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## Standing Committee on Public Accounts

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**Chair**

**The Honourable Shawn Murphy**

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•(1105)

[English]

**The Chair (Hon. Shawn Murphy (Charlottetown, Lib.)):** I'd like to call the meeting to order.

I want to welcome everyone here.

I especially want to welcome Professor Ned Franks, Professor Emeritus of Political Science at Queens University. Of course, Professor Franks was the senior researcher with the Gomery commission. We also have with us, colleagues, Professor Jonathan Malloy. Jonathan is a Professor of Political Science at Carleton University. He was a researcher with the Gomery commission and he wrote the paper "The Standing Committee on Public Accounts". And we also have with us Geoff Dubrow, who is with the Canadian Comprehensive Auditing Foundation.

Geoff, do you want to stand up and just introduce yourself? Do you want to join us at the table, Geoff? He only got the invitation this morning, but he's certainly more than welcome to join us.

This meeting was called by the steering committee. Basically, as everyone knows, the public accounts committee was subject to much comment and several recommendations in the Gomery commission. Actually, there were four recommendations in the Gomery commission dealing with the public accounts committee. I think it would be helpful if I just went over them to provide some focus to the meeting.

Recommendation one talks about more funding for committees generally.

Recommendation three is:

To enable the Public Accounts Committee to perform its responsibilities more effectively, the Government should increase its funding substantially to provide the Committee with its own research personnel, legal and administrative staff, and experts as needed.

Recommendation seven is:

The members of the Public Accounts Committee should be appointed with the expectation that they will serve on the Committee for the duration of a Parliament.

And recommendation eight is:

The Public Accounts Committee should ensure that Deputy Ministers, other heads of agencies and senior officials are the witnesses called to testify before it. As a general principle, Ministers should not be witnesses before the Committee.

These were recommendations dealing specifically with the public accounts committee. Professor Malloy made other recommendations in his research paper, and he talks about the members of the committee being more focused on accountability issues. His recommendations, of course, are at the end of his paper, which, of course, was produced in the Gomery commission.

The steering committee thought that perhaps five or six months after the fact it would be a good exercise to get together with Professor Franks and Professor Malloy and just generally have an informal discussion as to how they feel the committee can be more effective as we go forward.

This is the last meeting of the public accounts committee before September, so we'll have time to think about it. Some of us will be in Charlottetown, Prince Edward Island, for the annual meeting of the Canadian Council of Public Accounts Committees.

So those, members, guests, are my opening comments.

I understand that both Professor Malloy and Professor Franks have opening comments, and I'm going to ask Professor Malloy to start.

•(1110)

**Mr. Jonathan Malloy (Associate Professor, Department of Political Science, Carleton University, As an Individual):** Thank you for inviting me to speak to you today. I want to make a brief opening statement, and then I look forward to your questions and comments.

For some years I have observed the House of Commons committee system and the attempts to reform and improve it. Many people, both inside and outside Parliament, argue that committees are the places where the role of the individual MP can best be enhanced. However, I have often argued that many of these same observers have inflated and unrealistic expectations of what Commons committees can reasonably accomplish in our system of representation.

More recently, I have concerned myself with this particular committee, and I was asked to write a report for the Gomery commission on the PAC. In that report, I argued that the public accounts committee labours under the same constraints faced by other standing committees—constraints that all of you know very well, I'm sure. These constraints include high membership turnover, particularly between parliaments; the seemingly random assignment of members to committees that maybe do not match their interests; and highly competent but modest staff and resources.

I often feel that discussions of our overall system of accountability do not fully recognize that the PAC is just one of many standing committees in the House of Commons. Like all committees, its members must deal with multiple responsibilities and commitments. MPs have many roles, and committee work is just one of them. However, the PAC is a special case and is not like other committees. It has unique opportunities and also unique burdens. It has unparalleled responsibility to inquire into and investigate matters of public finance and administration, rooted deeply in ancient traditions of parliamentary scrutiny.

Yet the PAC is not always a desirable assignment for most MPs. Many members aspire to so-called policy committees, where they feel they can make more of a difference. Their focus is prospective, on future policies, not retrospective, on administration. This is perhaps understandable, but unfortunate.

Furthermore, the public accounts committee does not have much in the way of specialized research expertise for its investigations. Instead, it is highly dependent on the reports of the Auditor General of Canada for its work—indeed, for most of its agenda. This concerns me. Relations between the AG and committee seem generally good, but, like many observers, I fear that the Auditor General has supplanted much of the traditional scrutiny role of Parliament in this regard.

I'd be glad to speak more on these matters and further share my opinions on them. However, as an outside observer, I do not want to spend my time in these opening remarks telling you things that perhaps you already know. Thus I will conclude my opening remarks here and be pleased to take your questions later on.

Thank you.

**The Chair:** Professor Franks.

**Prof. C.E.S. (Ned) Franks (Professor Emeritus of Political Science, Queen's University, As an Individual):** Thank you. It's an honour to be here.

I have some written remarks, but through my error they did not get to the committee and did not get distributed, but they are now with the clerk of the Committee.

I'm fairly excited about what's happening with the public accounts committee. It's at a crossroads in its evolution and work. The reforms proposed in the Federal Accountability Act make deputy ministers and heads of agencies accounting officers who will be responsible and accountable in their own right before the public accounts committee for their performance of their management duties. This largely accomplishes the recommendations of the committee in its 2005 report, *Governance in the Public Service of Canada: Ministerial and Deputy Ministerial Accountability*, most of which was supported in the Gomery commission's recommendations.

It's time for the committee to do exactly what it's doing, because this gives the committee an opportunity for a new and much stronger role in asserting the role of Parliament in the control of the public purse, and that, ultimately, is the core of it all.

I keep emphasizing to the government that Parliament is entitled to establish the terms and conditions of accountability to it, by whom and for what and in what way, just the same as Parliament is entitled

to establish the terms and conditions of the grants of funds to the government, including the vote structure. That's a parliamentary decision, not a government decision. I get concerned sometimes that the government thinks ministerial responsibility is a government doctrine. It's not. It's a parliamentary doctrine. And accountability to Parliament is a parliamentary doctrine, not a government doctrine. It is the same with the estimates process.

I won't go into the role of the public accounts committee, but roughly what the Federal Accountability Act does is give a range of management duties relating to finance, explicitly to deputy ministers and heads of agencies. It lists those 20 deputy ministers and 78 heads of agencies, some of whom are the equivalent of deputy ministers. Some agencies are more autonomous. Then it says those are the people who will be accountable. I find that valuable, in a way. To relate to the committee's recent business, the head of the firearms agency would be an accounting officer in that sense and responsible for signing the accounts of that agency and for the transactions that are or are not recorded in those accounts. It's very important to appreciate that there are some pretty important steps forward in clarifying responsibility and accountability in the act.

I won't go into that any further, but let me say one thing before I go on. I do not believe most provisions would be in the Federal Accountability Act without the work of this committee. It is one of the most significant things this committee has done, and the committee deserves recognition and congratulations on what it has done and what it is doing in that area. It is a tremendous achievement, particularly since you've met resistance from the government every step of the way, and still are, on some of the things.

My next comment is that it seems to me the public accounts committee has to build up a relationship with Treasury Board as the central agency in government responsible for ensuring good financial management. I would suggest at this point, to make it very brief, there are two areas in which the public accounts committee and Treasury Board have to get together, and both will require changes in existing practices and procedures.

One is that the terms and conditions of the accountability of accounting officers before the committee need to be established in writing, and there should be a protocol, presumably prepared by Treasury Board but agreed to by the committee, in which the committee should ensure that it meets its needs, which describes what the responsibilities of accounting officers are in relation to the committee, what the process for their accountability is, and what their accountability before the committee means. That is something that has to be established between the committee and Treasury Board.

•(1115)

I believe the second area, which is not dealt with in the Gomery commission or in any of the others, is that it's the Treasury Board, not the Auditor General, that should respond back to the committee on action taken by the government on the committee's recommendation. In other words, the committee should hold the Treasury Board responsible and accountable for ensuring that the recommendations of the committee are either implemented or that the government enters into a dialogue with the committee on what might be done to resolve the problems in them.

I consider that one to be very important, because it seems to me that the accountability-responsibility process should leave the Auditor General as an auditor and should bring the Treasury Board more into it as a responsible and accountable central agency that has a very important relationship with the committee.

