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Chair

Mr. Paul Szabo

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Standing Committee on Access to Information, Privacy and Ethics

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• (1005)

[English]

The Chair (Mr. Paul Szabo (Mississauga South, Lib.)): This is the 46th meeting of the Standing Committee on Access to Information, Privacy and Ethics. It has to do with the Conservative Party of Canada's activities during the 2006 election in relation to certain election campaign expenses, and the ethical standards of public office-holders as a consequence.

Colleagues, as you know, the committee submitted a list of 79 witnesses. I want to first report to the committee that the clerk's office did an excellent job in making all attempts to contact these proposed witnesses. The chair had no direct contact with any witness at any time, other than Mr. Mayrand, whom you know I spoke to in our last meeting, and Mr. Saunders, the public prosecutor, who contacted me with regard to questions about their appearance.

I'm not going to give a full report on the 79 witnesses, but I can indicate that a very large number of them gave valid or compassionate reasons for not being available to appear before us during these four days of hearings.

I also will indicate that on July 31 I did in fact issue summonses for 31 persons. These summonses were issued because there was no response to our invitation to appear, or they declined to appear, or they would not confirm their attendance on the day. Those who responded, as I indicated, with valid or compassionate reasons were not summonsed.

I want to also indicate to members that I have received an opinion from the law clerk of the House of Commons in regard to the *sub judice* convention. As you know, it is a voluntary convention. It basically is a statement that a witness will not be able to answer a question because it involves another proceeding in which they are a party. However, in regard to our hearings, since Mr. Mayrand's situation was specific, the law clerk has indicated that the *sub judice* convention is not—and I repeat, not—a valid reason for not answering a question. Mr. Mayrand did invoke that privilege as it was agreed upon as a condition of his appearing as a witness, as you know.

Finally, with regard to general process, this morning we have six witnesses on the orders of the day. On Friday, one witness wrote to the clerk advising that this was the only day they would be available, but that did not happen until after summonses had been issued and the notices of meetings with the witness schedule had been put in place. This morning we do have five of the six witnesses, I believe, who have appeared. This is a two-hour session. It's going to take the two hours to deal with them. However, the witness who wrote to the

clerk, which I found out about on Friday, has appeared this morning. That is Mr. Doug Finley. As you know, he's the campaign manager of the Conservative Party of Canada's campaign.

I responded on Friday to Mr. Finley that we did not have time this morning to hear him. He was scheduled to appear on Wednesday. I also offered, because of our light schedule on Thursday, that this would be another opportunity for him to appear. At this time I'm proposing to move forward with the actual scheduled witnesses, and should there be time at the end, we will deal with Mr. Finley, if that's acceptable to the committee.

• (1010)

Finally, with regard to—

An hon. member: On a point of order, Mr. Chair, please—

The Chair: Let me just finish my opening statement.

Finally, with regard to the timing of the various sessions, although they're generally specified, as you know, the committee can go for a period that they feel is appropriate to a logical stopping point. We're going to be somewhat flexible. I'm not going to just cut people off.

The last thing is that I'd like instruction from the committee. As you know, during the hearings before the public accounts committee, all witnesses were sworn in. I'm seeking whether or not the committee is of the view that witnesses in this proceeding should be sworn in.

Could I get an indication?

Some hon. members: Agreed.

The Chair: To swear them in? Okay. So all the witnesses will be sworn in.

That said—

Mr. Gary Goodyear (Cambridge, CPC): I have a point of order, please, Mr. Chair. You're jumping ahead. You have to recognize the point of order.

The Chair: I will.

Mr. Gary Goodyear: You have to recognize it right away, Mr. Chairman. It may pertain.

The Chair: Okay.

Then on the matter of points of order, as you know, Mr. Goodyear, points of order relate to repetition, relevance, or procedural matters. If you have a point of order, sir, I'd like you first to indicate the basis—is it repetition, relevance, or procedural—before you state your case.

Mr. Gary Goodyear: Well, this is procedural, but now you've raised a second point of order. I would like to see the standing orders that say a member has to do that in calling a point of order. Once again, Mr. Chair, you're inventing the rules as you go.

But that said, on my procedural matter, with respect to the witness, Mr. Doug Finley, I would actually request that the chair allow this witness to appear. As members know, Mr. Finley was in fact—

The Chair: Order, please. Order.

Mr. Gary Goodyear: I'm speaking to my point of order.

The Chair: Order. You are debating, Mr. Goodyear.

Mr. Gary Goodyear: No, I'm not. This is a procedural matter, where the chair has the right to change the schedule.

The Chair: No.

Mr. Gary Goodyear: It's a procedural matter.

The Chair: I understand that.

Mr. Gary Goodyear: My point of order is—

The Chair: Order, please. Order, sir.

Mr. Gary Goodyear: —that I appeal to the chair to simply accept the rules—

An hon. member: I have a point of order.

Mr. Gary Goodyear: —that the chair can make the decision to add a new—

The Chair: Mr. Goodyear—

Mr. Gary Goodyear: I don't know why you don't want to hear from one of the most important witnesses. Why are you trying to control the witnesses' testimony? Do you not want to hear the truth, Mr. Chair?

We have one of the most important witnesses before us today who has said that he's not available on Thursday. We have only three witnesses this afternoon. It's quite easy to get all these witnesses in today. I would appeal to you on procedural grounds that you stop being partisan and allow the witness, Mr. Doug Finley, who played a major role in the campaign that we're talking about—

The Chair: Order, please.

Mr. Gary Goodyear: Please stop being partisan. At least for a moment pretend that this is a parliamentary committee.

The Chair: Order, please. Order.

Thank you for that.

I'm sorry you did not hear what I said earlier.

•(1015)

Mr. Gary Goodyear: I called my point before you said that.

The Chair: Excuse me, sir. I gave a decision that we would hear

Mr. Gary Goodyear: I called the point before your decision, Mr. Chair.

The Chair: Order.

Mr. Goodyear, you don't have the floor, sir. Please let me finish my statement.

As I indicated in my opening statement today, we did receive confirmation of the witnesses who are before you. It's a two-hour session. It's going to take some time. I did indicate that we would hear from Mr. Finley after these witnesses. That's not denying to hear.

An hon. member: I have a point of order.

The Chair: Just a moment.

An hon. member: You have to recognize his point of order.

The Chair: Yes, when the chair finishes his statement.

An hon. member: No, immediately.

The Chair: No, that's not true.

That is what I had indicated. I know that Mr. Finley has a busy schedule and he indicated that this was the only time he could be here. We're trying to accommodate him, but because we had—

Mr. Gary Goodyear: I have another point of order on procedure.

The Chair: Because we have other scheduled witnesses who also have travel arrangements, I want to deal with these witnesses who are on the notice paper.

Okay, Mr. Del Mastro, you said you had a point of order.

Mr. Dean Del Mastro (Peterborough, CPC): Yes, I do.

The Chair: Could you state the basis first?

Mr. Dean Del Mastro: Yes, it's pertaining to relevance, Your Honour.

The relevance of Mr. Finley is that since this is pertaining to the Conservative Party of Canada 2006 election campaign, contrary to the Standing Orders that govern this committee, it would seem to me that it's relevant that we hear from Mr. Finley ahead of any of the other witnesses you have scheduled for this morning.

You indicated, to begin with, that you had such a difficult time finding witnesses, such a difficult time, that you went to the extraordinary measure of sending out summons. We have a witness you should very much want to hear from, as should the members of the jury on the other side, and I encourage them to allow Mr. Finley to be the first speaker on this matter.

The Chair: Please be aware that Mr. Finley was summoned to be here because he did not respond to our request.

An hon. member: I have another point of order.

The Chair: We have witnesses and we have work to do. The witnesses have now been sworn in—

Some hon. members: Point of order.

Mr. Gary Goodyear: Mr. Chairman, the rules are very clear. You have to recognize points of order.

The Chair: Mr. Goodyear, the chair can certainly hear points of order, but—

Mr. Gary Goodyear: It's not “can”, but “has to”.

The Chair: Yes, but not precisely when someone—

Mr. Gary Goodyear: That's not the case, Mr. Chair.

The Chair: I'll deal with that.

Do you have a point of order? What is the basis of—

Mr. Gary Goodyear: It's procedure, Mr. Chair. It is not true that the chair can wait to hear a point of order, because that simply allows the chair to make a ruling—

The Chair: That's debate.

Mr. Gary Goodyear: No, it's procedure. I'm not debating with you; I'm telling you that if the chair were allowed to continue ad infinitum, then the chair could make a ruling that couldn't be challenged by the jury on the opposite side, which would shut down debate. You have to hear a point of order right away. It's procedural. I really do wish you would respect the procedural rules of this House. It's fair.

This is becoming a very dishonest and partisan chamber. You're not even listening to me, Mr. Chair. Perhaps you should listen during your briefings; you're not listening now.

The Chair: We have work to do.

Mr. Wallace is next on a point of order.

Mr. Mike Wallace (Burlington, CPC): I have a clarification based on procedure, which you talked about before you heard anyone else's point of order. You indicated that you expected six witnesses for this morning's panel, and five have showed up. We have an additional witness.

Can I move a motion that we hear from the witness who showed up to fill that spot? You were expecting six to start with, so your argument that we have five and it's going to take all morning so we should proceed.... Can I move a motion to hear Mr. Finley?

The Chair: Thank you, Mr. Wallace, for that intervention. The witness who is not here is the official agent for Madame Fortier. I'm not sure yet if that person will attend.

In answer to your question, you have the floor on a point of order, and as you know, you are not permitted to move a motion on a point of order.

Thank you very much.

• (1020)

Mr. Mike Wallace: I want to be back on the—

The Chair: Mr. Martin, please.

Mr. Pat Martin (Winnipeg Centre, NDP): Thank you, Mr. Chairman.

This is not a point of order. I would simply like to make an intervention about whether or not Mr. Finley should in fact be heard today. I would argue it will be unfair to the witnesses who have been called and scheduled if Mr. Finley is heard. It will also be unfair to us, who spent the weekend getting ready to question a certain group of witnesses we were told would be here.

We very much want to hear from Mr. Finley; I think he's a key witness. But there's an order to things that should roll out. When you have 30 or 40 witnesses, they have to be clustered in such a way that there's a logical roll-out and flow of information. Mr. Finley should be heard from at his convenience, I suppose, but not today. He doesn't get to dictate that he'll be heard by this committee just because he shows up. It's also not fair to the other witnesses, who may be intimidated by Mr. Finley sitting there, frankly. He's a heavyweight with the party.

The Chair: Thank you. The committee is the master of its proceedings.

I'm going to recognize Mr. Wallace. He would like to move a motion.

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

I move that this committee adjourn for half an hour; that once it reconvenes we extend the time from 10:30 to 12:30; and that the additional witness to take the place of the witness who did not appear be Mr. Doug Finley of the Conservative Party of Canada.

The Chair: I think that's very clear. I want to put that question right now. I would like the clerk to call the vote, please. I think it's very straightforward.

(Motion negated)

• (1025)

The Chair: I would ask Mr. Finley and his associate to please withdraw from the table so we can proceed with our other witnesses. Thank you very much.

Order, please.

Mr. Finley, as you know, the committee indicated they wanted to hear you. I think the point has been made that members have to prepare. You were not on today's order paper. I communicated with you twice on Friday that we could not accommodate you today and that Wednesday was the scheduled day. It's on the notice on the website. I also offered some willingness to have you on Thursday.

The committee will likely have further meetings. If none of these dates are available to you for good reason, we can reschedule you for a future hearing date. But the committee right now has decided it wants to proceed with the scheduled witnesses for whom they have prepared their questions.

I would ask you again, sir, to please leave the table so we can proceed with the witnesses.

Mr. A Hamilton (As an Individual): Mr. Chairman, it has been clearly stated to you that Mr. Finley is available today.

The Chair: Yes, thank you. Could you please leave the table?

Sir, I don't know who you are, but you're not in order and I'd like you to leave the table.

Mr. A. Hamilton: First of all, I already introduced myself to you. My last name is Hamilton, first initial is A. I'm counsel to Mr. Finley.

The Chair: I need to proceed with the other witnesses, and I'm asking you for the third time to please leave the table so we can proceed with our work.

•(1025) _____ (Pause) _____

•(1030)

The Chair: We are resumed.

An hon. member: I have a point of order, Mr. Chair.

The Chair: We have witnesses to hear, and I would like at this time to welcome Louise O'Sullivan, Ann Julie Fortier, Mr. Gary Caldwell, Mr. Réjean Fauteux, and Mr. Joe Goudie.

Thank you, and I apologize to all of you for the delay in these proceedings. We will want to move immediately to the questioning.

Mr. Goodyear has another point of order that he would like to make.

Mr. Gary Goodyear: It's basically on procedure. It might in fact be a solution to this problem that we're facing right now. I would like to point out, however, Mr. Chair, that I have a procedural....

Oh, I'm sorry, there's no sound? I'm sorry. I'll wait.

The Chair: Could someone check Madame Fortier's channel and volume?

Carry on, Mr. Goodyear.

Mr. Gary Goodyear: Thank you, Mr. Chair.

I think I may have a solution to the situation.

One, although I see the witness has been forcibly removed, I felt that it was probably a good idea to just let the witness sit there, since you yourself.... No, no, it's a point of order.

The Chair: Order, please.

Mr. Goodyear, that matter is dealt with.

Mr. Gary Goodyear: I know you threw him out.

The Chair: The person at the table was not a witness. They appeared when they wanted to appear, not when they were scheduled.

Mr. Gary Goodyear: Mr. Chair, you said that you would hear him later.

The Chair: I'm going to move on now with questioning in the first round.

Mr. Proulx, please.

Mr. Gary Goodyear: No, you're not, Mr. Chair.

I would like to ask if the witness who was just expelled had a statement. To answer Mr. Martin's concern about being prepared, perhaps the witness would be allowed to give his statement out, the printed statement.

Are you not even going to allow the printed statement by the witness?

The Chair: Order, please.

Mr. Goodyear, as you know, the committee had a vote, and I'm going to respect the vote. I'm respecting the vote of the committee, and we will hear from the witnesses when they are scheduled. Thank you. That's not a point of order. You want to debate something that's been decided.

We're going to move on with the witnesses—

An hon. member: On July 16, Mr. Chair, you said that as a member of Parliament and the chair of this committee—

The Chair: Mr. Proulx, for the first round, please, you have seven minutes. Thank you. Carry on.

An hon. member: —dignity and respect for witnesses. Good play, Mr. Chair.

The Chair: Order, order.

I want to remind all honourable members that our witnesses are here to assist us in our work. They're all to be treated with dignity and respect, and I expect that all members will take care.

I'm going to move on. We have work to do.

Mr. Dean Del Mastro: A point of order—

The Chair: We have not done anything that could qualify.

Mr. Dean Del Mastro: Yes, something just occurred that I want to raise a point of order to.

The Chair: We have work to do.

Mr. Dean Del Mastro: Mr. Chair, if I could, just for a moment, you have an agenda. This won't take long, I promise.

The Chair: I'm sorry, this is obstructive.

•(1035)

Mr. Dean Del Mastro: Mr. Chair, on a point of order.

The Chair: I will hear the point of order after the witnesses.

Some hon. members: [*Inaudible—Editor*]

The Chair: Mr. Del Mastro, on a point of order.

Mr. Dean Del Mastro: Mr. Chair, the member Mr. Martin just dropped an f-bomb at the committee. I'm just wondering if he might want to apologize for what he just said.

The Chair: That's not a point of order.

Mr. Dean Del Mastro: Well, it's language unbecoming to this House.

The Chair: Mr. Wallace, please.

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

From a procedural point of view, you know as chair that we often hear an opening statement from witnesses. You went right to questions. I didn't hear you give them an opportunity to make an opening statement.

The Chair: I spoke with them before the meeting started.

Mr. Gary Goodyear: You spoke to them. I'd like to hear what they have to say. Can the other members hear what they have to say? I know you made your own verdict.

Mr. Mike Wallace: This is not your fiefdom, sir. I would like to know, as a member of this committee, whether the witnesses had an opening statement or not.

The Chair: I understand. I understand that clearly, with the number of witnesses proposed by the committee, for everybody to make, especially since we have two people representing one riding.... But I had indicated to the members that if everything is fine, we'll have the questions. And then I'm offering them time at the end, if they want to, to add anything, any matter, that they have not addressed.

