Agency.

The Chair: And you know what they say about the Scots, of course.

Ms. Connie Roveto: They're very good with money.

The Chair: Yes. What is the joke? I might as well finish this off. The Irish pray on their knees and the Scots on their neighbours.

Voices: Oh, oh!

The Chair: Please proceed.

Ms. Connie Roveto: I appreciate the humour.

My purpose here is to discuss the five-year report on this really unique governance model that was established in 1999 for the Canada Revenue Agency. It is a model of governance that is quite different in that you have a board of management versus a board of directors, which means there is very much a separation of accountabilities.

But as the minister said, it has been an extremely successful experiment in terms of improving operating efficiency, effectiveness, and focus within the management of the organization. And I think to that credit, we see many of our foreign colleagues coming to take a look at this and at the success of the organization.

Based on that, I'd be happy, Mr. Chairman, under your direction to respond to any questions the committee members may have.

The Chair: Excellent. Thank you very much.

We commence with Mr. Pacetti—less petulant, I hope.

Mr. Massimo Pacetti: Thank you.

Good afternoon, Ms. Roveto. Thank you for coming before committee.

I believe you were before this committee before?

Ms. Connie Roveto: Yes, I believe I came before the committee when my nomination was put forward.

Mr. Massimo Pacetti: Right.

Before we begin, I was chairing the committee then, and I apologize for perhaps not controlling some of the members, but I think some of the members during that session—

•(1635)

The Chair: Order, please.

Mr. Massimo Pacetti: —needed some control, and now I just want to vouch for that person.

That person is no longer a member of the committee; he is now chairman of the committee. And he is no longer the same person. I think he owes you an apology, but I leave that up to him. In case he doesn't, I'd like to apologize on his behalf.

The Chair: Order, again.

We can perhaps have a vote on that later.

Ms. Connie Roveto: From my recollection and having read the minutes of the meeting, I do recall that Mr. Chairman did preface his very vigorous questioning with a very positive comment about my qualifications and the process that had been undertaken. So I take that in context.

Mr. Massimo Pacetti: We can look that up, but it was unanimous to have your appointment approved, so I wouldn't worry about that.

Ms. Connie Roveto: Thank you.

Mr. Massimo Pacetti: Just in case you weren't sleeping nights in the last year and a half.

Some of the questions may not be pertinent to your role, but you have Mr. Dorais next to you, so I think he can help you out. One is a quick question. I understand Ontario is going to be saving some tax, based on the fact that they've just signed an agreement. Is there any potential for Quebec taxpayers to be saving any money? I refer to Ms. Skelton's presentation when she said there's an advisory committee for small business, a task force. Is any money going to be saved for Quebec taxpayers, whether it be individuals or corporations?

Ms. Connie Roveto: I think it's appropriate for Mr. Dorais to respond.

Mr. Michel Dorais: I would venture to say this is a question we should ask the Government of Quebec.

Mr. Massimo Pacetti: So there haven't been any developments. Okay.

Ms. Roveto, we had the public service and the union here. They had some comments regarding personnel, and they were a bit uncomfortable with how their seniority was handled. Are there any issues on your end? How is the relationship with the employees or the...?

Ms. Connie Roveto: The board of management has a human resources committee that meets with all aspects of human resources, including union and management. Right now, we are in discussions with management regarding the negotiation of the agreements coming up in 2007. The commissioner, I know, has established very

good relationships with the unions across Canada, and meetings between management and the unions occur on a regular basis in a very positive fashion.

Mr. Massimo Pacetti: Sorry to interrupt, because our time is limited, but I understand negotiations and discussions go on all the time. Does anything come out of those discussions that you're not comfortable with that we can put in our report and you can help us to help you to ameliorate—

[*Translation*]

your relationship with the union or the employees,

[*English*]

or whoever else?

Ms. Connie Roveto: I don't see any specific situation. I don't know if the commissioner would like to comment on the union relations, because from our perspective, it's grown in a very positive way. I think one of the indications of that has been the employee satisfaction surveys, which have grown in their positiveness in terms of working at the agency.

Maybe you're being a bit too oblique, but I'm not quite sure what you're driving at.

Mr. Michel Dorais: The reference might be whether there should be any changes in legislation to improve the situation. Frankly, Mr. Chairman, I'm involved with the unions every week. We just went through a meeting with UTE this week. We spent half a day. We met with the whole executive. It's the same for PIPS. I have rarely seen such positive and ongoing relations. Between the two meetings, we had 59 official meetings with UTE.

So the relationship is good. It's not perfect. We're innovating on staffing. We're innovating on recourse and sometimes we have our disagreements, but at least one thing is going on for all of us, and that is, we can put things on the table and talk them over with the union.