I will make two other brief comments and then stop.

One of the recommendations of the committee, in its tenth report last year, was on the tenure of deputy ministers. It said that they should stay in office longer than they had been.

That same recommendation was made by the Gomery commission, and nothing on that appears in the Federal Accountability Act.

When I look at what happens, including at this committee, which often has a deputy minister in front of it, who not only was not a deputy minister of that department at the time, but there might have been an intervening deputy minister between the time a problem occurred and the present. The deputy ministers had changed rather quickly and suddenly in the Indian affairs department in the committee's work and, more recently, in the investigation into the question of supplementary estimates and the firearms program. I think there's a problem there.

Years ago I did a fair amount of work on security services, and especially on their accountability. One of the terms used in security services is a seagull mission, where a spy or an agent flies into an area, makes a mess all over the place, then flies out again. I have a sense that quite often deputy ministers are on seagull missions in departments. They fly in, make a mess of things, and then fly out after a year.

That is not a basis for good responsibility and accountability. The basis of responsibility is that you have to live with the consequences of your decisions and actions. I'm not satisfied that our present procedure for handling deputy ministers and heads of agencies, who will be the accounting officers, allows that to happen.

The final point I wanted to make is that I read through the minutes of the evidence of the committee's investigation into the Firearms Act issue. I was truly impressed, in the committee's proceedings, by the way the committee acted as a collegiate body in handling the inquiry. The members shared time and they allowed members to focus on an investigation.

I thought it was a very good inquiry, and it seems to me this indicates that in future this committee is likely to work as a collegial body, acting on behalf of Parliament and the people of Canada, in what should be a non-partisan activity of examining the way the government uses funds, and in particular how the public service uses

funds, to ensure that these funds are handled with regularity, propriety, and economy. That should not be a political or partisan issue. If it is, something has gone wrong. It should be one where Parliament itself expresses a concern on the part of the people of Canada and satisfies the people of Canada.

I draw your attention to that and to your recent work, as a strong indication of the right way to go.

Thank you, Mr. Chair.

•(1120)

**The Chair:** Thank you very much, Professor Franks. We always enjoy your presentations.

And thank you, Professor Malloy.

Mr. Williams, a point of order.

**Mr. John Williams (Edmonton—St. Albert, CPC):** Given the nature of our meeting today, I would propose that rather than doing our eight and four minutes, you run this as more of a round table, so that we can have a genuine discussion and be able to follow through an idea and a proposal.

**The Chair:** That sounds great.

I'll open it to somebody to start.

**Ms. Yasmin Ratansi (Don Valley East, Lib.):** Because I am new, I would like to start it and then I want you to follow through.

**An hon. member:** [*Inaudible—Editor*]

**Ms. Yasmin Ratansi:** The reason I pointed at him is because he is Mr. Nasty.

**The Chair:** If I could make a comment, I'm going to have to keep some kind of informal control in a minute. I appreciate the gist of Mr. Williams' thoughts, and I agree with them, but I will keep some control of the time.

Perhaps before we start I will ask Mr. Dubrow if he has any comments he'd like to make.

I know you've just been invited today. I thought it would be nice for you to be here. We certainly appreciate the work your foundation does, and we certainly hope we'll be working very closely with you and your foundation in the months and years to come.

Is there anything you want to add right now, sir?

•(1125)

**Mr. Geoffrey Dubrow (Director, Capacity Development, Canadian Comprehensive Auditing Foundation):** Thank you very much, Mr. Chairman.

At this point I can say a couple of brief words about the foundation. I can mention that we'd certainly be willing, on your invitation, to return in the fall for a presentation. But I don't think at this point it would be appropriate for me to make any substantive comments in any way that would supplant the presentations that are being made by our two witnesses today.

**The Chair:** I have one final point—I just want to pull this thing together—about the publication the foundation published recently. I want to point out that we passed a motion to purchase a copy for each member of this committee. That has already been ordered from your foundation. We thank you for that report.

Mr. Williams.

**Mr. John Williams:** Can we afford that?

**The Chair:** We passed it, whether we can afford it or not. Maybe we're into a deficit situation.

**A voice:** Actually, they're giving us a preferential price of \$40.

**The Chair:** We negotiated a preferential price.

We go to Ms. Ratansi.

**Ms. Yasmin Ratansi:** Mr. Chair, my question is to Professor Malloy.

I think I need some clarification. I'm new to the committee on public accounts, so I am going to qualify the statement. You said that you're disappointed that this committee relies on the Auditor General to bring forth issues. Did I hear you correctly?

**Mr. Jonathan Malloy:** That's correct. I must say that in speaking to previous incarnations of this committee I've always been struck by the fact that members are quite comfortable with the relationship with the Auditor General.

**Ms. Yasmin Ratansi:** I have another question.

We are a committee; we're not an operational body. If we don't rely on the Auditor General, who has the mandate, as an external auditor, to prepare a plan, which she presents, and to say here is my cyclical audit, here are my priorities, and here is where I think risks are, what alternative would you suggest?

**Mr. Jonathan Malloy:** The alternative, I would suggest, would be a committee that had more resources of its own and would perhaps, at times, pursue an agenda that is somewhat different from the reports of the Auditor General, which does certainly happen with some of the provincial public accounts committees. Having said that, a lot of my concerns are indeed a bit more theoretical perhaps and aren't necessarily shared by the members of the committee.

I think there is some question of exactly who is in the driver's seat. Is it the Auditor General or is it this committee of the House of Commons? There's always the issue that the Auditor General is ultimately responsible to this committee for her own office and affairs. In theory, the relationship could be one of a conflict of interest.

I agree, in speaking to members, that they feel that these are perhaps theoretical concerns that don't actually arise that much, but I think they are important to keep in mind.

**Ms. Yasmin Ratansi:** From a practical perspective, under the current structure, if the committee gets a brown envelope from somewhere and thinks a special program needs to be audited—somebody from the committee can help me—can we ask the Auditor General to conduct the audit?

Yes, we can.

**The Chair:** Yes, but she doesn't have to do it.

**Ms. Yasmin Ratansi:** My practical question is—

**Mr. John Williams:** If I could, I'll answer that question specifically.

Mr. Chairman, it requires a motion by the committee that is taken seriously by the Auditor General but is not a directive to the Auditor General.

**Ms. Yasmin Ratansi:** Professor Malloy, if that were the case, would you suggest that we have our own resources and we send an audit team there? Is that your suggestion? I am just trying to conceptualize it.

**Mr. Jonathan Malloy:** It would have to be quite an unusual situation, so I'm not sure exactly what I would advocate in that regard.

**Ms. Yasmin Ratansi:** This is why academia and practicality sometimes are on a collision course.

Professor Franks wanted to say something.

**Prof. C.E.S. (Ned) Franks:** If I may, Jonathan, I'll add to what you said there.

In Britain the Auditor General actually sits almost as a member of the committee; they'd be sitting right over there. The Auditor General's office also prepares the list of proposed questions for the committee and prepares the reports of the committee.

We have a different relationship in Canada, which I think is correct, that whatever preparation for questioning is done by the staff of the committee. Reports are drafted by the staff of the committee.

I think that area should be strengthened. Many of the reports of the Auditor General are not of direct interest to the committee and they are not investigated. On the other hand, say the committee wanted to get into this area of deputy ministers and seagull missions; they might want to commission a report of their own.

It seems to me that's the area where the interests of the committee and the Auditor General can diverge.

• (1130)

**Ms. Yasmin Ratansi:** Finally, I know that the committee audits the Auditor General. How do you propose we ensure that the conflict is minimized? We have a wonderful Auditor General at the moment, but five years from now we may not, I don't know.

From a theoretical perspective, how would you suggest we ensure...? You can't have zero risk, but you can minimize that risk.

**Mr. Jonathan Malloy:** The answer in some ways is fairly practical. In terms of keeping the relationship on a professional basis, which is my understanding of what the relationship is here, it's quite possible to rely on the Auditor General in the sense I'm talking about. But also, she, in her office, is responsible to this committee. It's quite possible to keep those two relationships going at the same time.

I admit, it is in some ways more of a theoretical concern, but the larger issue is that this is a committee of the House of Commons. The committee, not the Auditor General of Canada, should be in the driver's seat in terms of setting its agenda and using its resources the way it wants.