It is simply a matter of using our time efficiently. We've already wasted a half-hour on political stunts. I want to move forward. The witnesses will have an opportunity to answer the questions. The witnesses have been sworn in, and each of our witnesses will be offered an opportunity to say anything further.

As you know, you are covered by parliamentary privilege. Nothing you say here can be held against you in any other proceeding. This is the place where free speech must take place. This is Parliament.

I want to proceed now. We're going to have witnesses respond to questions. Mr. Proulx will start, and we'll be doing a rotation in our normal fashion.

Mr. Proulx, please, your questions.

Mr. Marcel Proulx (Hull—Aylmer, Lib.): Thank you, Mr. Chair. Am I on for 10 minutes?

The Chair: You have seven minutes.

Mr. Marcel Proulx: Thank you.

[*Translation*]

I would like to thank the witnesses for being with us this morning. I would like to reassure them by telling them that we will be very respectful of their rights; there will be no intimidation from this side of the table. We simply want to get to the bottom of things to hear their versions of the events.

Mr. Caldwell, I understand that you ran in the 2006 election for the Conservative Party of Canada in the riding of Compton—Stanstead.

Mr. Gary Caldwell (As an Individual): That is correct.

Mr. Marcel Proulx: Mr. Caldwell, could you tell us, you or your official agent Mr. Fauteux who is with you, when, during your campaign, the Conservative Party of Canada contacted you to get involved in its financing strategy, under which you were to be sent money which you would then return?

Mr. Gary Caldwell: We discussed this matter with the official agents over the holidays. Mr. Rivard then called me to discuss it in early January.

Mr. Marcel Proulx: In early January 2006.

Mr. Gary Caldwell: Yes.

Mr. Marcel Proulx: What is Mr. Rivard's first name?

Mr. Gary Caldwell: Michel Rivard.

Mr. Marcel Proulx: What was his role with the Conservatives?

Mr. Gary Caldwell: He trained and advised the official agents throughout Quebec. I knew him in 2004, and he did his work very well. I had confidence in him.

Mr. Marcel Proulx: Mr. Caldwell, could you explain to me how the process was supposed to work in your campaign?

Mr. Gary Caldwell: He told me that the party had reached its limit. In our riding, it was clear that we were not going to reach our limit of approximately \$75,000. Our plans were to spend approximately \$10,000 on advertising. He assured me that the advertising would appear in the Sherbrooke area. The riding includes 60% of the city of Sherbrooke, and we are on the three sides. The money was to be used in a campaign—

• (1040)

Mr. Marcel Proulx: Are you talking about an advertising campaign for you or for the Conservative Party, Mr. Caldwell?

Mr. Gary Caldwell: The Conservative Party.

Mr. Marcel Proulx: In your region or not necessarily in your region?

Mr. Gary Caldwell: For Quebec.

Mr. Marcel Proulx: Mr. Caldwell, were you ever in direct contact with anyone at Retail Media Inc. with regard to the media buy that you have been telling me about?

Mr. Gary Caldwell: No.

Mr. Marcel Proulx: Neither your official agent nor, to your knowledge, anyone from your campaign?

Mr. Gary Caldwell: No.

Mr. Marcel Proulx: Did you have any apprehensions about how the arrangement being suggested to you was going to work?

Mr. Gary Caldwell: I trusted Mr. Rivard, whom I had known since the 2004 election. He is a very reasonable man and a gentleman. I had confidence in him. We were in the heat of the action. I therefore agreed to what he suggested.

Mr. Marcel Proulx: If I have correctly understood what you have just told me, money was deposited into your election campaign account, and almost immediately afterwards, it was withdrawn.

Mr. Gary Caldwell: Yes, within two to three days. There were a few technical difficulties, but I think it took six days.

Mr. Marcel Proulx: Mr. Caldwell, at any time, did your campaign have any control whatsoever over the money that was deposited into your account? We are speaking of a bank account.

Mr. Gary Caldwell: No.

Mr. Marcel Proulx: There was no control. Did your campaign have any influence over how this money was going to be spent?

Mr. Gary Caldwell: No, we did not see the contracts.

Mr. Marcel Proulx: To your knowledge, could your campaign have used this money as it saw fit? Could you have decided to do whatever you wanted with the money that had been deposited into your campaign account by the Conservative Party of Canada?

Mr. Gary Caldwell: Yes, of course we could have spent it locally, but we did not ask to do so.

Mr. Marcel Proulx: You could have quickly spent this money before the Conservative Party of Canada withdrew it from your account.

Mr. Gary Caldwell: No, but we had agreed, before accepting the money, to return it.

Mr. Marcel Proulx: You had agreed not to use it.

Mr. Gary Caldwell: That's right.

Mr. Marcel Proulx: Did the Conservative Party of Canada ever assure your campaign that the transactions it was being asked to do, namely the ins and outs for advertising purposes throughout Quebec, were fully in keeping with the act that governs the way in which elections are run?

Mr. Gary Caldwell: I asked Mr. Rivard some questions, and he was my only contact on this. He told me that it was for local advertising. As I said, I trusted Mr. Rivard because I knew him.

Mr. Marcel Proulx: You told us that you respected him.

Mr. Gary Caldwell: Yes.

Mr. Marcel Proulx: Was it ever implied that these transactions could be serious, or were there any suspicions that there might be anything fraudulent or illegal about them?

Mr. Gary Caldwell: No.

[English]

Mr. Dean Del Mastro: I have a point of order.

The Chair: I will hear it at the end of the questioning.

Thank you.

[Translation]

Mr. Marcel Proulx: Mr. Caldwell, once everything became public, did the Conservative Party of Canada ever contact you to ask you not to talk about it with Elections Canada, the media or this committee?

Mr. Gary Caldwell: We filed our election return. The Chief Electoral Officer told us that this money was not considered an admissible election expense. We consulted Elections Canada and Mr. Rivard. Mr. Rivard told us that the party lawyers would deal with the matter. As for us, we knowingly decided—

Mr. Marcel Proulx: Did someone from the Conservative Party suggest to you or order you not to discuss it?

Mr. Gary Caldwell: Mr. Rivard specifically told me that we could do what we wanted, that is to say redo our election return without this money or let the party deal with it. He gave me the choice.

•(1045)

Mr. Marcel Proulx: And you returned this money.

Mr. Gary Caldwell: We decided to observe the Elections Canada interpretation and to refile our return without this money as a valid expense.

The Chair: Thank you.

Madame Lavallée, you have the floor.

Mrs. Carole Lavallée (Saint-Bruno—Saint-Hubert, BQ): Thank you very much, dear witnesses, for being here this morning. I am sorry that you had to undergo all of that. When we have such a stubborn Chief Electoral Officer, it can't be easy.

Mr. Gary Caldwell: I was invited, and I agreed to come and give evidence because it is a duty. I consider parliamentary institutions to be very important. I felt some trepidation about what I saw this

morning, but I thank the Chair for having reassured me before the meeting.

Mrs. Carole Lavallée: I hope that you will not feel intimidated by the other questions. You should feel very comfortable.

How much money did the party transfer into your account?

Mr. Gary Caldwell: The total was about \$37,000.

Mrs. Carole Lavallée: That's a lot of money.

How much money did you spend on your election campaign?

Mr. Gary Caldwell: Nine thousand dollars.

Mrs. Carole Lavallée: You spent \$9,000. These were genuine expenses needed to buy signs, and to prepare and distribute a leaflet.

Mr. Gary Caldwell: Except for the signs, which were paid for by the party. That \$37,000 amount included about \$3,400 for the signs.

Mrs. Carole Lavallée: Those that had your picture on them.

Mr. Gary Caldwell: That's right.

Mrs. Carole Lavallée: So you were sent \$37,000 and you were told that it was strictly... It was Mr. Rivard who was in contact with the party leadership.

Mr. Gary Caldwell: I presume.

Mrs. Carole Lavallée: You presume.

Mr. Gary Caldwell: He was the person in charge of supervising the official agents in Quebec.

Mrs. Carole Lavallée: Am I correct in saying that excluding the scheme, you spent \$9,000 plus \$3,000 on your signs?

Mr. Gary Caldwell: Yes.

Mrs. Carole Lavallée: With the reimbursement from the CEO, which would be 60% of about \$45,000, you would have had a reimbursement of over \$25,000. Is that correct?

Mr. Gary Caldwell: That's right. However, all of this would have been "transacted" by the Conservative Fund.

Mrs. Carole Lavallée: All of this was "transacted" in your riding association account.

Mr. Gary Caldwell: The \$37,000 amount, but the reimbursement would have been "transacted" by the Conservative Fund.

Mrs. Carole Lavallée: The \$25,000 amount would have ended up in the party account, of the national headquarters. Is that what you call it?

Mr. Gary Caldwell: Following the normal procedure, it would have been transferred into the account of our official agent, and we would have transferred our surplus to the riding association.

Mrs. Carole Lavallée: If I understand things correctly, the \$25,000 reimbursement from the CEO—we will be asking this question of other candidates who will be coming to see us—would have been paid to the National Conservative Party, which would have given it to you, and you would have then returned it.

Mr. Gary Caldwell: At the local association, it was ambiguous. To begin with, we did not expect to receive this \$25,000. That is what we understood, but I don't have this documented. Later, we were told that the local association would be receiving the surplus from the official agent's account, which would be receiving it. But to begin with, the money would remain in the Conservative Fund.

Mrs. Carole Lavallée: To the national party, the party itself would have kept the \$25,000.

Mr. Gary Caldwell: The organization we dealt with for the money, such as the \$37,000, and the money we returned, was always the Conservative Fund.

Mrs. Carole Lavallée: However, you chose not to claim the \$37,000. Is that correct?

Mr. Gary Caldwell: Precisely.

I congratulate my official agent for having spoken to me about this matter before we received a letter from Mr. Mayrand, from whom I had received a copy, in which he was questioning the legitimacy of this \$33,000. We afterwards looked into the matter and decided that the Elections Canada interpretation was consistent with the act. We therefore redid our expense return and refiled it.

• (1050)

Mrs. Carole Lavallée: How did the Conservative Party react?

Mr. Gary Caldwell: At the time, I was no longer a member of the Conservative Party. I had decided to stop being a member, and not to contest the nomination. However, I notified Mr. Rivard, when he told me that the party lawyers were available to us, that we would prefer to deal with this matter ourselves because I had been the candidate.

Mrs. Carole Lavallée: Mr. Fauteux, did you have any idea what the Conservative Party reaction would be when you decided to prepare your return yourself?

Mr. Réjean Fauteux (As an Individual): Mr. Rivard contacted us to tell us about what Mr. Caldwell has just explained, but I did not hear any more than that.

Mrs. Carole Lavallée: Are you still a member of the Conservative Party?

[English]

An hon. member: I have a point of order, Mr. Chair.

The Chair: I'm going to allow Madame Lavallée to complete her questions, and then I'll hear your point of order.

An hon. member: Okay. I've heard that before, but—

The Chair: Carry on, Madame Lavallée.

[Translation]

Mrs. Carole Lavallée: Mr. Fauteux, are you still a member of the Conservative Party?

Mr. Réjean Fauteux: No. When the official agent's account was closed, I remained as the financial officer of the association until December 2007.

Mrs. Carole Lavallée: I have a few questions for Ms. Fortier. Do I have any time left, Mr. Chairman? Will this be taken from the time allotted to me? Ms. Fortier would like to give her presentation.

Go ahead.

Ms. Ann Fortier (As an Individual): Mr. Chairman, thank you for your invitation. I must say, however, that I feel somewhat uncomfortable here, although I was a candidate in 2004 for the Conservative Party, given that Mr. Jean Landry and the nine Conservatives who were elected in Quebec—including

five members of this committee—were directly involved in the 2006 campaign, but were not invited. I thus do not see why my presence is needed here, given that the notification I received has to do with the activities of the Conservative Party of Canada during the 2006 campaign with respect to election spending.

Contrary to the democratic choice of the Conservative association of Berthier-Maskinongé, I was ousted during the very first week of the elections in December 2005 by the party organizers. Moreover, none of the expenses I used to prepare the campaign were ever reimbursed to me in any way.

After I was ousted, several candidates telephone me about it. I told them what had happened to me and advised them to contact Elections Canada for anything to do with matters related to the Elections Act.

That is when Jean Landry and Liberato Martelli informed me of what was going on. I simply told them to contact Elections Canada as soon as possible.

After that, I thought it would be a good idea to contact Senator Nolin's assistant, Mr. Hubert Pichet, the Hon. Michael Fortier's assistant, Ms. Ginette Tremblay, as well as Karine Leroux in the Prime Minister's Office to tell them about it. Following consultation, according to what Ms. Tremblay told me, they felt that everything was legal. I told her that that was not what I thought. That is what happened in 2006 with respect to myself.

I am now prepared to answer your questions.

[English]

An hon. member: On a point of order, Chair—

The Chair: Please wait.

An hon. member: We're not allowed to have points of order here.

The Chair: This morning we've had a number of points of order, and in my view they have been, by their nature, obstructive and wasting time.

Order, please, Mr. Goodyear. I'm in the middle of a statement.

It was raised earlier. A member said the chair has to take a point of order immediately. Members like to suggest that the sections of Marleau and Montpetit quite clearly provide that it has to be at a time that is appropriate. The middle of a witness's statement to the committee is not an appropriate time. In the middle of a member's questioning, where it is simply questions on a matter of fact, that is clearly using a point of order to disrupt the attention of the witnesses and the members from what's being said.

A number of members on the Conservative side have called for points of order. The chair wants to respect the members' rights, but when those rights are being abused, I am going to have to deal with it eventually.

Who was first on the point of order? Do you want to decide?

• (1055)

Mr. Pierre Lemieux (Glengarry—Prescott—Russell, CPC): I'll go first.

The Chair: Mr. Lemieux, on the point of order, could you please state the basis?

Mr. Pierre Lemieux: Yes, of course. It's on procedure, Chair.

I believe you were very clear at the beginning that there would be no statements given. In fact, you fought us on this issue, that there would be no statements given. Then you allow a statement.

And then I noticed my colleague across the way asked six minutes of questions—I'm not done—and in her final minute she asked for a statement from the witness, and the statement went longer than the one minute left to the party.

So this is very procedural indeed. You allowed no opening statements. Now I'd like you to explain it to the committee.

The Chair: Thank you.

There were no opening statements by the witnesses. As I had indicated, there were none.

When a member asks for an opinion or for a witness to make some statement, that is the member's right. But it came off her question-and-answer time. And although the witness did go beyond the one minute, we don't cut witnesses off when the time is up. We certainly will give them the prompt to complete. You cannot simply stop a witness in the middle of an important answer, but certainly a member of the committee cannot keep asking a question right past the time limit for that. That's the explanation you asked for.

Now, the second point of order—

Mr. Pierre Lemieux: I have a point of clarification.

The Chair: There is no such thing as a point of clarification.

Mr. Pierre Lemieux: I would like a clarification of your answer.

The Chair: There is no point of clarification.

Who is next on the point of order?

Mr. Dean Del Mastro: I am next, please.

The Chair: Go ahead, Mr. Del Mastro.

Mr. Dean Del Mastro: Thank you.

Mr. Chair, the timeliness of the point of order was important at the time I said it, because it pertained to—

The Chair: Is it procedural, relevant, or repetition?

Mr. Dean Del Mastro: How about all three? Mr. Chair, if you would allow me to establish the point—

The Chair: Mr. Del Mastro, sir, as you know—

Mr. Dean Del Mastro: Mr. Chair, please, I have been exceedingly patient, because my—

The Chair: I understand. Hold it.

Mr. Del Mastro and all committee members, I'd like to repeat what I said at the beginning of the meeting with regard to points of order. We have had a number of points of order that turned out not to be points of order. I simply requested, please, that members indicate whether it's repetition, relevance, or procedural before they get into their arguments. That's all I asked for.

• (1100)

Mr. Dean Del Mastro: This pertains to relevance and procedure.

Mr. Proulx's questions...in fact, the questions of both members to this point have been beyond the scope of this committee.

I will quote to you something that you said at 3:45 p.m. on June 19, 2008: "We are not authorized—it is not within our mandate—to determine any ethical standards of any party".

When I said "point of order", Mr. Proulx had specifically asked the witness a question pertaining to the ethical standards of a party. The question should have been ruled out of order by the chair, by your own words, Mr. Chair. The next time I say "point of order", it is to hold you to what you have said.

An hon. member: It is to hold you accountable.

Mr. Dean Del Mastro: It is nothing more than that, and if more questions go beyond the boundaries of the committee, I will say "point of order" again. I can provide that quote.