Mr. Massimo Pacetti: Quickly, before my time is up, Ms. Roveto, from the board of management's point of view, on the collection issue—We heard from Mr. Ralston, I believe, and we heard from the Auditor General. What is the board of management's view on the collection aspect? I'm sure some of my other colleagues will probably address this same question.

Ms. Connie Roveto: I think the board of management has had the whole collection aspect in its sight since 2003. We have had regular reports from Guy Proulx, who has headed the branch of collections since that time. The audit committee in particular has had a great deal of discussion on that.

It is a very complex issue, and one of the issues that impacts this area is that we have legacy systems that are transaction based rather than information management based. At a board meeting today, I can tell you the board of management, because of our project management policy, did approve \$62.8 million in terms of a three-year project to improve collections for a T1.

So it is something that is constantly in our focus. We will continue to monitor this project to ensure that deliverables are on time and on budget.

• (1640)

The Chair: Thank you, Mr. Pacetti.

I want the record to show that I'm descended from the McConochies, by the way.

We continue with Pierre Paquette.

[*Translation*]

Mr. Pierre Paquette: Thank you, Mr. Chairman.

I will continue with my question about Manowan. I do not know, Madam, whether you are aware of it, but we had a specific problem at that location. We had the full cooperation of people from the Agency, but I am still concerned about the situation.

I noticed in your presentation that you had a project management policy. According to what I was told yesterday, an audit and investigation pilot project for the Child Tax Benefit was under way. In September, 3,500 files were reviewed and they were processed without involving the claimants. In the end, one-third of the people received a letter concerning an audit and investigation, which means approximately 1,100 of them. In the community of Manowan, whose total population is 2,000, or approximately 250 families, 100 of these families received the letter in question and of these, 30 were unable to reply properly and had their benefits suspended. However, the situation is currently being corrected.

On the other hand, how can a random sample—because it is a random check—yield a result in which 100 families in a community of only approximately 250 families are required to have an audit and investigation?

When such a situation occurs, what happens at the Agency? Does the sampling method remain the same *ad vitam aeternam*, or will steps be taken to devise procedures that could prevent such a situation from occurring again? There would appear to be discrimination. I don't want to question your motives, but sometimes, in aboriginal communities where relations between Whites and aboriginal people are tense—which is not the case for the Attikamek in Manowan—it may have been an additional contributor to friction.

So what will happen? Clearly, the sample did not yield the results desired by the Agency in terms of a random check of the files.

[*English*]

Ms. Connie Roveto: Mr. Chairman, I think this is one of those issues that crosses that wall between the responsibilities of the board of management. Because we are actually not allowed to have any access to information about any particular taxpaying group, etc., I'll let Michel answer it.

I can tell you that one of the processes we have instituted is that any communication to me as chair or to any board member is provided to the corporate secretary. We log all that, any communications, and then we also monitor management's action on those communications.

So it comes through to us. We do have a mechanism to ensure, without any access to information, that management is doing what it should be doing according to policies and procedures. In this specific case, because it does get over the wall into more of the program issues, where the word of management has no authority, I'll let Michel respond.

[*Translation*]

Mr. Michel Dorais: I do not have much to add to what I have already said. Indeed, as the chair was explaining, the Board of Management has never dealt with this sort of thing; only the minister and the Agency were informed.

We are working with the community and we hope to be able to solve any problems.

Mr. Pierre Paquette: There is clearly a sampling problem. So I must involve the minister; that is what you are telling me.

Mr. Michel Dorais: Unfortunately, I was with the Board of Management over the past two days. I therefore did not see the minutes of yesterday's meeting, but I hope it was positive.

• (1645)

Mr. Pierre Paquette: It was in fact very positive, but once again, as I mentioned to you, it is a coincidence that you happen to be here this afternoon, on the very day following our meeting with the officials and people from the minister's office. I am taking the liberty of asking questions because it is a rather clear case of a situation that the Agency does not want, but which nevertheless occurred. I am convinced that a solution will be found, but I was asking whether within the board, for example, there was a mechanism for dealing with it.

Does the Agency have an ombudsman? For example, are there people who feel truly persecuted by the Agency. So if someone, for one reason or another, has exhausted all avenues of recourse without receiving justice, what happens then?

Mr. Michel Dorais: That is a very relevant question, which the minister addressed to some degree in her testimony. We have an appeal section. Any questions pertaining to the payment of taxes goes through this independent appeal system before it goes to the courts. But the minister is in the process of working on the introduction of a mechanism that would allow taxpayers or business people who feel persecuted, or who feel that they have not received good service, to have some form of redress. So she hopes to be able to report on this matter to the committee by the spring.

Mr. Pierre Paquette: Do you know whether this will require a legislative amendment?

Mr. Michel Dorais: I don't think so. There are legislative options and non-legislative options.