**Ms. Yasmin Ratansi:** Thank you.

**The Chair:** We'll go to Monsieur Sauvageau.

[*Translation*]

**Mr. Benoît Sauvageau (Repentigny, BQ):** Thank you, gentlemen. I have several questions for you.

I've been a member of this committee for a few years now and I've had occasion to get frustrated. I'd like your remarks on this subject to go on the record. They'll be interpreted in one way or another by the committee. However, there's nothing unusual in that.

I read in the material distributed to new MPs that committees in general had a mandate to conduct investigations. The word "investigation" appears in the manual that new MPs receive from the House of Commons. In his opening remarks, Mr. Malloy used the words "inquire and investigate". I take that to mean that committees can conduct inquiries and investigations.

In my opinion, this committee has all too often limited itself to following up on the Auditor General's reports.

In your opinion, is it the primary role of this committee to follow up on the Auditor General's report, or can the committee also decide on its own to inquire into certain matters?

I'll give you some examples later.

[*English*]

**Mr. Jonathan Malloy:** This committee is free to do those things. It historically has not initiated large investigations of any sort. Indeed, to do so would largely duplicate the work the Auditor General has done.

The role of this committee, and its contribution separate from the Auditor General, is to act as a forum for the discussion of the Auditor General's findings. It's a chance for different parties, from the public service and elsewhere, to give their version and to have their say. To have it examined in a parliamentary setting like this, in a public forum—that's something the Auditor General can't do.

So the committee is free to do its own investigations. However, I think that quite often would duplicate the role of the Auditor General.

**The Chair:** Mr. Sauvageau, with your permission perhaps I'll get a response from Mr. Williams, as a former chair, on that issue.

[*Translation*]

**Mr. Benoît Sauvageau:** With your permission, I'll clarify my question. Mr. Williams can then venture a response.

[*English*]

**The Chair:** Sure, and then we can go to Mr. Franks and Mr. Williams on that. It's a very important issue that you've raised.

[*Translation*]

**Mr. Benoît Sauvageau:** I'll give you two examples. I believe the committee's primary role is to follow up on the Auditor General's reports. However, if it did nothing more than that, the committee would always be reactive, never proactive. If the committee could occasionally, not regularly...

Let me give you an example. The federal government shelled out \$16 million to host the World Aquatic Championships in Montreal. The Auditor General has yet to audit this expenditure. The entire board of directors was relieved of its duties. A suicide has even been reported in connection with this matter and the expenditure of \$16 million.

I asked the committee to begin an audit of sorts, to obtain internal documents from the Department of Canadian Heritage. I was told that this was not... Perhaps the committee could simply go over some of the material and steer the Auditor General in the right direction on this file. Far be it for me to do her job.

Consider a second example. We learned through the Department of Public Works and Government Services that the government has 450,000 surplus feet of leased office space. If we apply the rule of three, that would mean that \$210 million is being spent, or wasted, each year by the federal government to lease unnecessary space. The Auditor General has yet to investigate this report. Should she look into this matter in three years and table a report six months later, that means the committee would have to wait four years before it has a chance to ask some questions and an additional \$840 million would be spent. Why couldn't the committee take a proactive stand?

That's what I'd like to discuss with you, and with Mr. Williams as well.

•(1135)

[*English*]

**Prof. C.E.S. (Ned) Franks:** You have been proactive as a committee. The study of ministerial responsibility done last year was largely independent of the Auditor General's report. It was done primarily as a result of dissatisfaction in the committee with what it had found in its investigation into the sponsorship program. So there's nothing preventing the committee from doing that.

I will leave the aquatic centre aside because I know too little about it. But office space is an issue on which you have a report by the Auditor General. You have had a preliminary look at it. My view is that you should make a report as a committee saying you are not satisfied with the government's way of controlling office space costs, and then ask the Treasury Board and the Department of Public Works, or whoever, to respond.

You are perfectly entitled to carry on from that over the years and, if you're not satisfied with the government's response, produce another report, as I understand the committee has done with the report on ministerial responsibility and accountability. I think you're already on the route you're suggesting.

**Mr. John Williams:** Thank you, Mr. Chairman.

First, my appreciation to our witnesses for coming here this morning. Of course, we've had a long association with Professor Franks, and we welcome also Professor Malloy and Mr. Dubrow.

As to our role as the public accounts committee, I saw it as a committee that exacted a political accountability. There are basically three different kinds of accountability. There is administrative accountability, where employees are held accountable by their employer or someone more senior to them for their performance of their job. There is legal accountability, where people may end up being charged and have to defend themselves in a court of law, and of course out of the sponsorship scandal we got Mr. Guité, who had legal accountability, and the others as well. But there is also political accountability, which is that you can't put governments in jail; therefore, we are the political accountability mechanism for government, which we deal with in the court of public opinion. I think the people spoke in the last couple of elections, and the results are where they are.

As to us investigating issues such as the aquatic centre in Montreal, these are potentially—and I really don't know all the details—highly charged issues. I see legal accountability here, administrative accountability, and political accountability. But we should not confuse our role with the other two of legal and administrative accountability.

We deal in the court of public opinion. We don't always deal with facts, as we all know. Politics is a rough game. It can be push and shove, and the person whose opinion gets traction is the one who wins. It's not a balanced process like we have in a court of law, and it's not a fair and reasonable process as we have in administration.

So to answer Mr. Sauvageau's issue, if a committee feels that there has been some serious wrongdoing and a waste of taxpayers' money, or whatever else has gone on, we should be passing a motion to have the Auditor General investigate.

She is our eyes and ears. She has a 600-person staff and a \$65 million budget, give or take. We could never supplant that resource and the non-partisanship and professionalism that she brings to the investigation.

If we were to do it, if we didn't hire the Auditor General, we'd have to hire somebody else. Therefore, on this notion that we as a committee do investigations, it would still be done by professionals.

We try to be non-partisan, but politics are partisan, and Parliament is about partisanship. Therefore, to me, it is far better, when you're talking about the accountability of the administration, that coming to this committee the Auditor General brings issues to the fore of senior management, who should exact their administrative accountabilities. I say "should" because if we take a look at the issue in the firearms registry and the non-reporting of funds, I don't think there was any administrative accountability. But then it comes to us, a different forum, a different kind of accountability, where we take it and go public with it, in essence, and we use it for the objectives we all have.

Therefore, I appreciate Dr. Franks' point that we could use resources to go into the areas that are perhaps a nexus between the administration and the politics and the policies. That's an area into which the Auditor General will not go. It's getting too close to policy, too close to politics.

It would be fraught with danger if we were to go into that area as a committee, because nobody sitting at this table is non-partisan. You

end up with the dominant side winning the day. Therefore, I would be very, very reluctant to go down that road unless it was very, very carefully thought out so as to ensure that the public accounts committee didn't lose its way, lose its credibility, and destroy the effectiveness we have.

● (1140)

In a majority government, we still have to enjoy, in essence, the confidence of the government as well. I'm a great proponent of having government report to Parliament. And we are supreme, we are farther up the food chain than government, but unfortunately, in many ways, as we all know around this table, when the government speaks, Parliament quite often ends up listening, rather than the other way around.

That's a more philosophical and deep problem, and it's not going to get addressed here, Mr. Chair.

[Translation]

**Mr. Benoît Sauvageau:** I have a tremendous amount of respect for Mr. Williams, the long-time chair of this committee. However, I would like to mention one small thing. When he says "the committee must", with all due respect, that's his interpretation. He did not write the book on committee rules of procedures. I think it would be preferable to say "the committee should" or "in my opinion, the committee must". I say this with all due respect, Mr. Williams, and I had to muster all of my courage to say that to you.

However, having said that, I agree that we're conducting a political audit of sorts. We have neither the authority nor the resources that the Auditor General has. I will concede as much. I do not have Mr. Williams' experience or that of the other two experts who are here today to enlighten us. I'll admit to that as well.

In my opinion, following up on the AG's reports must be the committee's first priority. Nevertheless, I'm convinced — unless someone can convince me otherwise and that won't be easy, although I'd like to think that I keep an open mind — that on occasion and exceptionally, the committee can and must call in witnesses, if only once or twice, before referring some matter to the Auditor General.

For example, the Department of Canadian Heritage awarded \$16 million to a particular organization. Certain internal, external and legal audit reports are not available or cannot be accessed readily. A special request must be made under the Access to Information Act.