It's not intimidating.

The Chair: Order, please.

I would like to remind the committee of the order of reference and the orders of the day. We have the motion that was passed by the committee. It states:

That the Standing Committee on Access to Information, Privacy and Ethics investigate the actions of the Conservative Party of Canada during the 2006 election, in relation to which Elections Canada has refused to reimburse Conservative candidates for certain election campaign expenses in order to determine if these actions meet the ethical standards expected of public office holders.

Mr. Dean Del Mastro: May I approach the bench so you can see this, Your Honour? These are your words.

The Chair: Order.

I would refer the members to the ruling of the chair in determining the admissibility of this motion for debate, which was passed by the committee. The chair is not going to consider every question a member asks, and to determine that it's.... I cannot anticipate what questions members will ask, but if any members feel that a question being asked is out of order, for a good reason, they probably will raise a point of order on the basis of relevance to the motion before us. Okay?

Do we have a further point of order over here? Is that it? No. Okay. I want to move on to Mr. Martin.

An hon. member: Point of order.

The Chair: We'll have Mr. Martin on questions.

Mr. Martin, please, you have seven minutes.

Mr. Pat Martin: Thank you to all the witnesses who came and for your patience and for your willingness to cooperate with the committee. We appreciate it very, very much.

I only have a few minutes, and I would like to touch briefly on three of you, if I can.

I'd like to start with Mr. Goudie. Mr. Goudie is a former CBC journalist, a 10-year veteran of the provincial legislature in Newfoundland, and a former cabinet minister.

We have very limited time, Mr. Goudie, but I would simply ask how it made you feel when you were invited to take part in this election financing plan or scheme by the central party. Did your ethical radar go off at all? Did it seem legitimate to you? How did you feel about it then, and how do you feel about it now? I notice your official agent, Debbie Singleton, who is not a witness here today, made some very strong comments. Do you share her views?

Please, you have the floor.

Mr. Joe Goudie (As an Individual): Debbie Singleton was the campaign manager; Gordon Barnes was the official agent for their campaign.

During the campaign itself I was not aware that this had actually taken place. By the time I became the official candidate for the Conservative Party of Canada in that election in 2006, we had 20 days left to campaign. Labrador is 112,000 square miles, with 30 or 32 communities. Travel in the middle of winter was important, and I had to get at it right away.

When Mrs. Singleton was contacted by a representative of the Conservative Party of Canada—and this was her first campaign as campaign manager—she was not particularly alarmed. She had faith in the Conservative Party of Canada, that the right thing was being done, and she then directed the representative to contact the official agent.

I became aware of this matter in early April of this year. Mr. Barnes did raise the matter with me following the campaign in 2006 when we were dealing with the Elections Canada return by candidates. The discussion took place dealing with a number of financial items, and I didn't single this particular one out as being of concern or anything else. When the information appeared on CBC television identifying four candidates in our province from the 2006 campaign as being involved in some kind of a financial scam, my radar went up. I became alarmed. I sought legal advice, and as a result I filed an affidavit.

Mr. Pat Martin: Thank you very much, sir.

I wish I had more time to deal with each of you, but I would now like to speak to Ms. Louise O'Sullivan, former city councillor for the city of Montreal.

You made some very strong statements that had the Conservative Party invited you to take part in this you would have said no, because it doesn't meet your standards, tests, for being morally or ethically right. Would you care to elaborate?

Ms. Louise O'Sullivan (As an Individual): You know I was with the other party for a long period of time.

•(1105)

Mr. Pat Martin: You left the Liberal Party over the sponsorship scandal, did you not?

Ms. Louise O'Sullivan: I did. My picture was often taken behind Mr. Gagliano, and people who are not politically inclined might have felt that by association I was part of the scandal.

I was on the PLC board. I held a couple of positions with Mrs. Robillard; I was on the executive in Westmount. I'm a business person. I own my own personnel agency, I have a name downtown, and I wanted to protect my name. So just by association, I left the Liberal Party. At that time I was approached by the Conservative Party. My name was being bandied about. I was still elected. I held an executive city council position, and I left on moral grounds, for different reasons.

My standards are high, and I'm very disappointed with what's happened recently. I'm here of my own volition.

Mr. Pat Martin: Yes, I recognize that. You're one of those who came voluntarily, as did Mr. Goudie.

Ms. Louise O'Sullivan: I was taken aback, but I didn't have to refer to anyone; I accepted to come here.

My official agent has cancer. This is somebody I've known for 25 years. She couldn't be with us today because she has serious bone and breast cancer. I spoke to her on Friday—I'm under oath—and she was never approached; I was never approached.

Mr. Pat Martin: Very good. Thank you very much.

In my last moment I'd like to ask Madame Fortier a question.

You made some very strong statements, Madame Fortier, that you personally confronted Stephen Harper before the last election saying that the Conservative organizers tried to force you to pass off \$28,000 of national expenses as your own local campaign expenses. What was the reaction of Stephen Harper when you told him that?

[Translation]

Ms. Ann Fortier: With respect to election spending, there was no money... It wasn't with the party directly, but rather with someone from the association executive who fabricated some invoices.

[English]

Mr. Pat Martin: Who from the Conservative Party approached your campaign asking you to take part in this financing arrangement?

[Translation]

Ms. Ann Fortier: We got that from the vice-president of the association, who pressured us hard to accept these imaginary expenses in order to increase—

[English]

Mr. Pat Martin: What is his name, Madame Fortier?

[Translation]

Ms. Ann Fortier: The gentleman in question is called Jean-Guy Gamache. I don't like giving out names, but there comes a time. As I had got 10%, he decided to do that. In 2004, it was unusual for Conservative candidates to get 10% of the votes.

[English]

Mr. Pat Martin: So in 2006...?

The Chair: I apologize—

[Translation]

Ms. Ann Fortier: No, I did not receive anything in 2006. It was for the 2004 campaign that they were very keen to have me accept these false expenses, which I refused to do. We had until October 28, if I recall correctly, to have some extra time to change my returns. My official agent and I did it honestly. In the end, we refused to include these false expenses.

[English]

The Chair: *Merci, madame.*

Mr. Goodyear, please.

Mr. Gary Goodyear: Thank you, Mr. Chair.

Again, welcome to all the witnesses. We certainly appreciate your being here in an attempt to get at the truth, the whole truth, and not just half the truth.

I would like to spend some time with Mr. Caldwell. Are you now running, or do you intend to run, for another party?

Mr. Gary Caldwell: After what happened and my concern that the Conservative Party was no longer interested in rehabilitating parliamentary institutions, as they did in 2004—

Mr. Gary Goodyear: Mr. Caldwell, I'm terribly sorry and I don't want to interrupt, but my time is very limited. Could you just answer the question?

Mr. Gary Caldwell: I decided to withdraw from the Conservative Party. I consulted my supporters and am now the candidate for the Green Party of Canada.

Mr. Gary Goodyear: Thank you.

Can I read to you a section of an interview that you taped on CTV? I believe it was question period. I just want to make sure that these are your words:

I was one of the candidates who accepted money from the national party into our local campaign, and it was to be spent on media. It was eventually spent on media. It went right out of our account. When I was faced with the problem of whether or not it was spent by us or the national party by the director of elections, I preferred to accept the advice of the director of elections. We re-filed with a new report. We returned the advance that we got, and I simply acquiesced in what I thought was a correct interpretation—that of the director of elections. The Conservative Party has a different interpretation, and it remains to be seen. There is a court case.

Mr. Caldwell, you're absolutely correct on that. There is an interpretation difference.

Those were your words. Is that correct?

• (1110)

Mr. Gary Caldwell: Yes. There's one that I would like to be a little more precise about: all the advances deposited or routed by the Conservative fund.

Mr. Gary Goodyear: But of course you knew that this money was going in. You had the option to say no at any time.

Mr. Gary Caldwell: Of course.

Mr. Gary Goodyear: There's another statement here: "I understood that it was to be spent on the media in Sherbrooke, around Sherbrooke". That kind of contradicts your earlier statement that you said it was to be spent in all of Quebec. I'm just pointing that out to you.

Mr. Gary Caldwell: If I can respond, as I said to Monsieur Rivard, Sherbrooke is a major media poll in Quebec.

Mr. Gary Goodyear: I have no doubt about that, and that's why we do regional buys. Thank you.

You said:

Sherbrooke is the media poll for all television programs, and that is exactly why we do regional media buys. It was to be spent on television, and I had confidence in the person who asked me to do it. So it's on that basis of confidence I agreed to do it.

That's very interesting to me.

There's one thing I would like to mention to you, in case you're not aware of it, and perhaps you can tell us. Mr. Mayrand was here a couple of weeks ago, and he stated very clearly and confirmed that under the Canada Elections Act it is perfectly legal, in fact quite routine, for all parties to transfer funds from the national party to local campaigns and back—that the transfer of money is absolutely legal.

You were aware of that, correct?

Mr. Gary Caldwell: No, I have no comment on that. I realize that the central party—any party—can give money to the local riding association, but when we examined this further I became convinced it was only a legitimate local expense if we in fact spent it, which was not the case.

Mr. Gary Goodyear: You're not wrong on that. Mr. Mayrand went on to say very clearly that expenses can't be transferred, and that's pretty much what you're saying.

If I may read you an example, please, what we're trying to determine here is ethical standards, and really the only way to do that is to compare colleague to colleague. I'm going to read you a statement, and I hope the chair does not cut me off on this. This is from the director general of the Liberal Party of Canada in Alberta:

During the past election campaign, the Liberal Party of Canada in Alberta transferred funds and/or paid for services in kind directly to the candidate on whose behalf [they] were acting as official agent.

We've established that there's nothing wrong with that, right? With transfers of funds, there's nothing wrong there.

The letter goes on to refer to an expense incurred by the national party for northern Alberta candidates, an ad placed in the *Edmonton Journal*, that should be claimed at the local level. This is a transfer of expense. How do you explain that to be different from what happened to you?

Mr. Gary Caldwell: I don't think it is incumbent on me to explain that. I was not a party to it in any way and I am unaware of the circumstances. The only thing I feel obliged to comment on is our behaviour and our actions in Compton—Stanstead.

Mr. Gary Goodyear: I appreciate that. I wasn't actually asking for a comment on the particular circumstance, only how it is extremely similar to what has happened to you.

We have a number of other issues that I could read to you. One, in fact, is an NDP candidate, which is probably why my colleague across the way is so eager to not have his people brought before me. But again, in an attempt to compare candidates to candidates for the purpose of deciding whether something is ethical or not, we understand that the federal NDP party wrote a letter to Libby Davies' financial officer and basically said, we want to transfer money to you on the basis of you spending money on radio announcements.

In that particular documentation—and I have the e-mails here—the financial agent....

Am I out of time? How much time do I have left, Mr. Chair?

• (1115)

The Chair: When I told you one minute, you used up 45 seconds and we haven't had an answer yet.

Mr. Gary Goodyear: When I was timing the other gentleman, accordingly to mine, it was eight minutes.

All right. Let me just move on, and suffice it to say that in the next round we have all kinds of examples of the Liberal Party, the Bloc, and the NDP not just transferring funds—and that's perfectly legal—but transferring expenses, explicitly being told by the national parties to use this expense at the local level. In fact, some of the members who are accused are here.

Why do you think Elections Canada chose not to investigate those things?

Mr. Gary Caldwell: Again, I don't feel it's incumbent on me to respond to that.

The Chair: I'm sorry, Mr. Proulx—

Mr. Marcel Proulx: It's a question of translation.

I want to hear Mr. Goodyear explain to us if he has said—I'm not arguing with him, but I just want to find out if what we heard in French is what Mr. Goodyear said in English—that Mr. Mayrand would have said that expenses could be transferred. That's what we heard in the French.

Mr. Gary Goodyear: Thank you for that clarification.

The Chair: Order, please.

There is no matter called a “point of clarification”, and there's no opportunity to ask questions of another member unless you're recognized to speak. That's not a point of order.

Mr. Proulx, as you know, we have the opportunity to review the blues. If there is a problem in the translation, I'm sure that you will bring it to the attention of the committee and that an erratum change would be made.

Mr. Hubbard, you have five minutes.

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

Being from Atlantic Canada, Mr. Goudie, I'd like to deal with Newfoundland. As Mr. Martin has already said, you are the Honourable Joe Goudie, a former cabinet minister in Newfoundland. You were nominated and took on the role of Conservative candidate for the Conservative Party of Canada in the 2006 election.

Mr. Joe Goudie: Yes.

Hon. Charles Hubbard: Mr. Goudie, with that background, you must be very disappointed to find yourself involved in having to come and listen to what you heard this morning. To hear the director of the Conservative Party here having to leave the table, it must have been of concern to you.

You had an official agent, you had a campaign manager, and you had a legal adviser. When Elections Canada brought up this issue, you spoke with your legal adviser, and he or she said you should make sure that money, that in-and-out money, that money that was sent to you that you couldn't control, should not be part of your campaign report. Is that correct?

Mr. Joe Goudie: If I understand the question correctly, I sought legal advice on the matter of money in and money out following a public report by CBC television at home that four ridings were involved in this event that took place during the campaign. I did not seek legal advice on any other matter.

Hon. Charles Hubbard: Mr. Goudie, Ms. Singleton was told when this money arrived that it could not be spent locally, for you directly, in your 32 communities in Labrador. Is that correct?

Mr. Joe Goudie: That's correct.

Hon. Charles Hubbard: Where was the money spent?

Mr. Joe Goudie: We have no idea.

Again, I remind you and the honourable committee that I personally was not aware of this until after the campaign was completed and not really in any detail until the news report came out in April. The money was not spent by us.

Mrs. Singleton and Mr. Barnes were both.... More specifically, Mr. Barnes, my official agent, was directed by a gentleman, Mr. Hudson of the Conservative Party of Canada, once funds had been transferred to our account.... It was explained that 60% of that amount could then be claimed on our election return—which seemed unusual, but nevertheless they were following directions—but that the amount of money transferred to our account would then have to be returned to the Conservative Party of Canada as soon as possible.

• (1120)

Hon. Charles Hubbard: To clarify, if you gave somebody \$10,000 and wanted it back and they could claim that \$10,000 in the expense, which they didn't spend, do you mean to tell me you'd get \$6,000 back from the Government of Canada as a result?

Mr. Joe Goudie: As I understand it, that was the implication of the explanation. Yes.

Hon. Charles Hubbard: Where would that \$6,000 eventually wind up?

Mr. Joe Goudie: In the campaign account, as far as I know. I know nothing other than that.

Hon. Charles Hubbard: It almost sounds, Mr. Goudie, like a very fast way of making money.

Mr. Joe Goudie: It sounds that way.

Hon. Charles Hubbard: You simply had to take it with one hand, send it back with the other hand, and you got 60% back from the Government of Canada.

Mr. Goudie, with your experience in government, why do you think the Conservative Party was doing this? Why were they manipulating this money around—probably not to your benefit—and who benefited? Where did it...?

Mr. Joe Goudie: There was no contact by anyone from the Conservative Party of Canada following the election, at least no contact with me. There was a phone call probably about three weeks before the news story became public, which would have been sometime in March, that I, Joe Goudie, may be contacted by the media regarding campaign funds and they asked that I not make any comment. Well, no one from the media contacted me. The news story came out and it went from there. I sought legal advice, as I said, and swore an affidavit, which was forwarded to Elections Canada.

But to clarify the point, I don't wish to leave the impression with this honourable committee that \$10,000 was transferred to our account. It was not \$10,000; it was \$2,097.20.

Hon. Charles Hubbard: Thank you, Mr. Chair.

The Chair: Mr. Wallace, please.

Mr. Mike Wallace: Thank you, Mr. Chair. I'll be sharing my time.

I have a couple of really quick questions for all the witnesses. Thank you for coming.

Based on my research—and you can explain it to me if I'm wrong—part of this motion is that we were dealing with public office-holders. Have any of you at any time been federal public office-holders during this election or prior to this election? Just quickly.

Ms. O'Sullivan, yes or no.

Ms. Louise O'Sullivan: No.

Mr. Mike Wallace: Ms. Fortier.

Ms. Ann Fortier: No.

Mr. Mike Wallace: Gary.

Mr. Gary Caldwell: No.

Mr. Mike Wallace: Mr. Goudie.

Mr. Joe Goudie: No.

Mr. Mike Wallace: There were no public office-holders. So I'm not sure why you're witnesses here, to start with.