Mr. Pierre Paquette: Administrative—okay. So if I have any suggestions to make, I should make them to the minister. Thank you.

The Chair: Thank you very much, sir.

[*English*]

We continue now with Mr. Del Mastro for six minutes.

Mr. Dean Del Mastro (Peterborough, CPC): Thank you, Mr. Chair.

Thank you, panel, for appearing today.

The CRA review has been an interesting process to this point. I want to run a couple of scenarios by you. Obviously we often have constituents come in who have problems dealing specifically with taxation, taxes payable, and services that they don't feel they're getting from the CRA.

I have an employer in my riding right now, a fairly significant employer. His receivables don't come in very frequently. He gets paid large sums of money, but infrequently. The CRA is currently demanding that his GST and his taxes be paid on a specific date, when he hasn't received the money yet. This is causing him significant fines, penalties, and harassment from the CRA.

He has gone to them several times and said, "This is how my business works, so how can we change this, how can we make this work? I want to pay my taxes, but I haven't been paid yet." What he continues to get back is, "You must conform to how we do business." When he doesn't conform, he gets another penalty and owes even more money. He is being called upon to pay a disproportionate sum of taxes because his business doesn't conform to the box that we've set up for the CRA.

How would you advise me to talk to this employer, who employs in excess of 200 people in my riding?

Ms. Connie Roveto: I think this is an appropriate question for Michel to respond to.

Mr. Michel Dorais: Mr. Chair, it's difficult for me, not having all the facts, but I would encourage the member to submit the facts to me. I'll make sure that it goes to the appropriate place in the agency to search for a solution in that particular case.

Mr. Dean Del Mastro: So some of these things can be dealt with on a case-by-case basis.

What we've been running into so far—and I have advocated on his behalf, albeit to people who are in a less significant position than you within the CRA—is, here is the box; where do you fit within this box? It's a frustrating process.

Mr. Michel Dorais: If I may, Mr. Chair, the agency will be as accommodating as it can within the law. Quite often our limitation is the law that Parliament has passed, the Income Tax Act.

Our interest is to facilitate taxpayers' payment of taxes due—no more, no less. So I would encourage the member to pass the specific facts. Then we'll look at them, and I will undertake to get back to the member.

Mr. Dean Del Mastro: Very good.

I also have a question about the appeals process. I think the issue brought forward by Mr. Paquette was a good one, with respect to an ombudsman. I am happy to hear that we are putting in an appeals process that may be a bit more of a customer-friendly—for lack of a better word—or taxpayer-friendly system, because I have a lot of people who come in and say they don't know who to talk to.

Obviously the automatic response, when you're talking to somebody on the phone, is, let me speak to your manager. I am sure that's the automatic response for everyone, and everyone can't speak to a manager. You would have nothing but managers, because

that would be the only way you could conduct business. But there is frustration, and there is a high level of misunderstanding of how assessments are done.

For a lot of people who can't afford an attorney to go through an appeals process, I can't emphasize enough that this system needs to be set in place.

In the meantime, how do we go about assisting our constituents to help them through the process? What is the process right now for people who feel they have been assessed unfairly?

• (1650)

Mr. Michel Dorais: We could give the member a more technical answer by asking colleagues, but one thing I want to make sure the committee understands is that we do have an appeal process. It's a process that has been going on for quite a number of years. You can appeal online; you can appeal directly. It's made as simple as we can possibly make it, although some issues are very complex.

We're also trying to offer members of Parliament as much support as we can in order that you can answer your constituents. But what the minister referred to is that group of people who, having gone through the appeal process or having been audited, or any other interaction with the agency, might feel they have not been appropriately served. The issue of assessment is not in question, but whether they may not have been appropriately served. The minister is looking at a possible redress mechanism there.

Mr. Dean Del Mastro: Ms. Roveto, we know that this agency has only existed since it was created in 1999. This is a mandatory review of the CRA. It has been suggested that perhaps we're conducting this review while the agency is still a little bit too much in its infancy and maybe we should really be reviewing it after a ten-year period.

Would you subscribe to that theory, that maybe we're not quite looking at the CRA as it will be or as we hope it to be, that it will continue to evolve over the next few years and that might be a better time to actually conduct a more comprehensive review?

Ms. Connie Roveto: Mr. Chair, I believe a review after five years was part of the act. Therefore, it's part of legislation.

I'd have to say that the agency and the governance model continue to evolve. We're in the process of developing an enterprise risk management program. We've approved the policy. There have been a lot of governance items put in place. We have a fully functioning audit committee that meets in camera. The chair of the audit committee reviews the commissioner's expense reports on a quarterly basis.

So it's a work in progress. It continues to evolve, and we hope to improve in terms of all its management practices, and I think it probably would be appropriate to review the agency again in another five years.

The Chair: Thank you, Mr. Del Mastro.