As I see it, we should hold one or two committee meetings to see if indeed there is a problem or whether the media is really to blame. If we do discover that there is a problem and that we have neither the resources nor the mandate to resolve it, then the committee could recommend that the Auditor General conduct an investigation.

Should we be content with merely saying that we heard there was a problem and therefore ask the AG to resolve it? I'm not saying the Auditor General is at fault because studies are one or two years in the making. That's a very normal timeframe. In two years, the committee could revisit the issue.

All I'm asking is whether this once, the committee can and should undertake this kind of study.



•(1145)

[English]

**The Chair:** We'll invite a comment from Professor Franks and Professor Malloy. I think you have the gist of Monsieur Sauvageau's point. He's basically saying that if we do see a grievous offence involving taxpayers' money... Now, again, this is an issue of resources. We can't send Brian to Montreal to investigate the \$16 million. It would require substantially more resources than we have now, a different framework.

Then you're following up on Mr. Williams' point. You're getting into this—

**Mr. Benoît Sauvageau:** Maybe I can try this in English. Sorry, Mr. Chairman. I never said that. I don't want to say that.

We have some internal-external reports in Heritage Canada available now—not in Montreal, not in Saskatchewan, but in Ottawa. We can take the report of the heritage minister and do the follow-up here in the committee.

It's one example.

**The Chair:** Perhaps we'll invite a comment from Professor Franks or Professor Malloy.

Do you have anything to add on that?

**Prof. C.E.S. (Ned) Franks:** I'll try to answer. "Non-partisan" perhaps isn't the right word to describe the committee, because unlike professors, every member of Parliament pretty well is a partisan animal—and that's very important. That's how people vote and that's how people understand Parliament.

The reason the committee has an opposition chair is the theory that an opposition member like Mr. Williams, when he was the chair, has a stronger motive for investigating and being skeptical about government than does a government member. The reason the members are in proportion to voting strength in the House is so there's a good balance on the committee between the government side and the other sides. So there is partisan motivation.

The issue, it seems to me, is that I believe the focus of the committee should—this is a should not in the imperative but in the conditional and the subjunctive—look at the administrative side of government, not the political decisions, not the decisions of ministers, because they're perfectly adequately looked at through question period and other committees.

One of your jobs is to preserve the autonomy of the public service so that it is accountable to the rules and regulations and statutes that govern it, which I think has not always been the case.

To do that, it seems to me, the committee has to work as a body that agrees. I thought the strongest part of the work the committee did last year on responsibility and accountability was that ultimately it was a unanimous report, including the government members, the parliamentary secretaries, and the opposition. I thought that was a wonderful achievement, a tremendous thing to have done.

I'm hoping—and I believe it's possible—the committee in future will strive for that level of agreement between the members from the different sides on its activities and what it does. That does not mean every member or every party's wishes will be achieved; I think the

government will find it doesn't like what the committee does, but it's up to the committee itself to work things out so there's an agreed-upon decision. It seems to me that is the way the committee will be effective in ensuring responsibility and accountability.

Thank you.

•(1150)

**The Chair:** Thank you, Professor Franks.

Anything to add, Professor Malloy?

**Mr. Jonathan Malloy:** On this issue, especially the situation you gave of having a timely investigation of facts and then referring further to the Auditor General, hypothetically that could work. I think, as I said before, that sort of fact-finding investigation quite often will duplicate the work of the Auditor General.

The independent contribution this committee can make, as Mr. Williams was saying, is particularly in the political examination of things in a public forum. It will ask questions that would be inappropriate for the Auditor General to ask. In a situation like this of investigating facts, the committee can't necessarily play that public forum role until it has the facts, which are best gathered by a competent non-partisan authority like the Auditor General.

Generally, when political committees—not just this committee but any parliamentary committee—get into fact-finding, they quite quickly get into acrimonious exchanges, just about finding the basic facts, and usually not much work is done. It is usually better to wait for the Auditor General to establish the detailed information, which can then be examined and discussed in a more partisan forum such as this one.

As I said, the committee could use more resources I think, perhaps in terms of digesting Auditor Generals' reports and preparing MPs better for questions and that sort of thing—that's not to say the staff doesn't do a good job now. As I said, the fact-finding investigations would be much more exceptional cases. In most cases it would simply duplicate the work of the Auditor General and not really make an important contribution to accountability.

**The Chair:** Is there anyone over here who has any other issues they want to probe?

Mr. Fitzpatrick.

**Mr. Brian Fitzpatrick (Prince Albert, CPC):** On the firearms issue, an overarching concern I have on the way that matter unfolded is the Treasury Board. I see the Auditor General involved when the train gets off the tracks, but I see it as the Treasury Board's role to make sure the train stays on the tracks and to sort of police the Financial Administration Act and the Treasury Board rules and guidelines, and so on.

If they do a really good job, it seems to me, the Auditor General comes up with reports that basically say things are being managed correctly, and so on. When she comes up with reports that are highly critical of what's happened, something in the system has broken down. So in that sense, I see Treasury Board being the proactive agent in this process and the Auditor General being the reactive agent in the whole thing.

I liked the suggestions of Professor Franks about developing a stronger relationship with Treasury Board and maybe having them more accountable to this committee and responsible to this committee for what's going on.

I was far from impressed. I really thought Treasury Board helped senior bureaucrats in the government find ways to circumvent their own policies in an indirect fashion and by extraordinary means, and so on, which I found just astounding. That certainly shouldn't be the way Treasury Board operates.

I just want to make that comment. I think those are two excellent points, and I hope we as a committee can follow up on those recommendations and pursue that, because I think that's pretty important. If the Auditor General is treated in isolation from Treasury Board and there is no connection between these things, I don't really know where we go.

I was going to ask Professor Franks his thoughts on what kinds of duties and responsibilities we should be looking at in terms of the accounting officers with this board. Can you give us some specific suggestions?

• (1155)

**Prof. C.E.S. (Ned) Franks:** Let me make a general comment about the Treasury Board and the committee.

In my view, the committee and the Treasury Board have a common interest, and that is ensuring good financial management.

**Mr. John Williams:** That's a theory, Dr. Franks.

**Mr. Brian Fitzpatrick:** Well, it's a good theory.

**Prof. C.E.S. (Ned) Franks:** There are many theories about parliamentary government that are confounded by the reality, but we still believe the theories—such as ministerial responsibility, rule of law, or the two of them.

**Mr. Brian Fitzpatrick:** Or Parliament having control over expenditures.

**Prof. C.E.S. (Ned) Franks:** That's an ideal, isn't it?

What I was going to say on this—I'll get back to the responsibilities thing in a minute because these tie in—is that the Lambert commission in 1979 found that the role of the Treasury Board was the weak one in financial control. The Auditor General was fine. They weren't terribly impressed with deputy ministers, but really the Treasury Board did not do its job. The Gomery commission repeated this in both reports, that it felt the Treasury Board did not consider oversight of departmental financial administration as a major activity and didn't do it very well.

My suggestion is that the Treasury Board should do better and that the public accounts committee should ensure that the Treasury Board does better. And this doesn't have to be an adversarial relationship, because in theory, Mr. Williams, the interest is the same, and that is that good financial management and government—or it should be. Again, I'm getting to the conditional there.

But getting on to the responsibilities and accountabilities for which deputy ministers are accountable, the list in the Federal Accountability Act isn't a bad one. It includes measures to take to organize the resources of the department to deliver departmental

programs in compliance with government policies and regulations—and that's compliance in the broad sense of following the statutes, the laws, the regulations, other documents.

It includes measures taken to maintain effective systems of internal control in the department. That's a key one.

It includes signing of the accounts. They're required to be kept for the preparation of the public accounts. In signing the accounts, the accounting officer is expressing a personal responsibility for the actions recorded in the accounts, and as I said earlier, non-recorded as well, which gets back to the problem we've had with the firearms thing.

And there's the performance of other specific duties, etc.

Putting those in a nutshell, they boil down to two things, really. One is what I call regularity. That's following the rules, the regulations, and the statutes. That's the compliance side. The other one is propriety, which is doing things in a proper way. Rather than propose rules and regulations, the Gomery commission—and I'm fully in support of what Justice Gomery recommended here—said that ultimately propriety boils down to an accounting officer asking herself or himself two questions when faced with a difficult decision. One is, could I satisfactorily defend this decision before the public accounts committee? And the second one is, since the public accounts committee is there on behalf of Parliament and the people of Canada, could I satisfactorily defend this decision in a public forum?