My next question is this. The motion is to deal with the 2006 election expenses. If I've done my research correctly, Ms. Fortier, you weren't involved in the 2006 election. Is that correct?

[Translation]

Ms. Ann Fortier: No, I was ousted during the first week of the election.

[English]

Mr. Mike Wallace: You weren't involved. I have no idea why you're here either.

And Ms. O'Sullivan, were you involved in the 2006 election?

Ms. Louise O'Sullivan: Yes.

Mr. Mike Wallace: You were involved in the 2006 election?

Ms. Louise O'Sullivan: I was running, yes.

Mr. Mike Wallace: You were running, but did you participate in the regional media buy?

Ms. Louise O'Sullivan: I'm sorry?

Mr. Mike Wallace: Did your riding association or your campaign participate in the regional media buy?

Ms. Louise O'Sullivan: No.

Mr. Mike Wallace: No. Okay.

I just wanted to clarify who was here, and I'll pass my time on to Mr. Del Mastro.

Mr. Dean Del Mastro: Thank you, Mr. Chair.

Mr. Goudie, I hadn't intended to go this way, but Mr. Hubbard's questions were really intriguing, so I do want to go this way. First of all, the issue of the 60% back is something we've heard raised a number of times, and of course all parties, as we've indicated, have transferred funds back and forth—every single one of them. They've all claimed the 60% back, something that I personally—and this may not be a party position—don't know that we need in our society. We do handsomely refund taxes to people who make donations.

An hon. member: Why is this...?

Mr. Dean Del Mastro: I'm establishing that question.

• (1125)

The Chair: Could you please stop the clock.

I want to clarify that the 60% rebate is not on transfers, but on expenses.

Mr. Del Mastro, I hope you will correct the record, please—

Mr. Dean Del Mastro: Sure, I will, absolutely.

The Chair: —because some of the interested parties may not understand.

Mr. Dean Del Mastro: Okay, I will.

The Chair: Transfers are certainly permissible, but they don't affect rebates.

Mr. Dean Del Mastro: Okay, right. So as for the 60% return that comes back based on expenses, personally I would like to see it eliminated since we so handsomely reward people who donate to parties already; 75% of what they give is given back to them. Personally, I'm not sure we need that.

We talked a little bit, and Mr. Caldwell spoke about, how he did have informed consent. He was aware of it going on, and so forth, and took the word of the party that this was in fact legitimate, and what we're really talking about is a difference of interpretation. That was indeed covered off by Mr. Mayrand.

Now, from the Liberal sponsorship scandal, there is still over \$43 million missing, or about \$43 million, that went into campaigns. Now, in each one of those campaigns, 60% of that money was refunded, theoretically. So if you go over the next three elections, there's a total of about \$91 million that's now been benefited from the \$43 million that's been missing.

An hon. member: On a point of order—

The Chair: Order.

Mr. Dean Del Mastro: Do you think Elections Canada should have looked into that matter? Do you think they should have looked into Liberal ridings that may have received money that was stolen from taxpayers?

The Chair: Order.

Mr. Del Mastro, I apologize, sir. I stopped the clock so as not to use your time, but there was a point of order immediately from Mr. Proulx, I believe, when that word “sponsorship” came up.

Mr. Dean Del Mastro: Oh sure, go ahead.

Mr. Marcel Proulx: Well, it's a question of relevance to this particular hearing, Mr. Chair. Talking about whatever else could have happened somewhere else in the world or somewhere else in Canada is not relevant to this particular sitting.

The Chair: Yes, okay.

Some hon. members: [*Inaudible—Editor*]

The Chair: Order, order.

No, no, sir—

Mr. David Tilson (Dufferin—Caledon, CPC): What do you mean, “No, no”? Of course I can comment.

The Chair: Sir, sir—

Mr. David Tilson: No “No, sir”. I can comment on this point of order.

Some hon. members: Oh, oh!

The Chair: Sir, I think Mr. Del Mastro—

Mr. David Tilson: I can comment.

The Chair: Excuse me, sir, I have the floor.

Mr. David Tilson: I've got the floor. I'm raising that on a point of order.

The Chair: No, sir, you're not. Mr. Del Mastro is on a point of order, sir.

Mr. David Tilson: Are you going to allow me to speak?

The Chair: Order, please.

Mr. Del Mastro was in the middle of his questioning and I stopped the clock. So he still has two minutes of his time remaining.

Mr. Proulx, on a point of order, raised the concern about the relevance of sponsorship. Mr. Del Mastro acknowledged that and just wants to go on to his question, so I think it's resolved.

Mr. David Tilson: I'd like to speak, Chair, on a point of order. Before we start, I want to—

The Chair: No, excuse me, excuse me. Order, please.

Mr. David Tilson: I have the absolute right to speak to his point of order. You can't ignore that, Mr. Chairman.

The Chair: Mr. Tilson, thank you.

Mr. David Tilson: No, you can't. I have every right to respond to his point of order out of courtesy and out of the practice of this committee and out of the practice of this House.

The Chair: Mr. Tilson, I call you to order, please.

Mr. Tilson, contrary to what you've said, points of order are not debatable, okay? And you may want to check the rules on that.

Mr. David Tilson: Sir, I have the right to respond to his point of order. I do have the right.

The Chair: No, sir, you do not. I have made a ruling.

Now, Mr. Del Mastro—

Mr. David Tilson: You've made a ruling based on what, sir? Give me your rationale as to why you did that.

The Chair: It's the rules under the Standing Orders.

Mr. David Tilson: Read them to me.

Mr. Pierre Lemieux: Chair, I have a point of order.

The Chair: No, no, no. Hang on.

You know, Mr. Lemieux, when we're in the middle of a point of order, you can't call for a point of order. Okay? Please....

This was very straightforward. It was a simple question of relevance. Mr. Del Mastro acknowledged it and wanted to move on. The matter is over.

Mr. David Tilson: Sir, it's not over until you tell me why I can't respond to his point of order.

The Chair: Mr. Del Mastro has two minutes remaining in his questions.

Mr. Del Mastro, please proceed.

Mr. David Tilson: No, no. Sir, I'd like to hear what your authority is. You're looking it up in the book. Take all the time you like. I'd like to know where it is.

The Chair: Mr. Tilson, I'm familiar with the rules, and you—

Mr. David Tilson: Well, sir, tell me what the rule is.

• (1130)

The Chair: Excuse me, sir. I've made a ruling.

Mr. David Tilson: Based on what?

The Chair: Sir, I've advised you that points of order are not matters of debate; they're matters—

Mr. David Tilson: Please give me the point, sir. Please tell me your authority for that.

The Chair: Yes, I will give it to you. I'm at the behest of the committee.

Marleau and Montpetit, page 539, says:

Under the Standing Orders, a brief debate on the point of order is possible at the Speaker's discretion.

Some hon. members: Oh, oh!

The Chair: Okay, that's enough.

It's at my discretion. That's page 539, and it goes on, but this is a straightforward one. It's not a matter that we want to delay the—

Mr. David Tilson: No, it's not a straightforward one; it is not straightforward.

The Chair: We don't want to delay the hearing of these witnesses any further.

Mr. Del Mastro.

Mr. Pierre Lemieux: Chair, I have a separate point of order. You've stopped questioning; I have a separate point of order.

The Chair: Order, please.

Mr. Pierre Lemieux: Chair, I have a separate point of order before we resume questioning.

The Chair: Order.

Mr. Pierre Lemieux: It has to do with procedure.

The Chair: Mr. Lemieux would like a point of order.

Mr. Pierre Lemieux: Thank you, Chair.

The point of order has to do with your recognizing points of order. It's related to procedure.

When Mr. Proulx was asking questions to the witness and Mr. Del Mastro had a point of order related to his questioning, you would not take the point of order. In fact, you deferred it to the end of questioning and then forgot to come back to Mr. Del Mastro. We moved well into the next witness.

When Mr. Del Mastro was in the middle of his question, Mr. Proulx raised his hand on a point of order and everything ground to a halt.

Some hon. members: Oh, oh!

Mr. Pierre Lemieux: This is the second huge inconsistency regarding the procedures. The first had to do with no statements from witnesses going to be given, yet we could add a huge statement to the end of question period and go beyond the time limit. And the second one, Chair, was that you're recognizing points of order for certain parties and not for other parties. That is not unbiased.

I'm asking for application of the rules in a consistent manner among all parties. If you're not going to recognize Mr. Del Mastro when Mr. Proulx is asking a question, it's highly ironic that you recognize Mr. Proulx when Mr. Del Mastro is asking a question.

That's my point of order. You are not being consistent in the application of procedure, and it's extremely important in this particular committee meeting.

Thank you, Mr. Chair.

The Chair: Thank you, Mr. Lemieux.

Mr. Lemieux, you will not find in Marleau and Montpetit or in the Standing Orders anything that says a chair must hear a point of order

immediately. It is at the discretion of the chair. I certainly have to make a decision. It is not black and white, but it was obvious that a point Mr. Del Mastro had raised was going to cause a problem. Mr. Proulx reacted immediately to the word "sponsorship"; I knew what it was.

With regard to the others, Mr. Lemieux—and let me explain, because I don't want this to go on too much farther—if a witness is in the middle of an answer.... The chair did not recognize one of the those points or order you referred to because you were interrupting a witness in the middle of an important statement.

I will hear it. I have to hear it eventually. But I have to hear it in a way that does not disrupt the ability of either members or witnesses to hear what's being said. This is a serious, important matter. I take it very seriously, and I'm following the rules. But, sir, I cannot—I cannot—as you have asked me, stop the proceedings every time somebody yells "point of order", because nine out of ten times they are not points of order.

I'm going to do my best. Now, Mr. Del Mastro has two minutes left, and right now I want to complete Mr. Del Mastro's questioning of the witnesses.

Mr. Del Mastro, you have the floor, sir.

Mr. Pierre Lemieux: I'd like to respond to what you've said.

The Chair: No. I'm sorry. There's no debate with the chair.

Mr. Pierre Lemieux: You twist the facts. Mr. Del Mastro's question was interjected while Mr. Proulx was asking the question.

The Chair: Mr. Del Mastro, please. You have the floor.

•(1135)

Mr. Gary Goodyear: I have a point of order, Mr. Chair.

The Chair: No.

Mr. Gary Goodyear: It's a courteous one, and I think all members will appreciate it.

The Chair: Mr. Del Mastro.

Mr. Gary Goodyear: We're not interrupting witnesses, and we're not interrupting questions. I have a courteous point of order.

I've heard Mr. Martin across the way, and I think he raises a good point that some of these proceedings—hang in there, Pat—that we just extend—

The Chair: Mr. Goodyear, just a moment. I made a ruling. We've addressed this point of order from Mr. Lemieux. I've made a decision that Mr. Del Mastro will proceed to finish the last two minutes of his questioning. That is a decision of the chair. I do not want any more debate on it. But if you don't like it you have an option: you can challenge the decision of the chair. Is that your wish, sir?

Mr. Gary Goodyear: I was raising a new point.

The Chair: I am now going to finish with an honourable member who was in the middle of his questioning.

Mr. Gary Goodyear: Do whatever you want. To save time—

The Chair: Mr. Del Mastro, proceed.

Mr. Dean Del Mastro: Thank you, Mr. Chair.

Mr. Goudie, you mentioned the size of your riding. I have a fairly big riding. It's nowhere near the size of Labrador. I imagine that in covering that you were quite busy. So in saying that just under \$2,100 in election campaign expenses were paid for in your riding, it's possible that you didn't see them. You're not saying that no ads ran with your tag on them; you're just saying you weren't aware of ads that ran with your tag on them in Labrador. Is that correct?

Mr. Joe Goudie: I was not aware that any ads dealing with the Labrador riding campaign were run. But I talked with both Mr. Barnes and, more specifically, Mrs. Singleton. When contact was first made with her by the Conservative Party of Canada, she asked whether or not the funding could be used by us to purchase television advertising. She was told no, that it would be a part of the national campaign. As a result, there was no identification of the candidate or the Labrador riding, period.

Mr. Dean Del Mastro: So none of the ads that ran in Labrador were tagged. The expenses you claimed, the \$2,097.... They did not have a tag on them for you.

Mr. Joe Goudie: There was no tag in the television advertising—nothing dealing with the Labrador riding.

I should also clarify that we were told by the Conservative Party of Canada that we could claim 60% of the money that was transferred to our campaign. However, during the candidate's election return, Elections Canada informed us that we could not claim it, and therefore we did not.

Mr. Dean Del Mastro: Thank you.

The Chair: Mr. Del Mastro, thank you kindly.

[Translation]

Mr. Nadeau, you have the floor.

Mr. Richard Nadeau (Gatineau, BQ): Thank you very much, Mr. Chairman.

Good day to all the witnesses. First of all, do not allow yourself to be impressed by our colleagues in the Conservative Party. This debate should have been held in the Procedure and House Affairs Committee, and a member of the Conservative Party—I will not give his name, but Mr. Goodyear was the Chair... There has been a spanner in the works for seven months to prevent you from speaking. Their behaviour has been absolutely deplorable, and certainly not a model to be followed.

[English]

The Chair: Monsieur Nadeau, I'm sorry. Mr. Goodyear has called a point of order on relevance.

Mr. Gary Goodyear: The opening statement by the honourable member is not only untrue, it's irrelevant.

The Chair: Mr. Goodyear, again that is not a point of order.

Mr. Nadeau, please carry on.

[Translation]

Mr. Richard Nadeau: Mr. Caldwell, did you feel that you were being forced to take part in this scheme by the Conservative Party that you were representing during the last election?

Mr. Gary Caldwell: No, I did it willingly because I had confidence in Mr. Rivard. However, when the time came to clarify

things with Elections Canada, my agent and I acted on our own and declined the assistance of the Conservative Party.

Mr. Richard Nadeau: Why did you turn it down?

Mr. Gary Caldwell: We turned it down after reading the act in detail and after learning that Elections Canada said that it was not an acceptable expense. We never saw the contracts or received the invoices. This expense had nothing to do with our riding and had not been authorized by my official agent. It seemed reasonably clear to me, within the spirit of the act, that it was not an expense that was acceptable in our riding.

• (1140)

Mr. Richard Nadeau: You thus rejected the underhanded dealings of the national party and acted otherwise. When did you become aware of the fact that the process set in motion by the officials of the Conservative Party were illegal? I will use the word "questionable" rather than "illegal".

Mr. Gary Caldwell: Could you repeat the question?

Mr. Richard Nadeau: Was it during or after the campaign that you noticed there was something questionable going on?

Mr. Gary Caldwell: It was when Elections Canada was looking into the matter and I went into the question in greater detail with my official agent.

Mr. Richard Nadeau: Ms. O'Sullivan, were you asked to take part in the process that the Conservative Party officials had come up with?

Ms. Louise O'Sullivan: No, sir, and I would have refused to do so had I been contacted.

Mr. Richard Nadeau: No one went to see you. If I have understood things correctly, some candidates were targeted.

Mr. Goudie, when your agent was contacted, was it clearly explained to her how the money was going to be used?

[English]

Mr. Joe Goudie: He explained that the funding that was being transferred to us and then returned to the Conservative Party of Canada was to be used for television advertising.

I made a statement a few moments ago to this committee that my campaign manager asked if we could use it to purchase advertising in the riding. I should clarify that you cannot purchase television advertising in the riding of Labrador. You can purchase radio advertising, but not television advertising. So the money was automatically returned, as we were instructed to do, to the Conservative Party of Canada, with the caveat by Mr. Hudson that the local candidate—namely me, Joe Goudie—or at least the riding would be identified in national television advertising.

[Translation]

Mr. Richard Nadeau: Ms. Fortier, you were only involved at the very beginning of the last campaign. I understand that you had been chosen as a candidate.

Ms. Ann Fortier: Yes, my investiture was in May 2005. As a result of these problems, the organizer, Michel Rivard, desperately wanted me to somehow get rid of Mr. Leone and that I should take his place to accept these fabricated expenses. I refused to do so. I did not believe that they would go ahead. I have nothing to hide; I am an honest person with integrity. We prepared the election returns correctly and honestly, and I wasn't going to inflate the election expenses in order to receive a "fat" reimbursement.

Mr. Pierre Coulombe told me that if I did not agree, then it would be too bad, but I would no longer be the candidate. I did not believe that it would happen, because my campaign photographs were ready, I had already reserved my truck and I was waiting for my election signs. It was the first week of the campaign. When I telephoned to find out about my signs, Mr. Paulin Grenier, a regional organizer, told me that I would no longer be conducting the campaign because I had been replaced. Imagine how that shattered my dreams! I had been crisscrossing the district for a year and a half, and it was the new candidate who would reap the benefits of my work. It had become very clear that La Mauricie had become very auspicious for the Conservatives.