Perhaps if we have a federal election every year for the next few, we can continue this review for ten years.

We'll move to Madame Wasylycia-Leis now.

Ms. Judy Wasylycia-Leis (Winnipeg North, NDP): Thank you, Mr. Chair.

Thanks to all of you for being here. I'm sorry I missed your presentation, and I'm sorry I missed the minister's presentation. So I apologize in advance if I ask any questions that have already been dealt with.

One of the questions I've raised in the past that I'd still like to pursue is the loss of the counter service in many communities across this country. I've asked questions in the past about the reliance of senior citizens and low-income residents on these centres for getting help and having questions answered and paying their taxes directly.

Mike Wallace was telling me as I came in that in fact the minister has said there will be a change and that stamping will again be brought into effect, but that only answers part of my concern. It really is the question of being able to access services directly, getting help when you need it, especially folks who may not have computers, who may not have a way to put off getting the information they need. A single-parent mom comes in and can't wait to make an appointment. She has a schedule and may just forget it then. Or a senior citizen may just pop in. It's important at that point, and I think it's very hard for some people to adapt to this new system.

So I'm wondering if you're rethinking this at all. What exactly is available and when is it available to people who need help with their taxation issues and, secondly, for payment of their taxes?

• (1655)

Ms. Connie Roveto: I think the service model is continually evolving. There definitely have been changes, and we test the changes to make sure that, hopefully, there are improvements. As the minister said prior to me, one of the models we're moving to is to have people call and make appointments at their local office. The benefit of that, to them, is that they then will be meeting with somebody who can actually help them with their service, or their question or their problem, rather than with an individual who just happens to be the next free person.

I think in terms of places where people can pay their taxes, that is expanded because you can pay at any branch. There is a bank branch in Canada on every street corner, practically. Also, the telephone... and the client service centres are open many hours a day to respond to questions. One of the things the board has been interested in is having multiple points of contact to meet the client's or the taxpayer's need.

Beyond that, Michel, is there anything you'd like to add?

Mr. Michel Dorais: The only thing I would add is that all the Service Canada offices can offer basic information to taxpayers on a drop-in basis, and there are quite a number of new offices, new points of service, that have opened.

Ms. Judy Wasylycia-Leis: I appreciate the answers.

With respect to alternative places to do one's banking or pay one's taxes, there are many communities where there are no bank branches left. In many, many parts of this country there is no such thing as a bank branch on every corner.

You probably don't want the rant I gave in the House today in the context of Bill C-37. Again I will say, Winnipeg North has lost virtually all of its bank branches in ten years. The options are payday

lenders, and I don't think you're suggesting we go there. It's not that simple in many, many communities, and Service Canada doesn't have the expertise to do that.

The service is not designed for communities that are not wealthy suburban areas, where they can get to a bank, and they have cars and they have computers. We're talking about ordinary communities with single-parent families and senior citizens who don't have a lot of resources but need some personal contact. They need somewhere to go when the problem is there...another day when they might not have someone to look after their kid or when they're squeezing it in between appointments.

So there still is that problem that we haven't addressed. I really fear for what this means for the spirit and soul of a community when we cut off everything that means anything in terms of services.

On top of that, I still have constituents calling. They try this number out. They have a simple question. They get a number. They press here, they press there, and they can't get through. Then they call me and say, "I can't get through."

I said to Michel last time that what we're ending up with in terms of Revenue Canada is what happened with Immigration: government offloads. People don't know where to go, so where do they go? They go to their MP. So we have to then provide direct services because there's no one in government available. In the case of Immigration, in the space of six years we went from a 40% caseload to a 90% caseload, and it's all related to government offloading and outsourcing and the devolution....

I wonder if there's a plan to deal with this problem.

The Chair: Thank you very much for that, Madam Wasylycia-Leis, and now we move to Mr. McGuire for five minutes.

Hon. Joe McGuire: Thank you, Mr. Chair.

I wonder if Ms. Roveto could tell me how there could be no job losses at the tax centre in Summerside as the GST visitor rebate program is phased out. What has to happen there in order not to have job losses, since they're an agency and they can only bump within that one building?

• (1700)

Ms. Connie Roveto: First of all, I think one of the things I'd like to say, Mr. Chairman, is that there is a line between governance and management. The board of management is very much involved with ensuring that the organization has the appropriate policies and procedures and strategies to do its job effectively, in a very accountable and transparent way.

Given that, I think one of the statements the minister made was that this is going to be phased in over time. Given that time horizon, there is the opportunity to find jobs for these people who might be displaced. One of the things the board is looking at in terms of the footprint of the organization is to push more out of the Ottawa region, so that any new opportunities are placed closer to the taxpayers and the clients, to the degree that it is economically possible. That's because it is always a balancing act between the cost to the taxpayer and also the services to the taxpayer.