I should add that Justice Gomery, in putting those in his report, was borrowing from a British treasury document that instructs accounting officers that this is what “propriety” means.

Ultimately, what the committee and the Treasury Board should work together on is building a sense of responsibility and accountability in deputy ministers and their accounting officers, and then having that permeate the department from the top down in a way that I think—in a very distressing way—we've found hasn't happened lately; the administration too often has not met standards.

• (1200)

**Mr. Brian Fitzpatrick:** There's just one other point I want to follow up, and then I'll let other people go at it.

It's the tenure of deputy ministers. We had the last deputy minister from Indian Affairs in and we put this to him. It's not really within his power how long he can stay in the department. Other people control his future, but I think everybody who's had anything to do with that department agrees that we should have some continuity in the management of that department.

Do any of you gentlemen have any suggestions about how, in a systematic way, we can get something like this in place so that the executive branch cannot just switch them into another department and move them around?

**Prof. C.E.S. (Ned) Franks:** I could make a suggestion on that.

I think Indian and Northern Affairs Canada has a problem, but the secretary of the Treasury Board has been in for about two and a half years on average over the last 30 years, and the same is true for the Clerk of the Privy Council. We have real problems, I think, at that level, and that's why I used that not very complimentary expression of a seagull-mission deputy minister.

It's different in other Commonwealth countries. In Australia, there's a standard five-year expectation of service. My memory is there's some restriction on how they can be removed in that period. Even if they're shifting to another department, it has to be done through some approval of the legislature, but I'd have to check on that. In Britain, deputy ministerial equivalent positions are usually the last ones civil servants hold. They're usually for five to six years.

I would think that if Parliament could insist—and you could do this through a motion and then just follow up on it in Parliament—on a formal requirement that deputy ministers serve for five years, and that Parliament be notified and formal reasons given for anything shorter than that, then you'd be on the right track.

I think you're absolutely right: I don't believe we can have responsibility and accountability in a serious way until the very senior people—the accounting officers, as they're listed—stay there long enough to live with the consequences of their decisions. I share your concerns.

**The Chair:** Professor Malloy, do you have anything to add to that?

**Mr. Jonathan Malloy:** One of the greatest problems of our accountability system generally is the short tenure of people in various positions—deputy ministers, ministers themselves, and frankly, members of committees, including this one. I've spoken particularly on that point.

I agree with Professor Franks. The obvious solution is to have established expectations of tenure of four- and five-year terms, and so on—with the provision, of course, that there be flexibility and a chance to move things; these are not necessarily fixed terms.

Right now there's no expectation of how long a deputy is going to serve. There's almost an assumption that he or she will be moved in two or three years. If we went to an expectation of normal four- or five-year terms, it would give much more predictability. Of course, that can be applied to other positions as well.

**The Chair:** Mr. Wrzesnewskyj is next.

**Mr. Borys Wrzesnewskyj (Etobicoke Centre, Lib.):** Thank you.

I have three items I'd like to touch on. They all flow out of the special role we have as the public accounts committee. I'll be repeating things that we're aware of.

Public accounts is quite different from the other committees in the sense that we do not develop policy; we're here to hold the government to account. I think we've somewhat reflected that in the position of the chair being from the opposition. But I've always felt that because their currency is ideas and thought, standing committees that deal with policy should have resources that are adequate enough to travel the country and do the research, etc.

Quite rightfully, the electorate makes a decision and the committees should proportionately reflect what the electorate has

decided. Being quite different in intent, I've always thought that public accounts should be a mirror reflection of the proportion of seats won in the elections. So if there is a majority government, it's the opposition parties that should actually hold the majority of seats. The greater the majority, the greater the number of opposition members who would sit on the committee. This is because the greater the majority you have in government and the longer the time, the greater the potential for a lack of accountability. In terms of the actual structure of the committee, besides the chairmanship, I've always thought that might be an interesting idea to discuss.

In terms of resources, one thing that's always worried me is when the Auditor General says they use a reference point of \$1 billion, and when there are issues that are \$1 billion or greater, they take an interest. They may or may not do reports on other issues that are raised through whatever means. That's always unnerved me. Let's say there's a \$100 million issue. Well, if it's not dealt with in 10 years, it becomes a \$1 billion issue. We're not doing our job unless we can address these sorts of issues in an expeditious way.

Once again, flowing out of the thought that this is a very different committee, our resource base should be significantly different and allow us to have researchers who would potentially do initial—

• (1205)

**Mr. John Williams:** Did you propose this, Mr. Chair?

**Mr. Borys Wrzesnewskyj:** We're having a very open discussion here today.

**Mr. John Williams:** I'm just trying to recall—

**Mr. Borys Wrzesnewskyj:** Save the partisan comments for later.

**Mr. John Williams:** This point came from the Liberal Party when they were in opposition.

**The Chair:** I remember someone making that motion, but it wasn't me.

**Some hon. members:** Oh, oh!

**Mr. Borys Wrzesnewskyj:** I believe we're the ones; we're the vehicle that is used to report to Parliament. We don't want to make these sorts of assumptions, but should there be a case, theoretically, of malfeasance or breaking of rules within the Auditor General's offices, obviously we don't have the resources to go after that.

Who would we turn to? I would assume it would be the RCMP that would have the resources. The RCMP seems to be of a thought that if there is that sort of problem, the Auditor General herself would have to call them. That seems to be a conflict of interest.

So there are those three items.

**Mr. Jonathan Malloy:** There are a variety of things to respond to.

On the first issue of PAC membership, many people make the point that for better or worse, this is not a very sexy committee. I think that's the phrase people tend to use. When I was talking earlier about the different roles of members and so on, it's very difficult for members to go back to their constituents—and you would know this—and talk about some of the more abstract accomplishments, as opposed to talking about the policy that one has introduced, or perhaps about some incredible scandal of small waste that they uncovered. Those are the sorts of things one could communicate to constituents, and I think it's easier to do that on some other committees.

Your suggestion about the reversal of the seat proportions is quite interesting. Of course, the underlying assumption is that accountability is always a partisan matter, and the bigger the government majority in the House the more opposition members there should be on the committee tends to assume that accountability must always be a partisan matter. It's quite correct, as we've been saying here, that members are members of different political parties, and of course there will always be partisan disagreement.

That sort of arrangement would further encourage the idea that it is the job of the opposition to scrutinize the government, and the job of the government members to then defend the government, which I don't think is always appropriate. Naturally they will feel inclined to do so, but I think this system would encourage government members to dig in their heels, simply defend all, and not really play their own role of scrutiny and accountability.

On the issue of so-called smaller issues, below \$1 billion, or whatever, I think it's important to emphasize that it's not necessarily the job of this committee to chase the money on individual scandals and issues, or so-called scandals, or problems that may not be problems in other people's view. It's more about looking at the bigger picture, about looking at the procedures, the methods of accounting, and other broader principles, rather than necessarily chasing down individual cases. That's obviously part of the job, but I think the real focus for this committee must be looking at the bigger, broader picture and issues.

Individual issues may be a role for the Auditor General, a role for the RCMP, or for other appropriate individuals; it can depend, in each case. This committee can't do all things either. Again, I would think its main contribution is more in the area of the bigger picture of issues, procedures, and structures of that sort.

Professor Franks.

• (1210)

**Prof. C.E.S. (Ned) Franks:** I'll make a couple of comments.

Looking back over the history of the committee from the beginning in 1867, the lure, the trap, in which the committee can fall, is scandal hunting at the expense of worrying about the system and improving it.

I like the balance of an opposition chair and the committee membership in proportion to the representation in the House, because it gives the chair an incentive, as an opposition member, to go after things, and that's balanced by government members.

That's why I emphasized the need for unanimity in reports on the committee. Not everybody gets what they want, but there's an awful lot more power in a report in which every member of a committee from all parties has agreed than there is to a report that's rammed through by a majority. That's where I find that report on ministerial and deputy ministerial responsibility and accountability in Canada was such a tremendous achievement by the committee. As I say, you've gotten extraordinary results out of that. It was really a very good one.

I want to make one other point. In terms of the Auditor General's audit, the sponsorship program was—and I think I'm quoting here —“below the level of materiality”, which means that the amounts involved were not big enough to be a major issue in terms of finance.

On the other hand, in terms of political importance and what it indicated about government finances, it was big enough.