In any event, I can look in the mirror and feel proud of myself.

• (1145)

[English]

The Chair: *Merci, madame.*

Mr. Tilson, please.

Mr. David Tilson: Mr. Goudie, I just want to be clear. You first heard of this when you heard from some contact from...or read something in the CBC media. Is that where you first heard about this incident?

Mr. Joe Goudie: It's the first time that... I became aware—I think the date is here—in late March or early April of 2008 that a news report was carried in our province dealing with what they referred to as the “money in, money out”. But I also explained earlier—I don't think you were present, sir, when I made the explanation—that during the process of filing the election return undertaken after the election, my official agent, Mr. Barnes, brought to my attention a number of amounts of money that could not be claimed during or in the election return. One of those items was this amount. It was not singled out as anything dealing with “money in, money out”. We hadn't heard the term at that time, but we were told by Elections Canada that we could not claim that particular amount.

Mr. David Tilson: Did any official or anybody from Elections Canada ever contact you about this issue or, to use your words, “this incident”?

Mr. Joe Goudie: No, no one did.

Mr. David Tilson: So all you know is what you read in the newspaper?

Mr. Joe Goudie: Yes. Well, I didn't read it in a newspaper; it was carried on CBC television at home.

Mr. David Tilson: It was carried on television.

Mr. Joe Goudie: Following that report, there were newspaper reports, yes.

Mr. David Tilson: Isn't that rather strange to you?

Mr. Joe Goudie: Quite probably, yes.

Mr. David Tilson: Yes.

My question to you is, as a candidate, is it important that the national leader and the national party do well?

Mr. Joe Goudie: Of course. In any campaign I've been involved in—and this was number five, in 2006—it is very important that the leader and the party do well.

Mr. David Tilson: You won't do well, probably, if your leader isn't going to do well, or your chances—

Mr. Joe Goudie: Exactly. You stand a very good chance of losing.

Mr. David Tilson: Yes.

Do you think that the two campaigns are in a way connected?

Mr. Joe Goudie: They're connected in the sense that they're at least supposed to share a common identity and a common campaign format and a common objective of forming a government following the election, yes.

Mr. David Tilson: So you're going to obviously speak well of the party you're representing, and hopefully, if the leader of that party comes to your riding, that leader is going to speak well of you.

Mr. Joe Goudie: That would certainly be the hope and would have been my experience in the past, yes.

Mr. David Tilson: I know these sound like silly questions, sir, but I don't mean them to be silly; I think it's very important to put forward the view that the national campaign and the local campaign are in fact one and the same.

Mr. Joe Goudie: Yes, of course they are, in terms of common identity and objective.

Mr. David Tilson: Did your literature have the leader's photo on it and include what he may have said?

Mr. Joe Goudie: There would have been some pieces of literature, yes. We also had the blue book.

Mr. David Tilson: Yes. So in fact there is no division between these two groups, the local campaign and the national campaign?

Mr. Joe Goudie: There was no division that I would call a division; however, in the Labrador campaign in 2006 there was no support given by the Conservative Party of Canada, either financially or politically, during the campaign.

Mr. David Tilson: Why are you here today, Ms. O'Sullivan?

Ms. Louise O'Sullivan: Why am I here today?

Mr. David Tilson: Yes.

Ms. Louise O'Sullivan: It's to make sure that any nuances that appear in the paper should not involve me in the scam.

• (1150)

Mr. David Tilson: But you were never approached by the media?

Ms. Louise O'Sullivan: No, but there are inferences—and I have a copy with me—that, if anyone were reading them who was not politically savvy, would associate me with what is going on.

Mr. David Tilson: So you're on a mission.

Ms. Louise O'Sullivan: I'm not on a mission. I was asked to come here. I was not subpoenaed.

Mr. David Tilson: Who asked you to come here?

Ms. Louise O'Sullivan: One of the staffers. When I got the phone call—

Mr. David Tilson: What staffer?

Ms. Louise O'Sullivan: A staffer who works for the committee, I was told.

Mr. David Tilson: Yes, that's it.

The Chair: Thank you.

Ms. Louise O'Sullivan: May I add something, sir?

The Chair: I'm getting a little bit concerned. I think we have to be very careful about badgering witnesses, and I'll leave it at that.

Madam O'Sullivan, do you wish to make one final comment with regard to that exchange?

Ms. Louise O'Sullivan: I do. To begin with, I would have come here no matter what party asked me to come here.

Mr. David Tilson: I have a point of order, Mr. Chairman, a point of order.

The Chair: Excuse me, excuse me. Order, please.

Mr. Tilson on a point of order.

Mr. David Tilson: I don't believe, sir, you have the right to carry on with my examination. If you want to do that, you can come and sit here and surrender your position as chair, but you can't ask for clarification of my questions. You don't have the right to do that. What are you doing up there?

The Chair: Thank you. That's not a point of order, Mr. Tilson.

The witness, Ms. O'Sullivan, was indicating to the chair that she wanted to respond to this rapid-fire—

Mr. David Tilson: No, it's not for you to ask questions. You don't have the right to do that.

The Chair: No, it was clear that the witness did not have an opportunity to respond to the question. That was my decision. If you'd like to challenge my decision, sir, you can.

Mr. David Tilson: Mr. Chairman, we're going to have a real challenge.

The Chair: Madam O'Sullivan.

Ms. Louise O'Sullivan: Mr. Szabo—

An hon. member: Bring in the security.

Some hon. members: Oh, oh!

The Chair: Order, please, order.

I think it's in the public interest that members have an opportunity to ask their questions and that our witnesses before us, properly sworn in, come here and have an opportunity to respond. We do have time limits for each session of questions, but it has been my practice, as the members well know, certainly not to cut off an answer or at least to allow witnesses to respond to a question that was posed to them. In my view, the witness did not have an opportunity to express

her answer to the questions raised by Mr. Tilson, so I've offered to allow her a couple of moments to simply respond to what was posed to her by the honourable member.

Madam O'Sullivan, would you care to make a very brief comment in direct response only to what Mr. Tilson covered with you in the last questions he asked?

Ms. Louise O'Sullivan: My response to you, sir, and the committee is that I would have come here regardless of which party asked me to appear.

The Chair: Thank you, madam.

Mr. Pat Martin: I have a point of order.

The Chair: Mr. Martin, please.

Mr. Pat Martin: Thank you, Mr. Chairman.

The Chair: Order, order.

I'm sorry—

Mr. Pat Martin: Come on, this is getting ridiculous.

The Chair: We're going to carry on. Here is what I'm proposing.

In this round, we have Mr. Martin, Mr. LeBlanc, and Mr. Goodyear remaining, and I'm going to hear.... This is the end of the second round. Then as I had indicated to the witnesses, I'm going to offer to them, if they wish to take it up, an opportunity to make any closing remarks on any matter. I know you've come here to provide information, so if there is anything that you feel has not been covered or that you need to say, I will give you that opportunity before we adjourn this morning's session.

Mr. Goodyear has interrupted the proceedings on a point of order related to...?

Mr. Gary Goodyear: Actually, Mr. Chair, I think you've just answered my point. I was simply going to request, since time is running short, that we allow for another round, and I appreciate that you've already acknowledged that. That's not an interruption; that's just a point, and you've answered that, and I appreciate that.

Thank you, Mr. Chair.

The Chair: There is not another round, Mr. Goodyear. We're completing the round. We have to be clear on that.

Mr. Martin, you have five minutes.

Mr. Pat Martin: Thank you.

One of the most serious allegations in the affidavit and the file to justify the search of Conservative headquarters and the subsequent investigation by the elections commissioner and the Director of Public Prosecutions is the falsification of financial returns, the falsification of election finance documents, which in and of itself is a very serious offence.

I'd like to ask you, Mr. Fauteux, as an official agent, if you ever saw the invoice dated January 1 for \$27,125 from Retail Media to Mr. Caldwell's campaign. Did you personally see that invoice?

• (1155)

[Translation]

Mr. Réjean Fauteux: No. The invoice that we received came from the Conservative Fund. There was one for about \$33,000. If you like, I could take the time to look at it. There was another one for \$3,900, for a total of \$37,238.

[English]

Mr. Pat Martin: I see. So the invoice from Retail Media never came directly to you. The invoice came from the Conservative Party headquarters, etc., and asked you to pay the \$33,000. I think I understand that.

What financial arrangements were made? How did the party ask you...?

Well, first of all, how did the money come into the account of your campaign? Was it by cheque or by wire? And how was the money to be returned to the Conservative Party? Were you to wire it or to write a cheque for it?

[Translation]

Mr. Réjean Fauteux: It was a wire transfer. The money was placed in the account of the official agent and taken out again about 10 days later, because there was a problem with the transfer in returning the funds.

[English]

Mr. Pat Martin: Were they specific that they wanted it done by wire and not by cheque?

[Translation]

Mr. Réjean Fauteux: Yes, by transfer.

[English]

Mr. Pat Martin: Did they ask you specifically to transfer it electronically instead of writing a cheque?

[Translation]

Mr. Réjean Fauteux: Yes, that is what we were asked to do. Before making the transfer, I had to sign a document saying that I would return the money to the Fund.

[English]

Mr. Pat Martin: By wire? All right, I'll leave that.

Let me ask in more detail. I don't know if Mr. Caldwell has already specified this, but in regard to the advertising, were tags with your name on advertising that ran in your riding?

Mr. Gary Caldwell: Not the advertising of the media buy. I never saw a tag. I cannot affirm it, but I never saw a tag.

Mr. Pat Martin: So obviously your signage was part of the media buy, and your signage was obviously identified to you, but in the radio or the TV ads you don't remember seeing along the bottom, "This advertisement brought to you by Conservative candidate Caldwell".

Mr. Gary Caldwell: No, the signage and the media buy were held distinct. On the signage, we were billed for that and returned the money, because we hadn't actually worked with the people who did the signs. That was about \$4,000. The other \$3,000 was identified as

media buy, and in that money there was no tag that I'm aware of in the publicity that appeared.

Mr. Pat Martin: So you couldn't possibly say that was a local campaign expense if it didn't refer specifically to your local campaign.

Mr. Gary Caldwell: That's right, and I want to respond to that issue, because we do live in rule of law and there is a law governing these things. When the director of elections pointed it out to us, I think as an informed citizen I was able to make a decision with the law in front of me, and it became clear to me that it was not a legitimate local expense.

Mr. Pat Martin: Did you ever contact Elections Canada with that specific question?

Mr. Gary Caldwell: Yes. On April 27 we received a letter from Mr. Mayrand, dated April 23, in which he said the \$33,000, not the \$4,000 for the signage, was illegitimate since there wasn't adequate documentation—that is, a contract signed by us or a bill to us.

My agent and I discussed this, and we phoned the authorities, Elections Canada, who are the people designated by this Parliament to manage the elections. That was after the campaign.

The Chair: Thank you very much.

Monsieur LeBlanc, s'il vous plaît.

• (1200)

Hon. Dominic LeBlanc (Beauséjour, Lib.): Thank you. Mr. Chairman. I have a few questions for Mr. Goudie.

Mr. Goudie, I'm interested in a timeline with respect to when your campaign, either your campaign manager, I believe, who was Ms. Singleton, or your official agent, who I think was Mr. Hudson—

Mr. Joe Goudie: Mr. Barnes.

Hon. Dominic LeBlanc: —I'm sorry, Mr. Barnes, your official agent—was contacted by Conservative headquarters to participate in what they're now calling a regional media buy. Do you know if that was in December?

Mr. Joe Goudie: No, it was not in December. It was actually during the campaign. According to the affidavit by Mr. Barnes, it states that on January 3, 2006, he received an e-mail from Mr. Hudson, which is attached hereto as exhibit A, and then apparently was recontacted on January 16 when the sum of \$2,097.20 was deposited to our campaign account.

Hon. Dominic LeBlanc: And you only became aware of this, as you have said to Mr. Tilson, when it became a public issue on CBC television in your province. Is that correct?

Mr. Joe Goudie: Yes. Perhaps I should take a moment, if I may, to explain that.

I mentioned earlier the size of the riding of Labrador and the number of communities. The only point I was trying to make was that communities are scattered, and during a winter campaign you travel either by vehicle, by aircraft, by snowmobile, or by walking. With 20 days in a campaign, I was doing a lot of walking, a lot of snowmobiling, and a lot of travel to try to get to all communities. So when this contact was made I was out on the hustings, if that term is acceptable, trying to drum up support for my campaign, to get votes, which is the objective of all of us who are in elected office. When I spoke to Mrs. Singleton about this matter following the news coverage in March and April of this year, she stated then, and repeated it in her affidavit, that she was following the direction of the national campaign. This was her first campaign as a campaign manager. Therefore, she didn't feel there was anything wrong if the national party was directing us. And because I was extremely busy trying to gather support for the campaign, it was not brought to my attention.

Hon. Dominic LeBlanc: Mr. Goudie, in your affidavit I think you also said that you were angry that your campaign team had been dragged into this mess. I'm wondering if you could expand on that. Some of the comments, for example, that Mr. Sparrow, a Conservative spokesperson, made.... I think he said that it was sour grapes or because you lost that some time later you were looking to blame somebody.

You're a former Conservative minister in the Government of Newfoundland and Labrador. How did you react to a Conservative spokesperson saying that you're just trying to blame somebody? I believe Mr. Sparrow also said that it was ridiculous for you to say that you didn't know anything, because you signed the declaration. So he would seem to dispute the fact that you learned about when it became public on CBC.

How did you react to that?

Mr. Joe Goudie: Mr. Sparrow can declare whatever Mr. Sparrow wishes to declare. What I am telling you now, and what's in the sworn affidavit, which was forwarded to Elections Canada and is available to this honourable committee, is a statement of fact to the best of my knowledge. I do not recall anyone, including Mr. Sparrow, contacting me prior to this transfer of funds, during the transfer of funds, or following the transfer of funds. As I explained already, sir, my campaign manager, with a very busy campaign under way on her part and on my part and on everyone's part, did not feel that it was necessary, since the Conservative Party of Canada directed us to do this, to bring it to my attention.

Hon. Dominic LeBlanc: That was presumably why you said you were angry that you were dragged into this mess.

Mr. Joe Goudie: Yes, precisely. I had had no contact.

The way the news report was carried in March and April of this year by CBC television left the impression, and the report itself left the impression, that there was something dreadfully wrong here with this "money in, money out" campaign, as they referred to it. I did not wish, as other witnesses have already stated here this morning, to be identified as a person who was doing something illegal or wrong or questionable or whatever. It was then that I went to a legal adviser and explained the situation as it existed, as I understood it. And that legal adviser advised me to do an affidavit, the sworn affidavit forwarded to Elections Canada.

●(1205)

Hon. Dominic LeBlanc: And drop a claim for reimbursement from Elections Canada for that amount.

Mr. Joe Goudie: No. The only thing we have not been reimbursed for is the \$21 transfer fee.

The Chair: We'll have Mr. Goodyear, please.

Mr. Gary Goodyear: Thank you, Mr. Chair.

Thank you, Mr. Goudie, for bringing up the affidavit you signed.

I just want to clarify something before I move on here. You chose your financial officer.

Mr. Joe Goudie: That's correct.

Mr. Gary Goodyear: And you're aware that Elections Canada gives out a handbook for financial officers. Do you think your financial officer read that handbook?

Mr. Joe Goudie: I don't know that he read it, but having been a financial officer for other campaigns, I would certainly think that he was aware of the general procedures in the handbook.

Mr. Gary Goodyear: Thank you.

Frankly, that's all I was after. Your chief financial officer, whom you selected and who apparently read the rules, had this proposal made from the Conservative Party and thought about it. It was informed consent—they signed for it—and it is regrettable that you didn't know about it.

On this issue of comparisons with respect to ethical standards, let me go to Mr. Caldwell. I'm not asking you to comment on the specific case; I'm just asking how this compares—whether it is better, worse, or the same as what happened to you.

I'm going to read you an e-mail. This is from the affidavit Mr. Goudie has mentioned. This e-mail starts off on March 16, 2006, a few months after the election. The first e-mail is from Lucy. I won't read the last name out of respect, but Lucy is the bookkeeper for the New Democratic Party of Canada. This e-mail says:

Dear Official Agent: Please find attached an invoice from the federal party. The original will follow by mail. It is our understanding that these radio ads promoted your candidate during the election period. Please forward payment to the federal party as soon as possible. The amount should be reported in the candidate's election campaign return.