The other thing that was in one of our annual reports was that like other government departments, the Canada Revenue Agency will be facing a lot of retirements over the next few years. About 17.5% of employees are eligible for retirement in 2007. That doesn't mean they will retire in 2007, but they are eligible for retirement. I'm sure some of them are in P.E.I. as well.

Given the time horizon, I am sure management will do everything possible to retain the employment of the people in Summerside.

Hon. Joe McGuire: According to the union, there are only five positions over the next two years that will see people retiring or eligible for retirement. Basically, there may not be any kind of number there at all who are leaving.

If they are going to be taken care of inside the agency—I understand that's how it has to happen, because they are not eligible for bumping into DVA or anyplace else—this has to happen basically in Summerside or in the small office in Charlottetown. The chances of that are very slim, unless, as you say, they pull something out of the national capital region and take it to the other regions of the country. Am I right or wrong in saying that this is probably the way it would happen?

Ms. Connie Roveto: Or growth. There has to be growth of business of some kind.

Michel, can you be more specific?

Mr. Michel Dorais: I just want to remind the committee that the minister said the agency would make best efforts. It's important that the committee realize that the CRA is an organization that has 44,000 employees in 55 locations across the country. Every day, there are jobs that are eliminated and jobs that are created.

We just created a secretariat for the softwood agreement that has been reached. It's out of Surrey, in the Vancouver area. Tomorrow, if there is a new program that the government or any provincial government we serve creates, we may put it in one place or the other, in the most effective and most efficient place to put it.

There is a very dedicated group of employees in Summerside, like in any other tax centre. Obviously, if the agency could put some new business in Summerside to find employment for the employees over a certain number of years, we'll certainly do it, with pleasure, because it's a very productive office. But we cannot give an absolute guarantee at this point.

Hon. Joe McGuire: Mr. Chair, I was just going by Minister MacKay's words. He's the minister responsible politically for Prince Edward Island at the present moment. He has given his word that there will be no job losses. He basically accused me of grandstanding because I said there would be, so I'm taking him at his word. He says there are going to be no job losses, and we're going to hold him to that.

The only way to hold him to that is for you people to come through with a plan to make sure there are no job losses. That's all I'm getting at here. I'm just going by the minister's words. I'm not making this up.

• (1705)

The Chair: Thank you, sir.

I have just a couple of very specific questions. In response to the increasing challenges, if we believe the AG's report about the underground economy and revenue leakage therein, I know the department targeted certain aspects or certain sectors of the economy, such as the construction industry, some years ago and so on. My questions have absolutely nothing to do with that.

Voices: Oh, oh!

The Chair: I understand from that activity, therefore, that the agency has the ability to target certain sectors of the economy for special attention in terms of collecting taxes. Whose bright idea was it to go after competitive curlers?

Mr. Michel Dorais: Competitive what?

The Chair: Competitive curlers. Who's going to take responsibility for that one?

Ms. Connie Roveto: I didn't know there were competitive curlers.

Voices: Oh, oh!

The Chair: Not here, but there are.

About a year ago there was a news item about going after a particular curler. I know you can't talk about particular cases, but Wayne Middaugh is a friend of mine.

There is a World Curling Tour. In any given winter there might be perhaps a few dozen curlers who make more than it costs them to curl, and several thousand pay more than they get. Because I've heard nothing about this over the last year, and neither have some of the curlers involved, I'm curious about where this initiative is at. Is there any program under way, or has this misguided attempt to try to rake in some revenue, which is minuscule relative to the cost of raking it in, been dropped?

Mr. Michel Dorais: I assume, Mr. Chair, you're referring to the taxation of gains from professional sports. With respect, Mr. Chairman, I think Parliament has asked us to tax those.

The Chair: Yes, so I'm asking if you've dropped the idea for curlers. If you start taxing it for some of the curlers, you're going to find that you're going to be allowing write-offs for hundreds and hundreds of curlers. The cost of overseeing this kind of a program is going to far outweigh the advantages, in my estimation, so I'm asking you where it's at.

Mr. Michel Dorais: Mr. Chair, I don't have the answer with me, and my colleague doesn't either, so I will undertake to get back to you, if that's all right.

The Chair: It's always all right, and I appreciate you doing that. I certainly urge you to do that. Thank you.

We'll continue now with Pierre Paquette.

Encore, monsieur.

[Translation]

Mr. Pierre Paquette: Mr. Chairman, we have already raised the issue of the aging employees at the Agency. The Agency is a separate employer. Is there a specific human resources policy? What features distinguish this policy from the general federal public service policy? Does the Agency, like the Quebec nation, have distinctive features? I would like you to speak to us about this aspect of your mission. Does the board have a role to play?