The same is true for the Firearms Act issues, which the committee has been looking at, in terms of the amounts the Auditor General looks at—\$25 million, or whatever it was in supplementary estimates. It was below the level of materiality, but in terms of its importance in parliamentary control of the public purse, it's much bigger than that.

It seems to me this is something the committee can wrestle with and on which it might want to offer suggestions to the Auditor General and/or the government, regarding what the important issues are. Sometimes very small ones are very important, and they are symptoms of the larger problem, or they symbolize something that needs addressing.

I'll leave it at that.

**The Chair:** Mr. Williams, and then Mr. Nadeau.

• (1215)

**Mr. John Williams:** Mr. Chairman, I want to make a few points regarding what was raised earlier, primarily for the Treasury Board.

I go back to the time prior to the millennium when we all thought that all the computers were going to fail. This committee told the Treasury Board to become hands-on, take direction, and hold departments accountable for their progress or lack thereof because of the impending meltdown.

Fortunately, it didn't happen, thank goodness, because the Treasury Board said it was not their job to police their own rules. They would float them out there, say do this and do that and take the appropriate action, but they had no discipline to enforce what they were saying. The DMs in the departments were little fiefdoms that had too much power on their own. And the Treasury Board ended up slapping them around with a wet noodle and not getting very much done.

On that basis, when you talk about the Treasury Board responding to reports and not the Auditor General, I'm a little concerned that Treasury Board would be more inclined to say that all is well. We saw from their complicit involvement in the firearms situation—Jim Judd was the secretary of the Treasury Board at the time—that they are not there to uphold the central, core values of administration; they are there to get the job done, Mr. Chair.

I like the idea that the Treasury Board perhaps enunciate and elaborate on the accountability of DMs before this committee. But I'd like to see that decision in a recommendation approved by this particular committee, because the new Federal Accountability Act says that the DMs are accountable before Parliament, and surely that's up to us to determine, not up to the Treasury Board. I recall Professor Franks' comments about the Treasury Board publications tabled at this committee last fall, and they were none to kind, if you may recall, Mr. Chair. That was on the doctrine of accountability and ministerial accountability and so on. Therefore, I wouldn't want to delegate this to the Treasury Board.

I think, Mr. Chair, that out of this discussion we are having today, we should think about a report on things like that.

The other point I want to bring up is this. I don't want Mr. Sauvageau to think I was dismissing his concern, because it's a valid concern, and I really didn't have an answer for him, because Parliament is not an institution of management. Parliament is an institution of accountability. And we have to get that clear in our minds. We are not part of the management structure of government. Therefore, if we see something going off the rails, we jump in and make it right.

Because timeliness is important to ensure credibility if the issue becomes public—the issue he was talking about, which was the aquatic centre in Montreal—I thought the Auditor General should write to the Comptroller General and seek his assurance that all is well. This puts the Comptroller General, the chief accountant for the Government of Canada, on the hook for assuring the Auditor General that he has the tools and mechanisms to just jump right in and ask if this is being managed appropriately. And his report can be tabled here.

**The Chair:** Could this committee write the Comptroller General and ask if all is well?

**Mr. John Williams:** That is a matter for debate, Mr. Chair. I haven't had time to think it through properly, but an assurance by the Comptroller General, who has the capacity to act rapidly and the powers as chief accountant to get the job done, may be something we want to explore.

I do want to put on the record, Mr. Chair, the issue of the Gomery inquiry recommendations. I felt that they tinkered around the edges of Parliament. They were not substantive enough. They were not central to the fact that Parliament is the highest democratic institution and that government reports to Parliament. They recommended more money for the public accounts committee and longevity for DMs and so on, but they didn't address and rebuild or emphasize the need for Parliament to be a strong, democratic institution. And we have allowed our powers—over I don't know how many years, but it may even be generations—to be eroded and frittered away, tiny bit by

tiny bit, until now, in many ways, we are subservient to government, rather than the other way around.

I was hoping that the Gomery commission would be a restatement of the grand design that Parliament is the highest body and is holding government accountable. Mr. Chair, as we all know, the Federal Accountability Act largely adopted many of the recommendations of the Gomery report, and therefore, by continuation, was just tinkering around the edges, rather than reinforcing the whole institution and trying to rebuild the institution as a strong democratic force.

• (1220)

**The Chair:** Those are points that I have concerns with, this whole issue of institutional accountability. It's certainly not in the Federal Accountability Act, as far as I can see. If Gomery tinkered with it, that didn't come right out.

Do you have any comments, Professor Franks or Professor Malloy?

**Prof. C.E.S. (Ned) Franks:** I'll lead off on this. Jonathan might want to follow.

In the narrative of the Gomery commission, not the recommendations, you'll find it stated that there are three fundamental principles of our parliamentary democracy: one is supremacy of Parliament, two is ministerial responsibility, and three is rule of law.

Then the report goes on to say that the government's interpretation of ministerial responsibility and its sense of ownership of that doctrine privileges ministerial responsibility above supremacy of Parliament, and that the government has not listened to what Parliament has been saying—meaning this committee—on how it wants to hold government accountable, and primarily how it wants to hold the public service and other agencies accountable to Parliament.

It's fair to say that the recommendations did not deal with that, but the narrative does. The intent was very clear. It was to strengthen Parliament. The question is that when you're strengthening an institution like Parliament—and here, particularly the public accounts committee—you have to deal with increments. You can't just say "Let the system change" and it will change. You have to say this, this, and this has to be done.

At that point, let me suggest that the thing I raised earlier, which is not expressed in any strong form in the Gomery commission report, about the need for a protocol on the responsibilities and accountability of accounting officers before this committee, is a key, and it has to be something this committee is comfortable with and agrees to.

Putting that another way, regardless of how that document is produced, it has to be one that this committee buys into, as well as the Treasury Board. It seems to me it's only at that point that this committee and the Treasury Board can work together to strengthen the Treasury Board, as well as Parliament's control over the public purse, through the accountability process.

But I do emphasize there that ultimately the terms and conditions on which accounting officers appear before this committee are up to the committee and Parliament to determine.

**The Chair:** Mr. Malloy, do you have anything to add?

**Mr. Jonathan Malloy:** I'll just add a bit to that, especially in regard to incremental change.

The Gomery recommendations may seem perhaps more timid and more tinkering than they could have potentially been.

The improvement or reform of Parliament must never rely on the idea, particularly, that there was once a golden age and it's a case of re-establishing Parliament where it was. Certainly if one looks back historically, Parliament has been struggling with certain problems for many years. I'm not sure there ever was a particularly golden age for Parliament.

Indeed, any changes, of course, are more about attitudes and our general political system as a whole. Some of the more macro-level factors of the way political parties operate, the way members are elected, the turnover of members in the House of Commons—something that, of course, voters have control over—all those, really affect the workings of Parliament. Those are changes that are beyond any committee or even Parliament itself, in many ways. They're part of our political system as a whole.

So the more incremental changes, in fact, I think, are perhaps the more important ones. If one looks back to the McGrath recommendations of 20 years ago, those were fairly expansive, at least in their ambition to try to restore Parliament—in some ways, restore it back to a so-called golden age. Those McGrath reforms did not change Parliament dramatically, but they certainly did have some important changes, particularly for committees in their work. Those were the more incremental, tinkering changes, and I think those have been very good, particularly for the House of Commons.

I'd go back to the beginning. It's incremental change that I think is more effective. The more one tries to aspire to greatly restoring Parliament or changing it in a great way, the more one is, in some ways, doomed to failure, because one is struggling against much larger factors and variables that are beyond the control, frankly, of this chamber; they are rooted in our society.

• (1225)

[*Translation*]

**The Chair:** Mr. Nadeau.

**Mr. Richard Nadeau (Gatineau, BQ):** Mr. Chairman, I have a comment to make and it's somewhat flattering. I don't know if you're familiar with the Gaulish character Obélix, but when I listen to Mr. Williams, who is so well-versed in the basic tenets of this committee, I think of the time this cartoon character ingested a magic potion.

Your knowledge amazes me, sir, and provides ever more insight into my role on this committee. Thank you.

Secondly, over the past three months, certain information has come to my attention. The annual operating budget of the federal government is approximately \$200 billion. That's a colossal sum of money. For the sake of comparison, one penny in my pocket is likely equivalent to one million dollars in the government's pocket. Therefore, we're talking about a fairly substantial sum of money. We

have to remember that Canadian and Quebec taxpayers who sent their money to Ottawa in return for services are entitled to know how these dollars are spent. That's what is really boils down to.