—in other words, expensed at the local level.

Not very long later, on March 30, Phyllis, who is identified as the financial officer for this NDP candidate, writes back and says:

Hi Lucy, this invoice is not ours. Mindful about the extended campaign and limited budget, we were only able to take out a few ethnic ads, Chinese media

—all coordinated through somebody, the NDP B.C. Chinese media liaison.

A cheque of \$1,500 for our portion will be forwarded to the Canadian NDP and cashed. Please check this, because this is really, really bad for our ceiling.

I'm assuming that means it's going to push them over.

Right away, boom—almost the next day, on March 31—there is an e-mail sent back to Phyllis by the bookkeeper for the New Democratic Party. I'll quickly read it:

Subject: Federal Party Invoices.

Dear Phyllis, we are told by the communication folks in B.C. that these radio ads, with the candidate's personal tag at the end, therefore [are] a local expense to be reported under the candidate's expense ceiling, regardless of who pays. For rebate purposes, we were asked to bill each campaign—in the case of Vancouver East, \$2,612.

The good news is that the federal NDP party will transfer \$2,600 to the federal riding association, as we agreed to pay for the ads.

We hope that you are able to squeeze this under the ceiling. Some expenses are not considered election expenses subject to spending limits, such as fundraising costs. Please have a look at the totals and get back to us if you think you have a problem.

Clearly there's been money transferred from the national NDP party to Libby Davies' riding. Then they demanded payment for an ad that the national party organized, produced, paid for; now they want Libby Davies' local campaign to absorb the expense.

How, sir, is that different from what happened to you?

• (1210)

Mr. Gary Caldwell: Are you posing the question to me?

Mr. Gary Goodyear: Yes, sir, Mr. Caldwell.

The Chair: Mr. Caldwell, you have 15 seconds to respond to the question.

I'm being facetious. That was four minutes and 45 seconds. I will allow the witness to make an appropriate answer, and then we're going to move on with closing statements.

Mr. Gary Caldwell: Because it doesn't involve my participation in the campaign, I feel it's not incumbent on me to respond.

The Chair: Thank you.

Mr. Wallace has a point of order. Let it be about relevance, repetition, or procedure, please.

Mr. Mike Wallace: It's procedural, and I want to point out that I've had two points of order earlier and you've accepted them both.

In a previous point of order I asked about the opening statement piece. You said there was none. The tradition of this committee—and this committee belongs to the members, not to the witnesses—is for us to respond to what is said in opening statements. It gives every one of us an opportunity to respond.

The way you've set it up whereby there are closing statements, which I disagree with, is that they will make their statement and leave, and members of this committee will not have an opportunity to debate, discuss, or ask questions on those statements. They are statements that could say absolutely anything, without any recourse.

I'm asking on a point of order that you change your mind so that closing statements not be allowed, particularly when you didn't even allow opening statements.

Thank you.

The Chair: Well—

Mr. Mike Wallace: It's our committee, not theirs.

The Chair: No, no, I understand.

I outlined what was being proposed, simply because of the time as well as the substantial delay. As you know, the chair is asked to coordinate a process, taking into account knowledge and information about our proceedings and how they may go. It was clear that when you had three different campaigns but in fact six witnesses, and one official agent not able to attend, you would get a lot of duplication in those opening statements. It was my judgment that the best thing to do was to get on with the questions, which were fairly straightforward given the nature of the motion. However, should there be anything that wasn't covered or if a witness made an error in a statement they had made, they should have an opportunity to correct it. This is fairly standard.

So that was my ruling earlier. If you would like to challenge that ruling and make a motion to do something else, then that is your right, sir.

Mr. Mike Wallace: On a point of order, Mr. Chair, I've heard you for almost a year and a half now about fairness to committee members—honourable committee members.

The Chair: Okay.

Order, please.

Mr. Mike Wallace: If you think about it for a second, it is not fair to honourable committee members—

The Chair: No, this is debate.

Order, please.

Mr. Mike Wallace: —not to be able to question witnesses after they make a statement.

The Chair: Order, please.

Mr. Mike Wallace: And having the microphone off is not really a problem for me.

It's not fair. If we allow it to happen here, you will have to allow it to happen for every witness this committee sees, not just for this study but for every study from here on forward.

The Chair: Okay.

Madame O'Sullivan, Madame Fortier, Monsieur Caldwell, Monsieur Fauteux, Monsieur Goudie, thank you kindly for coming, for your poise and directness and forthrightness with the committee, and for taking the time. I know we are all busy, and particularly in Madame Fortier's case it was quite a sacrifice to come here. I know all of you took some time, but you took this seriously, as the committee does.

As I indicated, I'm inviting you, if you wish, to make a brief closing statement to the committee if you feel there's something that was incorrect, not clear, or that you did not get an opportunity to express because a question didn't come your way. So I will give you a moment or two. I'll be somewhat flexible.

I'm just going to go across the front. So I'd like to start with Ms. O'Sullivan, please.

Mr. David Tilson: Mr. Chairman, I'd like to challenge the ruling.

The Chair: Okay, there's a challenge to the chair's ruling to proceed as I outlined. That vote has to be put immediately, and I'd like to ask the clerk to call the question on the motion to challenge the chair.

(Ruling of the chair sustained)

•(1215)

The Chair: I'm now going to ask our witnesses to make any final remarks to the committee, if they care, before we adjourn the morning session.

Ms. O'Sullivan, would you like to say something to the committee?

Ms. Louise O'Sullivan: Certainly, Mr. Chair.

Thank you, honourable members. I'm glad that I was here to be heard. I just want to say one thing: all expenses in Westmount—Ville-Marie were accounted for with due diligence.

Thank you.

The Chair: Thank you kindly.

Madame Fortier.

[*Translation*]

Ms. Ann Fortier: To be sure, my willingness to speak to the newspapers had nothing to do with making political capital, but simply to wake the other 2006 candidates. As my reputation had been tainted by my former party, I wanted to bring light a situation that struck me as irregular. I did my duty as a good citizen. I also did it out of a concern for honesty and integrity, because in a democracy, transparency, fairness and equitability are essential.

Thank you.

[*English*]

The Chair: Mr. Caldwell, please.

Mr. Gary Caldwell: Thank you very much, Mr. Chairman. I appreciate being able to respond.

First of all, I would like to say that my understanding initially, when this arrangement was being proposed, was that the 60% that would be claimed against that money would be retained by the Conservative fund. Later it was decided it would be available to the riding associations.

Second, I was asked if I had been requested not to respond to the media after this came out in the media. In fact, yes, I did receive a call from someone who told me I should not respond to this question in the media. The person was probably unaware that I was one of the people involved in the media discussion.

Third, when the Conservative Party decided to launch a lawsuit against Elections Canada, Mr. Rivard offered the services of the lawyers of the legal party, because we were initially all cited in the summation in that lawsuit. Eventually the judge decided to remove all but two. But at that point I told him, no, I would not take advantage of the services of the Conservative Party lawyer.

Finally, I would like to add that my financial agent—and I would like to take the occasion to congratulate him—did in fact read the manual.

Finally, I have a suggestion. Whether it be the Conservative Party or any other party, I think this mechanism of a fund by the central party through which all the money is channelled—for example, even the initial \$1,000 deposit was made by that fund, the payment of the posters was managed by that fund, and that's why we were not able to claim it—this mechanism whereby candidates delegate, because we did, our authority in this regard to a central fund be re-examined. I think it poses a serious problem with regard to the independence and the accountability of the candidate at the local level.

Finally, I want to thank the chairman, but I must say that after having watched the performance of certain members of this committee I'm in fact really quite worried about the future of our parliamentary institutions.

•(1220)

[*Translation*]

The Chair: Mr. Fauteux, would you like to make a few comments to the committee?

Mr. Réjean Fauteux: Mr. Chairman, I would like to make one comment about the situation. Correct me if I'm wrong.

I am a public administrator. When a grant is received or a promise from a provincial member, or anything else of this kind, it is often accompanied by a letter confirming the amount of the contribution.

The Conservative Fund sent us money, whether by wire transfer or by cheque—I do not see any difference between the two. If the money had been spent in the riding and the candidate or official agent had control over it, then I think Elections Canada would have accepted the expenses because we would have been the ones to have spent the funds.

I would also like to note that when I looked at the association account, it was at zero, and in a riding like ours, we cannot spend money that we don't have.

Thank you very much, Mr. Chairman.

[*English*]

The Chair: *Merci.*

Mr. Goudie, please.

Mr. Joe Goudie: Thank you, Mr. Chair.

I realize this is not a humorous business we're involved in here this morning, but to try to inject a little bit of humour, I must say it's nice to be back in familiar surroundings.

However, more to the point, I respect the responsibility this committee has been empowered with and the mandate it has been given to look into the matter under discussion. I'm pleased and honoured to have been requested to attend here to explain the role my campaign had during this whole process. I feel I have now had the opportunity to explain exactly what transpired in relation to the Labrador riding and myself. I appreciate the opportunity to do that.

Thank you.

The Chair: Thank you kindly to all.

Mr. Wallace has a point or order.

Mr. Mike Wallace: On future witnesses, based on the motion that's been passed by this committee, if they're not public office-holders or were not involved in the 2006 campaign, do they still have relevance as witnesses?

The Chair: That is not a point of order. It has nothing to do with the proceedings that just occurred.

We will suspend and resume at two o'clock.

• (1220) _____ (Pause) _____

• (1400)

The Chair: Order, please.

We're resuming our hearings on the motion adopted by the committee, which reads:

That the Standing Committee on Access to Information, Privacy and Ethics investigate the actions of the Conservative Party of Canada during the 2006 election, in relation to which Elections Canada has refused to reimburse Conservative candidates for certain election campaign expenses in order to determine if these actions meet the ethical standards expected of public office-holders.

We had this afternoon scheduled, as you had on the notice, colleagues, three witnesses in this panel. I can indicate to you that Mr. Martelli is here with us. He is the candidate for the riding of Bourassa. We also were to have the candidate for Vancouver East, Elizabeth Pagtakhan, and her official agent, Denny Pagtakhan. I was advised earlier this morning that Ms. Pagtakhan, the candidate, was interfered with by her husband not permitting her to be served with the summons and that Mr. Denny Pagtakhan, the official agent, did not make himself available. The bailiff just could not locate him at his home the number of times he attempted to personally serve the subpoena. So neither of them are here. I have just been informed subsequently by the clerk that Ms. Pagtakhan did in fact ultimately get served with a summons but declined to appear.

So we do have one witness here, Mr. Martelli, and we're going to have Mr. Martelli sworn in. We will take questions from the members.

Mr. David Tilson: I have a point of privilege.

The Chair: If you could just hold that, I'd like to finish.

The witness will be sworn in by the clerk. We will follow the pattern that we had earlier. We will receive questions, and at the end of our question rounds, Mr. Martelli will be given an opportunity to make any final comment he feels is appropriate for the committee.

So I would ask that he be sworn in now, after which time I'm going to hear Mr. Tilson.

Mr. Liberato Martelli (As an Individual): The evidence I shall give on this examination shall be the truth, the whole truth, and nothing but the truth, so help me God.

The Chair: Thank you.

Now, I believe Mr. Tilson was first.

Mr. Tilson, you had a point of privilege. I'd like to hear it, please.

• (1405)

Mr. David Tilson: It's in response to what you just said, sir, about the two other witnesses not indicating that they would be here.

I can only say that I had my assistant telephone the clerk's office, I believe it was, at least twice, saying that generally speaking when we have committees on Mondays they don't start until 11 o'clock because people have to travel from afar. You and I live in the same area, and you made it, but it was difficult for me to get here by 10 o'clock. I did make it somewhere prior to 11, but I came here; I'm here. We had some witnesses this morning, a whole bunch of witnesses—I don't know how many there were—but we really didn't finish our questioning. I'm just rather annoyed at the process that has been followed, that we have one witness this afternoon.

You must have known on Friday, sir, that these other two witnesses weren't going to appear, and yes, there's some business that's being scheduled, but basically, unless that goes on and on and on, which I hope it doesn't, this afternoon will be a waste. I just consider it poor planning on your part, sir, because you're in charge of these committee meetings, and to arrange for only one witness on a Monday afternoon when we're all prepared to work here until five, somehow you've blown it.

The Chair: With respect, Mr. Tilson, I don't hear a point of privilege at all.

And I can tell you that when you have 79 witnesses to contact and schedule, and when you find out about a week and a half ago from at least two of the proposed witnesses that "the party instructed us not to appear before the committee"... We had two or three people who basically confirmed the same thing—to decline any invitation to appear.

As a consequence, Mr. Tilson, it was going to be a situation in which, with the people who had valid reasons not to be here plus the people who just decided not to come, we would have had hardly any witnesses. The committee did authorize the chair to summon witnesses if it was felt appropriate under the circumstances. Given that I was aware that there appeared to be directives out that people not accept our invitation to appear, those summonses were issued.

Now, I can also say to you, sir, as you know—and I know you're familiar with the rules in this regard—our summonses are not enforceable without going to the House for approval for the committee to engage the Sergeant-at-Arms to bring a witness to the committee. So right now I can tell you, sir, that you are quite right, I don't know how many people we will have for each morning and afternoon session, because I don't know whether they will respect the summonses served on them by the bailiff engaged by the clerk's directorate on the direction of the chair. We may very well have similar situations like that.

It will be up to the committee to have a discussion as to what, if any, further action it cares to take and whether it cares to report to the House and seek to have these people come and explain why. As you know, a number of other committees have recommended that persons who either did things or did not do things before the committee that they should have done be found in contempt of Parliament, without further sanctions.

I was involved in the George Radwanski one, and that was certainly the same situation. We simply found the person in contempt, without further sanctions.

I don't know how that's going to go, sir, but I can tell you that we took every reasonable step and followed the rules and procedures prescribed by the House of Commons and the clerk's directorate to contact people, to give them proper notice, and to have them come before our committee.

The committee will then have to decide, if people do not show, having been summonsed, whether further action is necessary. And I think the committee should prepare itself for that discussion on Thursday, when we deal with future meetings and future witnesses.

•(1410)

Mr. David Tilson: Mr. Chairman, I don't accept what you've said, but I do ask that you table whatever evidence you have that a party told witnesses not to come to these hearings.

The Chair: Those were verbal representations to the clerk. As you know, the chair does not make any communications directly.

Mr. Gary Goodyear: You said that you had this notice. Mr. Chair, you just said that you had the notice.

The Chair: Yes, I had the notice from the clerk's report to me, which records the date and who was spoken to, and so on.

Mr. Gary Goodyear: Can we have that?

Mr. David Tilson: Mr. Chairman, I still have the floor. Can we have that report? Those are serious allegations you're making, and you just can't say them unless we know they're true. I'd like to see what documentary evidence.... If you have a report, I think the committee members would like to see the report that says that a party told witnesses not to appear at these hearings.

Mr. Gary Goodyear: Those are very serious allegations, Mr. Chair.

The Chair: I know.

The clerk's report to me is only in one official language. So as you know, we have to deal with this. I want to make sure—

Mr. Gary Goodyear: I want you to read it.

The Chair: The quote here from this one person is that—and this is the statement by the clerk who took the call—"He informed me that the party has told them to decline all invitations." That is a quote that has been recorded in this report on trying to get witnesses.

Mr. David Tilson: You have nothing in writing. All you have is a written report from the clerk as to conversations she's had.

The Chair: Yes, sir. That's correct.

Mr. David Tilson: Thank you.

The Chair: It is from the phone calls of the clerk to the proposed witnesses as approved by this committee. That is following the rules to make contact. I could indicate to you that my instruction to them, first of all, was to get a preliminary indication of their availability at any time during the four days we had agreed to meet.

Mr. David Tilson: Were those witnesses subsequently summonsed?

The Chair: Yes.

Mr. David Tilson: I think something's wrong here. I have the right to ask these questions.

The Chair: Order. Order, please.

I understand this is a very serious issue, and you know that I raised it tangentially last week when it was reported in the press that the word was out. I think that was the way it was reported. I take this very seriously.

We will deal with this. Because we're dealing with future witnesses and meeting dates, we will probably want to go through all 79 to just confirm to the members.

This is not translated into French, though, is it? And it's updated daily, so....