[English]

Ms. Connie Roveto: Mr. Chairman, I think one of the board's strongest activities since its inception has been in the whole area of human resources management. There has been a great modernization of the human resources practice within the agency. The agency has instituted a recruitment, selection, and promotion process based on sets of common competencies. It has also developed an open dispute resolution process for employees. We have instituted a new job classification system that has also streamlined areas, and there was a lot of liaison with the unions there in terms of achieving effectiveness.

We've increased employee satisfaction, and there was a significant reduction in the number of unions. At its inception, I believe there were something like 23 unions that the agency negotiated with. I believe there are now two. There might be a third small one, but there are two main unions that we negotiate with.

At the executive levels, there have been significant changes in terms of the role of the board of management in the governance of the executives of the organization. For example, the board of management establishes objectives for the CEO or the commissioner every year. At the end of the year, we also measure performance against those objectives that have been set for the commissioner. For all of the "C" jobs, if you like—CEO, COO, CFO, and the director of internal audit—their performance reviews are reviewed by the appropriate committee, be it the audit committee or the human resources committee of the board.

I think these have been very positive developments in terms of the human resources management process. As I mentioned, the board of management has a human resources committee that works very effectively with management in this area.

There's another thing that the board of management has done in the past twelve months. We have asked to be involved in developments at the early end, rather than having management present us with final solutions for approval. That allows a much broader discussion and direction to management, and it also encourages them to look at other alternatives in terms of the development of their plans.

So, particularly in the area of human resources, there have been a lot of positive developments under the agency model.

• (1710)

[Translation]

Mr. Pierre Paquette: The following aspect may have been mentioned, but I did not hear it. Is it the Agency's Board of Management that hires the commissioner? Is the commissioner appointed by the government? Do you make recommendations? If there was discussion of it earlier, I missed it.

[English]

Ms. Connie Roveto: This is another item in the stage of evolution. The CEO of the agency is a deputy minister. It is the Prime Minister and the Clerk of the Privy Council who are involved with the appointment. We're starting to work more closely with the Privy Council Office. The board has outlined job and experience specifications for anyone who fills the role of the commissioner and the deputy commissioner. This is an area that is evolving.

I'd have to say that I don't know anyone in the private sector who serves as many masters as the commissioner of the Canada Revenue Agency. They are accountable to the board, the minister, the Prime Minister, and the Clerk of the Privy Council. Luckily, Michel is quite capable of dealing with all those masters.

[Translation]

The Chair: Thank you very much for your comments. We will now continue with Mr. Dykstra.

[English]

Four minutes, sir.

Mr. Rick Dykstra: All right. Thank you, Mr. Chair.

I'll go quickly. One of the first questions I have—and I smiled a bit when I saw this—relates to page 6 of your report, where it states in the last sentence of the second paragraph that, "All members are financially literate and are independent of Agency management". I just want to make sure that doesn't suggest they are illiterate in any other way.

Voices: Oh, oh!

Ms. Connie Roveto: Mr. Chairman, I have to say, from the day I joined I've been impressed with the quality of individuals we have on the board of directors—their experience, their contribution to the board, and their dedication. In our recent annual report, there is a page that shows board attendance at all committee meetings, etc. I'm very pleased with the quality of the board that governs the agency.

Mr. Rick Dykstra: One of the issues—and I go again to your report—is with respect to speaking on the board's role, its resources, and what you make sure of in terms of administrative policies.

One of the things that stood out for me was land and buildings. Obviously, from an overall perspective, the federal government faces a tremendous cost with respect to owning or leasing or renting the land. I wonder if the board has made any recommendation whatsoever on savings to be found with respect to real estate, whether it be leased or purchased. Could you pass on any of the recommendations you've made and implemented, and explain how it saved the taxpayers some funds?

Ms. Connie Roveto: This whole property area is definitely one.... This also includes, by the way, technology, and all other physical assets of the agency that the board of management deals with. In terms of its relationship with PWGSC, this is evolving. We are certainly working with them. In some respects, we have outsourced that to them, which is a common practice in business today. You can outsource certain functions that are not core, and certainly property is not one of them. I do know that from a footprint point of view we are ahead of the curve in terms of the number of employees versus the space allocations. But beyond that, I don't know.

Do you want to add to that, Michel?

• (1715)

Mr. Michel Dorais: I think essentially Public Works and Government Services is much better placed than the agency to manage real property, so we outsource to them.

Mr. Rick Dykstra: The only other question I have is related directly to what I asked the minister about the Auditor General's report. One of the things that came out in that—and just very quickly, I'll speak to it generally—is the qualification of employees and some of the concerns she indicated. I wonder if you could speak to that and ensure that the agency has indeed set some benchmarks and moved forward in terms of improving that particular area.