When I was asked to serve on the committee, I gladly accepted. I equated the work that I would be doing with that of the monks — I don't know whether it was the Franciscan or the Benedictine monks — in Umberto Eco's novel *The Name of the Rose*. I visualized myself sitting in a tower pouring over every single accounting book of this glorious nation in an effort to understand where exactly the pennies were being spent, particularly in light of the recent so-called sponsorship scandal that shed light on the rather shocking way in which the program was managed and on why the government acted as it did.

Having said that, another reality that we must endure by virtue of our association with politics is electioneering. It's mandatory for us and partisanship plays a certain role, whether large or small. Every comment made is scrutinized.

The fact remains that through the work we want to accomplish in this forum, at least as I see it, we hope to make the word “accountability” mean something to our constituents and to make things better. Whether it's the Canadian government, the Quebec government or some other level of government, there needs to be accountability.

I could go on, but I think I've said enough. Our objective is political accountability. We hear from individuals who are, or who have been, senior public servants, who are involved in some way in the study that we are doing and who are invited to answer our questions and help us find solutions or answers to troubling questions or pressing issues.

There is something very mechanical about being allotted eight minutes, plus a further five minutes, for questions and answers. Is 13 minutes really enough time to examine anything in detail? Admittedly, it helps to be familiar with an issue. However, when that's not the case, it is our duty to familiarize ourselves with the subject-matter at hand, although that can be a somewhat tedious. However, I'm up to the challenge.

This is merely my impression and you can correct me if I'm wrong. However, upon asking certain questions of witnesses, I got the feeling that they were more interested in hiding certain facts details than they were in providing informative answers. Perhaps I'm being overly critical, but it seemed to me that they would spend 30 seconds actually answering a question and four and a half minutes on prefacing their remarks. When this happened, I felt like they were pulling a fast one on me, so as to try and steer me in a different direction.

•(1230)

I don't know if there is a simple answer to my question as to how to address this particular problem. I've seen one tactic employed in this committee, as well as in the Government Operations and Estimates committee. For example, members are better off asking four questions right off the top, knowing that they only have five minutes. At least they get to ask four questions. Then, if a member doesn't seem to be making any headway with a witness, he can interrupt him and try and move on to another question. That's how it goes. I get the feeling that the witnesses are sometimes dismissing our concerns rather than offering up possible solutions.

In light of your study into the operation of this committee, what do you suggest we do to improve this situation? Or, is my perception really off the mark?

[English]

**The Chair:** Mr. Malloy, would you like to respond?

**Mr. Jonathan Malloy:** There are a number of items there. You referred to some of them as more mechanical issues—the format of questioning, the rotation, and things like that. It's certainly true, I think; it's widely felt that it's not the most preferred system of getting at the heart of the issues the committee wants to discuss.

However, it's not just a mechanical issue. There certainly must be ways in which each party and each member can have a say, and I think committees have found that unfortunately it's probably the best they can do in terms of a format and there isn't necessarily a better mechanical way of solving it, because indeed, as we keep saying, this is a political committee. The members represent different perspectives, different ideologies, different parties, and unfortunately sometimes we have to have these mechanisms that are not ideal but are preferable.

The other issue you spoke about was whether things simply become more murky rather than more clear in questions, and particularly how issues like that may make inquiries more murky.

I suppose one person's murkiness is another person's actual attempt to clarify the issues, to bring in the full facts and the context. Again, that's often a matter of political disagreement: what is a problem to one side is a solution or a clarification or something like that to another side. I think it's up to this committee, in its own way, to try to work through that, to try to figure out how they can all agree on what is a problem, what is a solution, and what makes things clear. I think every time one member thinks things are becoming more murky, another might think they're simply trying to get the full facts and the full issues, even though it becomes more complicated, which is not the same as being more murky.

**The Chair:** Professor Franks.

**Prof. C.E.S. (Ned) Franks:** I'll give a very short answer on it.

There are two options. I think there's a third that would probably be rejected, which is that you designate lead questioners for each area; give them, say, 30 minutes each; and then go on from there.

Of the two options, one is to meet in camera, because you can have a much more relaxed investigation without the attention of the press and the public. That's why your organizational meetings, discussions, reports, and other similar discussions are often in

camera, but there is a disadvantage. It's observable, for example, in Britain, when the public accounts committee met in camera, that maybe four or five members, at most, participated in the questioning, and maybe 30% to 50% of the questions would be asked by one member. Once it started meeting in public, it was the same as in this committee: it has 10 minutes per member and that's it.

The other possibility is to follow the Quebec model.

•(1235)

[Translation]

The Quebec National Assembly allocates a certain amount of time to each political party, rather than to each MNA.

[English]

Each party gets an amount of time, and then it's up to the party to decide how it uses that time. That might be worth considering. I have a slight reservation about it for this committee because it emphasizes the party differences rather than the importance of the individual members.

These different possibilities can be looked at.

**The Chair:** Professor Franks, on an experimental basis, this committee attempted to do something similar to what you suggest and have an in camera briefing on Monday dealing with the issues, with the idea that members would be better briefed and the staff would be here when the shells started on Tuesday and Thursday. It really didn't work. The fault was both on the members and on the witnesses. The members dealt with it as just another meeting and went right to the political event. The witnesses, instead of dealing with it as a briefing, came with a dozen staff and were here to sometimes muddy the issue, as Mr. Nadeau says.

We abandoned the idea after two or three weeks. It didn't suit the purpose we thought it might when we started it, and we did try. We might try something again in a different format in the fall, but that was the thought process behind it, and that's what we did. But we all felt it didn't work.

**Prof. C.E.S. (Ned) Franks:** There is one other possible way of doing it, and that would be to have the steering committee meet after some work by the staff, on the lines of questioning the committee might want to take. Then the steering committee would decide how those questions are going to be divided among members and try to encourage members of their parties to adhere to that.

I would like to make one comment in response to Monsieur Nadeau's comment that sometimes the water is muddy. Stephen Leacock, who was a great Canadian political scientist, once referred to one of his colleagues and said that every time he lit the lamp of learning he filled the room with smoke.

**Some hon. members:** Oh, oh!

**Prof. C.E.S. (Ned) Franks:** We all suffer from that problem.

**Mr. Brian Fitzpatrick:** In the business of law we used to say sometimes bull baffled brains, and I think quite often this is what happens in these committees.

• (1240)

**Mr. John Williams:** Is that a full quote?

**Mr. Brian Fitzpatrick:** I left one word out. I don't want to have things coming up in Parliament on the last day.

The other thing I wanted to mention is that during the very first meeting we had, I thought the MPs tried to understand the facts and the issues. That's the way we tried to approach it. It was like an examination for discovery, which lawyers would understand. What I found was that the bureaucrats we were trying to hold accountable used that so that when they did come into the public hearing they had their game plan all figured out and they really "murked" the waters. That's the way I saw it. My experience was that this was not very helpful because they were exploiting the situation.

If I could raise one more question before I leave, I want to get this point. On the gun registry—I'm going to be more precise here. I said Treasury Board before, but I'm really thinking of the Comptroller General. I see deputy ministers trekking down to the Comptroller General to ask if they can do this. The Comptroller General tells them there are only two options; there aren't any other options. You either blow your budget or you come back for supplementary estimates. Even the Comptroller General gets a legal opinion, at some point, to say these are the options.

Lo and behold, they go off on their own, leave the Comptroller General out of the picture, get their own legal opinions, and say there's a third way they can do this and they can just ignore the Comptroller General.

To me, this is astounding. The Comptroller General actually resigned because of this situation. They brought in another Comptroller General who apparently said this was okay.

In my view, the Comptroller General is there for the deputy ministers to go to, to seek advice and guidance. They follow this advice and guidance; they shouldn't have the discretion to go off on their own and find some other creative way of getting around the rules. The Comptroller General, as a professional person, tells them these are the rules and this what you have to do. For them to go off on their own and do something else, I find astounding.

I'm really starting to think, to be more precise on this point, that we should have the Comptroller General somewhat accountable to this committee as well, and clearing the air as to who the boss is on these issues. Is the Comptroller General or the deputy minister the boss on the rules of financial management of the operation?