Let me see what I can do. We will deal with this, Mr. Tilson. Thank you for raising the point.

Now, there was another. Mr. Del Mastro, you had a point of order.

•(1415)

Mr. Dean Del Mastro: Yes, on a point of order, Mr. Chairman, I'm just concerned. It seems there's been a bit of a departure from the precedent that was set when Mr. Mayrand was here. Mr. Mayrand was allowed to exercise *sub judice* privilege. He was also not sworn in.

We seemed, on a whim, to change that precedent today. It seems that once again we're establishing a double standard whereby certain witnesses will be held to a certain standard, others will not. Some will be held to a certain expectation of forthrightness, others will not.

We would very much like you to consider that. Certainly if Mr. Mayrand is coming back, I hope he will be held to the same account as we're holding these witnesses to, understanding that that is in very stark contrast to the expectation he was held to the first time he appeared.

I hope that's going to be the case; otherwise I think we're clearly setting up another double standard at this committee, yet another double standard at this committee, and I hope that is not the case.

The Chair: Thank you, Mr. Del Mastro.

Your point is of interest. I can indicate to you that the question you raise was dealt with fully at our last two meetings when we dealt with the *sub judice* convention and why Mr. Mayrand was permitted to not answer certain questions that were before the investigation.

You weren't at those hearings, but if you have a look at them you will be satisfied that I explained to the committee right at the outset that a condition precedent for Mr. Mayrand to appear was that he would not be put in a position to have to answer questions that could potentially prejudice or compromise his investigation. As chair, I agreed to that condition, and that's one of the reasons he did not respond to certain specific questions directly related to the investigation.

As to swearing in, it is a decision of the committee. There was no request for Mr. Mayrand to be sworn in. I didn't see any reason for him, as an officer of Parliament appointed by the Prime Minister, in one of the top responsible positions of the government, to be sworn in. So I did not take that step. It was not an omission; it simply was not viewed to be appropriate.

So that deals with the two points you raised.

Mr. Dean Del Mastro: Supplemental to that—this is important, Pat—may other witnesses invoke the same privilege to *sub judice* rights at this committee? Since we've extended it to one, can other witnesses invoke the same right, just in the name of consistency and levelling the playing field?

The Chair: I wanted to be absolutely sure this was clear, so at the beginning of the meeting this morning, and maybe you weren't—

Mr. Dean Del Mastro: I heard it.

The Chair: I indicated to you that I did get an opinion from the law clerk of the House of Commons.

• (1420)

Mr. Dean Del Mastro: Could you table it?

The Chair: I got an oral opinion from him—

Mr. Pierre Lemieux: Oh, not oral.

The Chair: —and the *sub judice* convention is not sufficient reason for a witness to not answer a question. That is the opinion of the chief legal officer of the House of Commons.

Mr. Dean Del Mastro: Could we get that in writing, Mr. Chair, please? It's important.

The Chair: Absolutely.

Mr. Dean Del Mastro: Thank you.

Mr. Pat Martin: Could we get going now? You've wasted half an hour on chit-chat on everything amusing that they seem to come up with. You've engaged him back and forth as if it was a one-on-one conversation. We have the entire committee here waiting to get on with the business of the committee.

The Chair: Order. There's one more point of order here, I'm sorry.

Mr. Goodyear.

Mr. Gary Goodyear: Thank you, Mr. Chair.

I have a couple of points. I find it quite interesting that you accept the legal opinion of the House when in fact the legal opinion of the House was that this motion was not in order, but the tyranny of the majority voted otherwise.

I think it's completely outrageous that you're making allegations against the Conservative Party based on hearsay. It's outrageous.

Here's my point.

The Chair: Order, please.

You are making debate, sir. That's not a point of order, and I'm going to move on.

Mr. Wallace, you have a point of order, sir.

Mr. Gary Goodyear: I have a point of order. I need to clarify, Mr. Chair—

The Chair: You've already dealt with two items without getting to a point of order. Now you're going to do it for real?

Mr. Gary Goodyear: At what time did you know that the other two witnesses weren't going to be here? Was it before or after you threw Doug Finley out of this room? We have a whole afternoon with a witness here, and you threw out one of the primary witnesses, knowing full well we had time to deal with him.

Did you know that these witnesses were not going to be here before or after you threw out one of the best witnesses we're going to get this week—yes or no?

Don't consult your notes. Don't consult oral.... I want to know if you've prejudiced this committee meeting by tossing out a witness who we clearly would have had time to interview.

The Chair: Sure.

Mr. Gary Goodyear: Is that on your BlackBerry, sir?

The Chair: Yes, I received the message on my BlackBerry.

Mr. Gary Goodyear: Okay, what time?

The Chair: It was at 12:26 p.m., from the clerk, to advise me that —

Mr. Gary Goodyear: That's not this morning, or is that 12:26 a.m.?

The Chair: No, that's this afternoon. I wasn't here this—

Mr. Gary Goodyear: You said you heard it this morning, Mr. Chair. The more you speak, the more confused I get.

The Chair: You asked when I found out, because you made an allegation that I somehow used this...

At 12:26 p.m., August 11, Erica Pereira, our clerk, sent me a report on three. One is on Elizabeth Pagtakhan: “Evading husband will not allow Elizabeth to see our process server.”

Mr. Gary Goodyear: You said “this morning”, Mr. Chair.

The Chair: Well, it was this morning's session. We were still going on.

Secondly, with regard to Denny Pagtakhan: “Left business card and voice mail message at his home. No response.”

Mr. Gary Goodyear: Never mind, Mr. Chair. It doesn't matter what you say.

Some hon. members: Oh, oh!

The Chair: I'm going to suspend for a little while.

• (1420)

_____ (Pause) _____

• (1420)

The Chair: We're going to resume our business. We do have a witness before us, and I do—

Mr. Wallace, on a point of order, please.

Mr. Mike Wallace: My point of order relates to my point of order previously, where we had a motion to see Mr. Finley, who was the director of—

• (1425)

The Chair: Order, please. Order, please.

Mr. Wallace, when the chair asks for order—

Mr. Mike Wallace: [*Inaudible—Editor*]

The Chair: This is not a point of order, sir. You cannot call a point of order just to hear yourself talk.

Mr. Mike Wallace: [*Inaudible—Editor*]

The Chair: Order, please, Mr. Wallace.

Mr. Hubbard, I really believe we have to have one person talking at once.

I want to remind honourable members that when the chair calls for order, it's just like in the House when the Speaker rises. Then you have to sit down in your place and stop speaking and listen to the chair of the proceedings. In the House, it's the Speaker. In a committee, it is the chair.

I am speaking, yet you are now trying to speak. The poor translators back there are having difficulty with three people, as Mr. Goodyear and Mr. Wallace are speaking while I'm speaking, and trying to figure out how to keep a proper transcript. Members ought to understand this. In aboriginal communities, they have what's called a talking stick. It means that unless you have the talking stick in your hand, you shall not speak; you have to have it.

But Mr. Wallace, you're talking when you don't have the floor. Your point of order was not a point of order; you wanted to have more debate and more argument. It was not a procedural question.

Some hon. members: [*Inaudible—Editor*]

The Chair: Order, order.

Mr. Wallace, when I say “order”, you really have to listen.

Order, please.

Now, Mr. Wallace has maybe not given all of the facts. I would like to at least remind the committee that in addition to the witnesses we had scheduled, the debate on the motion by Mr. Scott Reid also has to take place.

And because the candidate for Vancouver East and the official agent have not appeared, which I just found out about at 12:30 this afternoon, I spoke with the clerk and asked if we could, at their request—as they had suggested this to me—deal with the budget for our committee, because to reimburse the expenses of our witnesses we actually need to pass a budget. The copies are available, and I want to deal with this too.

The job of a chair is to try to utilize the time as efficiently as possible, but when summonses are issued and people do not respect the summonses, there is nothing I can do. I can tell you that I'm fearful that tomorrow morning, when four witnesses are scheduled from four different ridings for the morning session.... All of them had to be summonsed, but I have no indication whatsoever whether or not they will respect that summons. I do not have the authority to enforce it.

We may very well find ourselves having to suspend the proceedings until the afternoon and our afternoon witnesses. But then the committee will have to determine what action it's prepared to take with regard to those who do not respect Parliament, do not respect the committee, and do not respect a summons issued and served, which has the same weight as a summons from a court of law; it has the same weight.

So I would like to move on now. One half-hour of our time has been taken up on this. It's unfortunate, but the members have rights.

I ask members respectfully, please don't misuse the witnesses' time and your colleagues' time by raising matters that could maybe be raised at the end of the meeting or before we start the meeting. Maybe discuss it with your own colleagues to see whether or not it really is a good thing to raise; it might be helpful to all interested parties.

• (1430)

Mr. Martelli, you have been sworn in, sir. I know you are here voluntarily—no summons. I know you have been a candidate, and in our brief chat I told you I very much respect that you offered yourself for public office. It is very important.

I'm going to move on to questions from the committee members. We'll probably do a couple of rounds, and then at the end we will offer you an opportunity, if you wish, to make a few remarks that you feel would be helpful to the committee.

Mr. Mike Wallace: I assume he has an opening statement, then.

The Chair: No, he never had an opening statement.

Mr. Mike Wallace: Well, can you ask if he has an opening statement?

An hon. member: I have a point of order.

The Chair: No, order. We're going to move now to Mr. Proulx, please.

We're following the same procedure as we followed this morning.

Mr. Mike Wallace: We were wrong this morning; we're wrong now. What happens with the honourable witnesses who make a statement in relation to questions?

The Chair: Order, order. We did not indicate to the witnesses that they would be—

An hon. member: If he has a closing statement, he can use it as an opening.

The Chair: No, no. Mr. Goodyear, first of all, I didn't recognize you. You don't have the floor.

I can tell you that part of the chair's responsibilities—

Mr. Gary Goodyear: This is a farce.

The Chair: Well, I know you want to paint it that way.

Mr. Gary Goodyear: We're not painting it that way.

The Chair: Mr. Goodyear, please. None of the witnesses we communicated with were advised that they would be required to provide, or offered, an opening statement.

An hon. member: Were they advised?

The Chair: That is a decision of the committee. I couldn't tell them one way or another.

An hon. member: Well, if they didn't know and they weren't told.... These gentlemen have legal counsel.

The Chair: Order, order.

Mr. Pat Martin: Can we move on to the witness, please?

Why have you let this guy hijack the meeting? You have one-on-one conversations by any Conservative who wants to hijack the floor.

The Chair: Order. That's enough.

Mr. Pierre Lemieux: You still haven't recognized my point of order, and it's on procedure.

The Chair: Okay, let's hear it, Mr. Lemieux.

Mr. Pierre Lemieux: This morning this committee decided that all witnesses would be sworn in and that they cannot use the defence that there's an ongoing court case and therefore they will not reply. So my question is whether our witness was told that he should have—or was he ever advised that he should have—legal counsel

here to counsel him on the legalities of the situation he finds himself right now?

We had a whole slate of witnesses here who were not told anything about the legal consequences of the position in which they find themselves. They've been sworn in by the committee, and there are legal repercussions to what they say in a court of law.

The Chair: Thank you for the speech. That's not a point of order. We're going to move on.

Mr. Pierre Lemieux: It is. It has to do with procedure. You're making it up as we go along.

The Chair: I'm sorry, I rule that it is not a point of order.

Mr. Pierre Lemieux: I challenge your ruling.

The Chair: Okay, the chair has been challenged. It's not debatable. We have to go to a vote.

Shall the decision of the chair be sustained?

(Ruling of the chair sustained [See *Minutes of Proceedings*]).

The Chair: Okay. We're now going to start with our questioning.

Mr. Martelli, you had a response.

Mr. Liberato Martelli: To answer this gentleman's question, the reason I didn't come with an attorney is that you are going to get the same story as I delivered last year in the press and the same story will be told today. Now, if you gentlemen can't handle the truth, that's really not in my ballpark, that's in your ballpark, sir.

By the way, the gentlemen I was representing in 2006—

The Chair: Order. Order, Mr. Martelli. Thank you.

We're going to move on to questions

. Mr. Proulx, you have seven minutes.

Mr. Marcel Proulx: Thank you, Mr. Chair.

•(1435)

[*Translation*]

Good afternoon Mr. Martelli. Thank you for getting involved in this exercise in order to tell us about your position.

I understand that you were a candidate for the Conservative Party of Canada in the 2006 election. Did the Conservative Party contact your campaign to take part in a financing scheme?

Mr. Liberato Martelli: Halfway through the campaign, Mr. Benoît Larocque called me to tell me that the party wanted to deposit \$14,000 in our campaign account. I asked him what was involved. He told me that there was nothing to worry about because he had asked nine other committees the same thing and they had all accepted. I then asked him whether there were going to be any repercussions, and he told me that everything was fine. I then told my financial agent, Brian Alexandrovitch, that Benoît Larocque was going to send him documentation to deposit \$14,000 into the account, but that it would only be for 24 hours, an in-and-out. To repeat my story: I had asked Benoît Larocque whether there were going to be any repercussions and he told me that it was a common practice. As I was new to the campaign, I did not know.

Mr. Marcel Proulx: Mr. Martelli, did anyone from Retail Media Inc. contact you to talk about purchasing advertising or anything else?

Mr. Liberato Martelli: No one. The only thing that Mr. Benoît Larocque told me at the time was that no explanation was needed, that it was trivial.

Mr. Marcel Proulx: So no one from Retail Media talked to you.

Mr. Liberato Martelli: No.

Mr. Marcel Proulx: Mr. Larocque told you that it was trivial, that there were no problems or any dangers and that everything would be kosher.

Mr. Liberato Martelli: Precisely.

Mr. Marcel Proulx: He never told you that it could be serious and lead to charges or allegations of fraud. He told you that everything was above board.

Mr. Liberato Martelli: Precisely.

Mr. Marcel Proulx: Was the money transferred to your bank account electronically?

Mr. Liberato Martelli: Yes.

Mr. Marcel Proulx: And withdrawn electronically shortly afterwards.

Mr. Liberato Martelli: That's right, in less than 24 hours, sir.

Mr. Marcel Proulx: Did your official agent have control over this money at any point?

Mr. Liberato Martelli: At no time, sir.

Mr. Marcel Proulx: It was therefore understand that your campaign, your official agent and you had no influence over how this money was going to be spent.

Mr. Liberato Martelli: As Mr. Larocque said at the time, it was simply an in-and-out, without any explanation.

Mr. Marcel Proulx: So neither you, your campaign nor your official agent would have been able to decide, while the money was still in your account, to use it for something else. It was a question of trust and of keeping your word. They placed the money in your account and you were not to touch it, and they withdrew it afterwards.

Mr. Liberato Martelli: Exactly.

Mr. Marcel Proulx: Did someone in the Conservative Party ask you to behave in any particular way with respect to the Elections Canada investigation? Were you ever told to speak out, not to speak or not to speak too much?

Mr. Liberato Martelli: Last year around this time, Mr. Michel Rivard, the Conservative Party accountant in Quebec City, called me one afternoon and asked me not to speak any more to Elections Canada. I answered that unfortunately, Elections Canada and I were on a first-name basis. I added that after everything the Conservative Party had done, I had nothing to apologize for and that I would tell Elections Canada nothing but the truth. That is the only time Mr. Rivard called me. He called back a few times, but I never answered. He definitely told me not to worry and that a lawyer would represent me. I answered that if that was going to get me

involved in the same scandal about the elections, then I wasn't interested and would go it alone.

Mr. Marcel Proulx: Who is this Mr. Rivard?

Mr. Liberato Martelli: Michel Rivard. The Conservative Party accountant.

Mr. Marcel Proulx: He is employed by the Conservative Party of Canada.

Mr. Liberato Martelli: Yes, sir.

Mr. Marcel Proulx: Mr. Martelli, when did you hear for the first time that Elections Canada wanted to discuss the legitimacy of this expense in your returns?

Mr. Liberato Martelli: I began to receive letters from Elections Canada around the end of May or the beginning of June in 2007.

Mr. Marcel Proulx: What did these letters say?

Mr. Liberato Martelli: They said that I had placed \$14,000 in my... during the last elections, and they wanted to know what this money had been used for. I had received at least 10% of the votes and they returned \$8,000 to me. I was asked where this \$8,000 was. I answered that I had no idea, that I had never seen the \$8,000 reimbursement in our account.

• (1440)

Mr. Marcel Proulx: Unless I am wrong, the \$8,000 had been reimbursed by Elections Canada on the basis of the return that you had filed.