Ms. Connie Roveto: The Auditor General's reports are always of great concern to us. As I mentioned, one of the things we've achieved in terms of our new human resource practices is to enhance our recruitment selection and promotions based on sets of competencies. That is our key focus in terms of individuals.

In terms of the report, I'm not familiar with the specific citation you're making. I'm not sure if Michel is.

Mr. Rick Dykstra: This goes back to the question I asked Michel the last time we met, in terms of ongoing implementation, so it is just a revisit of that. I believe it was in regard to the 2003-04 Auditor General's report.

The Chair: We'll have to follow up with that at a later time. I am sorry.

Mr. Savage, over to you now for four minutes.

Mr. Michael Savage: Thank you, Chair, and thank you to the witnesses.

Ms. Roveto, I do have a question for you as chair of the board of management, but first of all, I want to drill down a bit and ask Mr. Dorais this. One of the areas that we hear about in Nova Scotia—that I've heard about, although I'm sort of an urban MP—from people in the fish industry, is that there is a large underground economy in the fish business, that people land fish, and depending on whether the buyers, the plant owners, pay by cheque or by cash, the price they get is different. Is that something the agency is intimately aware of and following up on a regular basis?

Mr. Michel Dorais: Mr. Chair, I am vaguely aware of what the member is raising. So I can't really answer the question, but we can come back to that.

Generally speaking, we are very aggressive with everything related to the underground economy. That is what Parliament has been repeatedly asking us to do, so we're trying our best on that.

Mr. Michael Savage: I have met with some very credible business people in Nova Scotia who are concerned about that. Any information you might be able to forward to me, I'd appreciate.

Does e-filing, the increase in that, save the CRA very much money?

Mr. Michel Dorais: Not really. The savings are in the order of about \$2 per return. But it has allowed us to offer a much wider range of services and it has allowed us to prepare for the future as well. So in that sense, it has been a fantastic investment for the agency, and the taxpayers can receive their cheques, if they are owed

a reimbursement, much more quickly. We're way ahead of our standards there.

Mr. Michael Savage: It's \$2 per return.

Mr. Michel Dorais: Approximately.

Mr. Michael Savage: Okay. So it's not a lot.

I had asked the minister a number of questions about policy issues, which she didn't want to give an opinion on.

Can you in general tell me, when the Department of Finance is looking at tinkering with the tax system and bringing in these little tax gimmicks, do they not discuss with CRA what the cost might be, not only to implement them but what the overall cost to the treasury is going to be? Do you guys work hand in hand on those kinds of things?

Mr. Michel Dorais: Yes, we do. We have accepted that there is a very thick wall around that team that works with the Department of Finance in preparation for a budget, to make sure that measures that are announced are actually doable and implementable. But there are very few people in the agency who are involved.

Mr. Michael Savage: Okay.

Ms. Roveto, my last question is for you. As the chair of the board of management, could you perhaps share with us, is there a number one priority for you right now that the agency can improve upon but hasn't yet that you want to see done during your term?

• (1720)

Ms. Connie Roveto: Certainly the issue of revenue collection and the arrears is one, as we've discussed, that has been on the board of management's agenda over the last few years, and continues to be, and we will follow through on that.

Certainly there are a number of large projects, including an enterprise risk management project. We're looking at how various risks within the agencies might impact others, and how we mitigate those risks, since this is such a crucial operating environment for the government and for the country in many respects.

There are the two ongoing issues. How do we do our business? There are two, or actually three, things that help us do our business: the financing of the agency; people; and technology. Certainly ensuring that we have the right people and the right technology to meet the future challenges of the Canadian economy is something that is always at the forefront in our minds.

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

Mr. Wallace for four minutes.

Mr. Mike Wallace: Thank you, Mr. Chair.

Thank you for coming. I am sorry I missed the presentation, but I did read it while others were asking questions.

My questions are really about performance and the connection between you and the actual folks who do the work and the minister.

We'll start with collections. We heard from the minister that we are at about 5% in terms of accounts receivable, and so on. Does the board then deal with that kind of issue in terms of setting targets for CRA on annual basis, on how much should be collected in terms of a percentage basis and how it might be collected?

So, one, are there targets, and two, do we use outside agencies to do the collections, or is it all in-house, and have we ever considered using outside agencies to do the collections?

Ms. Connie Roveto: I believe you were out of the room, but revenue collection is constantly before the board of management, and it is a very complex issue. For example, one of the limitations is our legacy systems and technology that do not facilitate the collection.

At a board of management meeting today, we approved \$62.8 million for a three-year project to improve the collections for T1s. We are also looking at how to improve collections for T2s. That will be a subsequent project, which we will continue to monitor, and how management goes about improving its collections. At this stage, it's a bit early for us, other than to manage the deliverables and the budget, to know the payback.