**The Chair:** Mr. Fitzpatrick has said that what you do is write a report for us.

**Prof. C.E.S. (Ned) Franks:** May I respond?

Mr. Fitzpatrick, in your euphemism, the Latin that you can get away with in Parliament is *stercus taurinus mentem confundet*, if that's of any help to you next time you want to express your sentiment. But leaving that aside, I feel in my gut that the Comptroller General is the official in the Treasury Board with whom this committee should have a primary relationship.

The Federal Accountability Act gives the Secretary of the Treasury Board a position of offering what one might call rulings—they're not quite that—to deputy ministers when there's a dispute on an issue. It's not fair to say that the current Comptroller General agreed to that. I don't think he was even there at the time this happened. But I do think the committee has to make sure that the Treasury Board fulfills its duties.

On the issue that you're looking at in the firearms, you're legitimately entitled to ask a question of why wasn't the Treasury Board's view observed. The answer might be that only one official in the Treasury Board expressed a strong opinion on it. I'm not sure, but I do think this committee is entitled to say, we want an official of the Treasury Board to be the one who is responsible for Treasury Board oversight of accounting officers. I think the appropriate one is the comptroller of the treasury, and then that would be the one to whom your questions would be addressed. One simply hopes the Comptroller General is not on a seagull mission.

**The Chair:** Mr. Wrzesnewskyj, is there a point you want to raise?

**Mr. Borys Wrzesnewskyj:** Yes. Earlier when I raised three items, the third one wasn't dealt with, and that's holding the Auditor General to account. There was a situation where the process was broken. You had an Auditor General report being leaked to the press and a request for an RCMP investigation. The RCMP responded that an investigation of the Auditor General has to be requested by the Auditor General. I thought this was in fact a conflict of interest, and it's quite perplexing that the RCMP would make this sort of decision.

I think it's quite clear that we are the body should there be that sort of potential problem with the Auditor General's office. Or in that process we would be the body that perhaps not investigates, because we don't have the resources and there may be an appearance of conflict, but would be able to call upon a body such as the RCMP to go in. What are your thoughts on that?

**Prof. C.E.S. (Ned) Franks:** I'll offer you several remarks. First of all, every report produced by the Auditor General is available to the government beforehand and every word in it is looked at by the government. The expectation is that by the time the Auditor General produces a report in public, there are no problems of questions of fact in it. However, what this means is that there are people within government who have read the report. One must not make the assumption that the leak came from the Auditor General's side. It could have come from the other side. There's an old adage that three people can keep a secret as long as two of them are dead. My impression is that at least three ministers had seen that report, plus their deputy ministers, plus people in the ministers' offices. I make no assumption that the leak came from the Auditor General. That's point number one.

Point number two is that if I remember correctly, and I believe this is correct, the Auditor General is an accounting officer under the Financial Administration Act and hence has an accountability relationship with Parliament like every other parliamentary agent. There is room for the committee there to review the Auditor General from the accounting officer perspective.



Apart from that, I would think that the committee should stay out of that whole issue because there might be a conflict of interest in it—an informal conflict of interest. I don't think it's a legal conflict, but it would be better for another committee to look at that one.

•(1245)

**The Chair:** Gentlemen, we're down to the last few minutes, so if anyone has any short snappers or any comments....

Mr. Williams.

**Mr. John Williams:** Mr. Chairman, thank you.

We have talked a little bit about more funding for the committee, coming out of the Gomery recommendations. I'm not sure that we have any opinions on that, but we have talked about it.

**The Chair:** We'll get the witnesses' view.

If we got more resources, what form would that take?

Is that what you're getting at, Mr. Williams?

**Mr. John Williams:** I don't know how we could supplant the Auditor General doing her work, with her budget, her staff, her professionalism, her non-partisanship, and so on. I don't know that in any way, shape, or form we could supplant that, except if there were this nexus—the term I used—that is getting close to policy.

I used the concept of longevity of deputy ministers. I don't think the Auditor General would ever go there, because it's getting very close to the prerogatives of the Prime Minister as to who sits where and for how long.

Now, we may want to do an investigation on that, because—

**The Chair:** But she got pretty close to it in the last Indian Affairs report. She called it “sustained management attention”.

**Mr. John Williams:** Yes, but I'm not sure she would do a whole chapter or investigation on the issue.

So on these issues that are perhaps, if I can be blunt, too sensitive for the Auditor General, not because they're sensitive in other ways but because they get close to policy, we may have a role to play there. Therefore, the witnesses' comments would be appreciated on that.

I think it has been agreed by everybody that we should stay away from bringing in ministers. In my term as the chair, three times we brought in ministers, and the committee immediately went totally and completely partisan.

The fourth time, actually, it stayed the course. That was when we brought in the Minister of Indian Affairs and Northern Development, because the whole committee was incensed at the Auditor General's report and the lack of commitment by the department to address the issue of education. The committee actually stayed together the fourth time, but on the first three, we just broke down. So I think there is general agreement that we stay away from ministers.

**The Chair:** Perhaps I will ask for the witnesses' comments on those points, but again, also—if you don't mind addressing this question—the Gomery report made the recommendation that this committee receive more resources. Have you any thoughts or views as to what form they would take?

**Mr. Jonathan Malloy:** As I said before, it doesn't do much good for this committee to have its own investigatory team, such as a team of forensic accountants, who would do the sort of work the Auditor General does in terms of so-called strictly fact-finding.

Where I think more resources would be useful for this committee, and for other standing committees as well, is more in terms of the digesting of the information, particularly the Auditor General's reports, and frankly, in the preparation of the committee, in preparation of members for hearings.

As I keep saying, you're very ably served by the staff you have, and generally, in fact, in speaking to members of the previous incarnation of this committee, I didn't find any great sense from those members that the committee needed to have a lot more staff. So there doesn't seem to be great demand. But I do think this committee and other committees could be much better served with staff that can help, not so much necessarily in the accounting and other so-called technical or professional matters, but in some of the things that Mr. Williams has been talking about, about preparing the committee for navigating political waters. It is quite possible to have very competent non-partisan committee staff that can assist the committee in that regard.

Those are the things that I recommended in my report to the Gomery commission. I believe that's what Justice Gomery had in mind in his recommendations, rather than simply duplicating the investigatory professionals that the Auditor General currently has at her disposal. I don't think it should be the job of the committee to duplicate that, but it is in this nexus of more political matters where the committee and the members could be perhaps better served.

•(1250)

**Prof. C.E.S. (Ned) Franks:** The recommendation of the Gomery commission report that this committee should have more resources should be read in the context of his general recommendation that all committees should have more resources.

Just to make a point on that, the Gomery commission did not recommend a parliamentary budget officer or parliamentary budget office. A proposal to have that was made in one of the research reports for the committee by the Parliamentary Centre, but Justice Gomery felt that a broader kind of support for all committees was more important.

I think the real challenge is not just to heap resources onto the committees, but for the committees to want those resources and to know what they want them for. It seems to me this committee has a job to do that, because my impression is that the government would be quite sympathetic to that kind of proposal, and Parliament would be, but you'd have to justify what you want them for.

**Mr. John Williams:** [*Inaudible—Editor*]...the issue of witnesses, as we have basically agreed. Does anybody have a comment to the contrary, Mr. Chair?

**The Chair:** I certainly agree with that recommendation. You're talking about the reluctance—

**Mr. John Williams:** That we stay away from ministers, by and large.

**The Chair:** My view was that unless there's clear and cogent evidence that the minister was involved in the misappropriation or the maladministration, we don't call the minister. The deputy or the senior officer is basically the person we're looking to have before the committee. That's the way I've always approached it.

I agree that any time we get a minister here we're just getting a whole parade of people. They just give the line, and it's not helpful to the committee's investigations—or it hasn't been, anyway.

Professor Franks, Professor Malloy, on behalf of the committee, I want to thank you very much for your presentations. We've always enjoyed our relationship with both of you people, and we've always benefited extremely by your advice and your insight. You give us a bird's-eye view from the outside. I think it's beneficial to do this periodically and to get these comments and views.

Geoff, I want to thank you also for joining us here. We certainly look forward to a relationship with your foundation.

Before we adjourn, are there any closing comments you want to add, Professor Franks?

**Prof. C.E.S. (Ned) Franks:** In line with my previous comment, I hope your bird's-eye view is not a gull's-eye view.

**The Chair:** Since this is the last day of Parliament, colleagues, I want to wish everyone a very good summer. I look forward to resuming meetings in September.

This meeting is adjourned.

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