We've had separate projects. In 2005, I believe we had a project specifically targeted to put extra budget dollars towards collections. We made some progress there, so it is an ongoing issue.

The one thing I've learned about collections is that it is not one issue; it's different, depending on whether it's GST, T1. There are different issues, and you have to break it down into those components to really look at it. We are constantly moving forward in our efforts in that respect.

Mr. Mike Wallace: Again along the lines of performance and management, one of our Liberal friends was asking, are we going to lose jobs in Summerside with this change in the program?

An hon. member: Do you actually care?

Mr. Mike Wallace: I am going to ask that question.

I've worked in business before, and obviously things change, programs change, and businesses change. From a business model, where does saving jobs...? If I went back to my taxpayers in Burlington and said, we've cut the program, but we still kept the jobs because they were there.... I don't care what other people have promised or not.

I want to know from your perspective, where does the employee fit into the picture, in terms of the criteria regarding whether or not it's an effective program?

• (1725)

Ms. Connie Roveto: Mr. Chairman, we are constantly focused on whether we have the right quantity and quality of employees throughout the agency to do the work today and tomorrow, because the nature of the work is going to change. We recognize that the agency is not a business; it's not a for-profit business. We have to look at it within the whole government context.

In terms of jobs, certainly what we have found in recent years is that we can increase the types of business. For example, in the Ontario project, we're going to be collecting T2. This is one area where we create jobs.

This year, we've undertaken the universal child care benefit.

The Chair: I'm sorry, Mr. Wallace, you were out of time awhile ago, and only through the extreme generosity of the chair were you allowed to continue.

Some hon. members: Oh, oh!

Mr. Mike Wallace: It's like you, Mr. Chair.

The Chair: We conclude with

[*Translation*]

a brief question from Mr. Pacetti.

[*English*]

Mr. Massimo Pacetti: As a quick question, Ms. Roveto, regarding the cutting of the various advisory committees, does that affect the work of your board?

As well, I'm going to ask Mr. Dorais about the cut from 7% to 6%. I know you sent us some documentation regarding some publicity that was done on this. But how is the cut from 7% down to 6% going? Have the businesses been aware? Have there been any problems in terms of administering the 7% to 6%?

Could I please have Ms. Roveto answer the question on the advisory committees?

Ms. Connie Roveto: The board really had no involvement with the advisory committees, and as the minister said, it was the minister's decision. It was more something that provided input to management, but not directly to the board of management.

Mr. Massimo Pacetti: Thank you.

Mr. Michel Dorais: As for the other part of the question, I'm not aware of any issue now resulting from the reduction of the GST rate.

Mr. Massimo Pacetti: Okay.

Thank you, Mr. Chairman.

The Chair: *Merci beaucoup, madame Roveto, et monsieur Dorais, and the Scottish contingent as well. We thank you all for being here.*

Voices: Oh, oh!

The Chair: Mr. Paquette, please.

[*Translation*]

Mr. Pierre Paquette: I am introducing a motion concerning the reimbursement of the GST to school boards in Ontario and Quebec. This motion was already approved by our committee, on the recommendation of a Conservative member. I would thus assume that my colleagues will not see any problems with it, but I would not necessarily want to have the matter discussed before the Christmas recess.

[*English*]

The Chair: *Merci beaucoup, monsieur Paquette.*

We accept your notice of motion, and if there are any problems we'll get back to you immediately.

Mr. Pacetti.

Mr. Massimo Pacetti: Yes, just quickly, if we could get a copy of the draft report before our meeting on Tuesday, it would be a little bit easier when we have our meeting.

The Chair: That's the plan.

I remind the members that on Tuesday, not only will you receive the draft report but we'll also complete the CRA draft report.

Mr. Wallace had a question.

Mr. Mike Wallace: A question and a comment.

I noticed in the paper that the report submitted to the House of Commons was released early. I know I didn't do it. I just want to say on the record that I'm very disappointed that happened. I think there was a commitment that it would actually be illegal to do that, and that this committee was to put that stuff together and that it would become available once it was in the House. But I understand, through reading the press, that it was available in advance. It did not come from me, and as a new member of this committee, I'm very disappointed by that early release.

Thank you.

The Chair: I assure Mr. Wallace that the report was in no way, shape or form available in advance—although members may have discussed it with certain journalists. That, of course, is a disappointment, Mr. Wallace, for all members of the committee, I'm sure.

Before we adjourn, it will be my last opportunity to thank the committee members and staff for all their work over the last several weeks and months. If someone had told me five months ago that I'd enjoy this job, I'd have laughed. But I have. I have appreciated the support of the staff most of all, and the committee members as well.

I thank them, and I wish you all, sincerely, the very best for the upcoming holidays and the best to you and your families, and I look forward to seeing you in the new year, if not sooner.

We are adjourned.

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