Mr. Liberato Martelli: Exactly.

Mr. Marcel Proulx: After sending the \$8,000 to you or to the party, because you never saw it, Elections Canada went on the attack to find out what was involved in these \$14,000 of expenses.

Mr. Liberato Martelli: Exactly.

Mr. Marcel Proulx: Did you change your election return?

Mr. Liberato Martelli: Not at all. During the election, I had only \$1,000 in expenses, which the party had provided us with. When Mr. Michel Rivard came to do our tax returns, it did not take long. He asked me to sign here and there, and then left.

Mr. Marcel Proulx: To do your income tax returns or the campaign return?

Mr. Liberato Martelli: Mr. Rivard did my income tax returns for the election.

Mr. Marcel Proulx: The return to Elections Canada.

Mr. Liberato Martelli: Yes.

Mr. Marcel Proulx: He had you sign here and there, you and your official agent.

Mr. Liberato Martelli: Exactly.

Mr. Marcel Proulx: Mr. Martelli, since Mr. Rivard of the Conservative Party asked you to stop speaking to Elections Canada, I suppose you had other meetings or conversations with Elections Canada.

Mr. Liberato Martelli: Every time Elections Canada called me, I always cooperated.

Mr. Marcel Proulx: Thank you, Mr. Martelli.

[English]

Thank you, Mr. Chair.

The Chair: Thank you.

Madame Lavallée.

[Translation]

Mrs. Carole Lavallée: Thank you, Mr. Martelli.

What was the \$14,000 amount paid into your account to be used for?

Mr. Liberato Martelli: I have no idea Ms. Lavallée. All I was told was that it was a straightforward in-and-out, with no explanation.

Mrs. Carole Lavallée: Were you given an invoice?

Mr. Liberato Martelli: I was told that invoices would be prepared.

Mrs. Carole Lavallée: Did you see these invoices?

Mr. Liberato Martelli: Never, Ms. Lavallée.

Mrs. Carole Lavallée: Did your official agent see them?

Mr. Liberato Martelli: Not even him.

Mrs. Carole Lavallée: I do not know whether you are aware of the five criteria used by the Chief Electoral Officer. You did not see the documentation, you did not sign the contract and you did not know what the money was used for. You could not even assume that the money was used for an advertising campaign.

Mr. Liberato Martelli: Nothing at all, Ms. Lavallée.

Mrs. Carole Lavallée: Nothing at all. You had not a word to say about anything.

Mr. Liberato Martelli: Not one.

Mrs. Carole Lavallée: I have a list of the candidates who were involved in the Conservative Party's scheme, and curiously, you are not on that list.

Mr. Liberato Martelli: That's odd. For Elections Canada to call me, someone must have done something. I don't think that Elections Canada would take the trouble of bothering me for nothing. To begin with, during my campaign, there were only three of us, and I repeat that my expenses only totalled \$1,000. Then, when the party, Mr. Benoît Larocque who was here at the time with Mr. Pierre Coulombe... As he said, he never explained anything.

Mrs. Carole Lavallée: You, who were directly involved in this affair, know that overspending beyond the ceiling by the Conservative Party, by approximately \$1.3 million, is nearly all listed by the Chief Electoral Officer in a table that is among the documents we received. Your name is not on that list.

Does this mean that there is another scheme, another form of advertising expenses?

Mr. Liberato Martelli: I never saw anything else. My adversaries here perhaps cooked everything up. After the 2006 election—

[English]

The Chair: I will hear a point of order in a second.

Carry on.

[Translation]

Mr. Liberato Martelli: After the election, in the summer of 2006, meetings were held. The curious thing is that the media were saying that all the other parties were having trouble except the Conservative Party, which had a surplus of between 3 and \$5 million. That is why Mr. Harper was always in election mode, as he said. I asked myself at the time why the other parties did not have more money and why the Conservative Party had some.

[English]

The Chair: Order, please. Let the witness answer.

[Translation]

Mr. Liberato Martelli: I found that bizarre. They always claimed that they had money and were ready for an election. It was only afterwards, when Elections Canada spoke to me about the campaign company... I had no idea.

Mrs. Carole Lavallée: So, you do not know what the \$14,000 was used for—this infamous in-and-out.

• (1445)

Mr. Liberato Martelli: Not at all.

Mrs. Carole Lavallée: And yet, you found it curious that the party you were representing at the time had so much money.

Mr. Liberato Martelli: When I was serving that party, I believed in its vision, but I found that it did not exercise as much integrity as it claimed. I was very disappointed about that.

Mrs. Carole Lavallée: You are not going to run for the Conservative Party again.

Mr. Liberato Martelli: Definitely not. I can say that it lost quite a few people.

Mrs. Carole Lavallée: Do you really have the impression that the scheme came from the party leadership?

Mr. Liberato Martelli: I know a woman who worked for the party; she's a good friend of mine. During the 2006 election, the Conservative Party did everything it could to oust me. No one wanted to come forward and run against Mr. Coderre because everyone knew that they would be defeated. But after people became aware of the number of votes I had received, which was quite a bit higher than the numbers for my former colleagues, the decision was made to withdraw me.

That was all right. I had no real trouble with that. Honestly, I'm not here because I bear a grudge against them. Let me make this clear: what disappointed me was the fact that they used people who believed in a particular vision, and that at the end of the line, they threw it all away. I personally expected it, but I am disappointed for the others who gave of their time and who believed in the Conservative Party vision.

Mrs. Carole Lavallée: Thank you very much.

[English]

The Chair: Thank you.

I'm sorry, Mr. Martin, there's a point of order called by Mr. Del Mastro.

Mr. Dean Del Mastro: Mr. Chairman, I've let it go a number of times, but both witnesses thus far have referred to a party, party spending, party this, party that. Once again I refer to your comments that we're not authorized and it's not within our mandate to determine any ethical standards of any party. We're here to talk about public office-holders. If the witness has something to talk about with respect to the conduct of public office-holders or if that is your line of questioning, that's fair ball, no problem, but there are assertions being made in the process of asking questions that are merely statements and have nothing to do with the question whatsoever. They're statements they would like to get on the record that are outside the mandate.

I urge you, when you are hearing those questions, in the interest of following the guidelines, that you rule those questions out of order. Keep it within bounds.

The Chair: Thank you. That's not a point of order. That was debate.

I'm going to proceed now to Mr. Martin for seven minutes.

Mr. Pat Martin: Thank you, Mr. Chair.

Thank you, Mr. Martelli, for being here. We appreciate that very much. You seem like an honest, stand-up guy, and I thank you for being so frank with us.

Mr. Martelli, you said on CBC TV—you were interviewed on the national news, in fact—"Don't forget, you are frauding the population when you do this," when they asked you about putting the \$14,000 in, taking it out again, and then filing for a 60% rebate on that money as if it were a local campaign expense.

Do you want to expand on that? Do you see that as being fraudulent in practice to claim that it was a local campaign expense when it really wasn't?

Mr. Liberato Martelli: As I said, sir, I was disappointed because I was lied to, and that, sir, is something I really do not take lightly.

Mr. Pat Martin: In other words, you were told everything was okay with this, that it was on the up and up.

Mr. Liberato Martelli: Yes, exactly. It was a common thing that was happening.

Mr. Pat Martin: To your knowledge, though, that \$14,000 never was spent in your riding as a local riding expense.

Mr. Liberato Martelli: It never was, sir.

I'll tell you something, sir, if I had \$14,000 to spend during that election, I think my publicity would have been a lot more than having one little article in the *Guide de Montréal-Nord* once a week that was given to us.

Mr. Pat Martin: Yes, I suppose.

I know you answered Mr. Proulx's question in French, but let me ask you again in English, for the benefit of others: your official agent and your election campaign never had direction and control over that \$14,000.

Mr. Liberato Martelli: No.

Mr. Pat Martin: Would you say it wasn't in your account long enough to even control it, I suppose?

Mr. Liberato Martelli: Mr. Martin, it was in less than 24 hours. As I remember—and I talked to Brian yesterday—all that happened was that they faxed him a paper where he was working, to sign this document and fax it back to them. The next thing you know, he sees \$14,000 in the account, and the following day \$14,000 is gone.

Mr. Pat Martin: Disappearing out of the account.

Did anybody from the party contact you to ask you not to talk about the scheme?

Mr. Liberato Martelli: Yes, sir, Mr. Michel Rivard, the accountant of the Conservative Party, in Quebec City.

• (1450)

Mr. Pat Martin: And did anybody from the party contact you about whether or not you should come to this committee hearing?

Mr. Liberato Martelli: No, sir. Nobody from the party talked to me.

Mr. Pat Martin: How do you feel about what they asked you to do?

Mr. Liberato Martelli: Do you mean prior to that \$14,000 in and out, sir?

Mr. Pat Martin: No. From a moral and ethical point of view, how do you feel about the election finance—

Mr. Liberato Martelli: I feel pretty disappointed in them, sir, because I believed in their vision. I believed what Stephen Harper had to say. Many people believed. But unfortunately, it's not the case.

Mr. Pat Martin: In terms of transparency and accountability?

Mr. Liberato Martelli: Exactly.

Mr. Pat Martin: Yes. Well, I appreciate your candour.

You say the money was electronically transferred into your account and electronically transferred out. You never wrote a cheque for the \$14,000.

Mr. Liberato Martelli: Never, sir.

Mr. Pat Martin: So there's no paper trail in your financial statements or records.

Mr. Liberato Martelli: All the papers, sir, Mr. Michel Rivard has in Quebec City. Elections Canada, too, has a copy of these transcripts, sir.

Mr. Pat Martin: And the \$8,000 rebate, 60% of \$14,000, came directly to your campaign?

Mr. Liberato Martelli: We never saw it, sir, in our account.

Mr. Pat Martin: No. So it would have gone to the Conservative fund, I suppose.

Mr. Liberato Martelli: Exactly.

Mr. Pat Martin: It seems like a licence to print money, doesn't it? You dangle this money into an account and pull it right back out, and then file a claim and get \$8,000 for it.

Mr. Liberato Martelli: That's what they did, sir.

Mr. Pat Martin: It's like walking a chicken past a pot of hot water and calling it chicken soup.

Some hon. members: Oh, oh!

Mr. Pat Martin: I have no further questions.

Thank you, Mr. Chair.

The Chair: Mr. Del Mastro.

Mr. Dean Del Mastro: I'll give my first couple of minutes to Mr. Goodyear.

Mr. Gary Goodyear: Thank you, Mr. Chair.

And, thank you, Mr. Martelli.

I guess I just want to ask a question of you. Your agent obviously signed a document authorizing the money to go into your account and out of your account. Is it normal to accept, or have you ever accepted before, money without asking questions about what it's for? Is that a normal practice for you?

Mr. Liberato Martelli: Well, to tell you the truth, it was my first election, sir.

Mr. Gary Goodyear: So you didn't read the elections handbook? You just went at it carte blanche?

Mr. Liberato Martelli: I can't say it was carte blanche, because I trusted you guys. I figured that since we were new candidates, we would be guided properly.

Mr. Gary Goodyear: Did you know that you would ultimately be held responsible for the decisions made, or that your financial agent would be held responsible?

Mr. Liberato Martelli: No, because one of your comrades, Benoît Larocque, told me that everything would be fine and dandy.

Mr. Gary Goodyear: My next question is whether or not you're aware that it's possible that you weren't involved in an ad buy. This \$14,000 that went in and the \$14,000 that came out, are you absolutely sure it was for a regional ad buy, or are you just assuming that?

Mr. Liberato Martelli: Monsieur, I'm assuming nothing. I'm just taking this from the words of one of your other co-workers, Mr. Benoît Larocque, who each time we talk to him doesn't know anything, but who told me that it was normal procedure, the in and out, and that for the other nine the accountants had done it too, so there was nothing to worry about, that everything was fine and dandy.

Mr. Gary Goodyear: Are you aware that transfers of money into a campaign from the national party and back is perfectly legal, and that it is the opinion of Elections Canada?

Mr. Liberato Martelli: Monsieur, if it were perfectly legal, why would Elections Canada be calling me and asking me certain questions?

Mr. Gary Goodyear: That's exactly the question we're trying to get at. I appreciate your asking that.

Monsieur Mayrand stated that the transfer of funds from a national party to a campaign and from a campaign back is perfectly legal. What happened to you, sir, is perfectly legal according to Elections Canada. But if I could read you something—I did this this

morning—I want to ask you if this is similar to what happened to you.

A lady named Lucy, the bookkeeper for the New Democratic Party of Canada, wrote in an e-mail to an official agent of Libby Davies in British Columbia:

Please find attached an invoice from the federal party. The original will follow by mail. It is our understanding that these radio ads promoted your candidate during the election period. Please forward payment to the election party, the federal party, as soon as possible. The amount should be reported as a candidate expense at the local campaign.

Now, Phyllis, the financial officer for Libby Davies, wrote back on March 30 and said:

This is not our invoice. Mindful about the extended campaign and limited budget, we were only able to take out a few ethnic ads, all coordinated through Stanley Tsao, the NDP B.C. Chinese media. A cheque of \$1,500 for our portion was forwarded to the Canadian NDP party in cash. Please check, because this really, really is bad for our ceiling.

The very next day the bookkeeper for the national NDP party wrote back and said:

Hi, Phyllis, we are told by communication folks in B.C. that these were radio ads with the candidate's personal tag at the end, therefore, a local expense to be reported under the candidate's expense ceiling regardless of who pays. For rebate purposes you are being billed \$2,612. The good news is that the federal party will transfer in \$2,600 to the riding association's account. We hope you are able to squeeze this under the ceiling. Some expenses are considered election expenses and are not subject to spending limits and we....

Mr. Mayrand has said that transfers of funds in and out are legal. That is what happened to you, sir. The transfer of expenses is not. He admitted that's a difficulty of interpretation before the courts.

Does that sound similar to what happened to you? If it does, sir, why do you think that Elections Canada is not investigating the NDP?

• (1455)

Mr. Liberato Martelli: I don't think the issue is with the NDP, sir. The issue is mostly with the Conservative Party, sir.

And to answer your question—

Mr. Gary Goodyear: Well, I appreciate your hostility.

The Chair: Order.

We're already past five minutes. You spoke for five minutes and then asked a question.

Sir, if you care to finish off your answer, I will allow you to do that.

Mr. Liberato Martelli: I'll answer his question.

To answer your question, sir, if I were to have that \$8,000 returned, hey, no problem. I'm sure I could have done a lot better to increase the.... But it wasn't the case, sir. That \$8,000 didn't exist in our bank account.

By the way, I was never told that we were going to have radio coverage. I didn't have one day.

Mr. Gary Goodyear: You wouldn't know—

The Chair: Order. Order.

Mr. Liberato Martelli: Excuse me, sir, I gave you time to talk. May I talk, please? Thank you.

By the way, we were never told about radio coverage, sir. There never was, and that never happened. That x amount of dollars that happened to have you for advertising, that never happened, sir.

Mr. Gary Goodyear: I would like the record—

The Chair: Order. Order.

Mr. Gary Goodyear: —to acknowledge that we have a hostile witness here.

Voices: Oh, oh!

Mr. Liberato Martelli: Sir, may I remind the gentleman that my tax dollars are paying his salary to be here.

The Chair: Mr. Martelli, thank you, sir.

Mr. Liberato Martelli: No problem, sir.

The Chair: Thank you.

Hostile witness, okay.

Mr. Gary Goodyear: Mr. Chairman, the gentleman just called me sweetheart. It's my anniversary tomorrow, so I'll accept that.

The Chair: Order, please. Thank you.

Mr. LeBlanc, you have five minutes.

Hon. Dominic LeBlanc: Thank you, Mr. Chairman.

[Translation]

You're welcome, Mr. Martelli. Thank you for having answered our questions.

[English]

I'd like to follow up in English, if I may, on questions that my colleague Mr. Proulx and my colleague Madame Lavallée asked you.

You said that Benoît Larocque from the Conservative Party headquarters contacted you. Can you describe again what that conversation was like?

Mr. Liberato Martelli: He called me up one afternoon and said, "Listen, Mr. Martelli, is it okay if we deposit \$14,000 in your account?"

Coming back to my story, I asked Benoît what this \$14,000 was. "Oh, nothing. Listen, I asked another nine ridings, and you would be the tenth one if you accepted. It's up to you to accept or not."

As I was saying before, I asked Benoît if there was any comeback to this. He said, "Oh, everything's legit, nothing to worry." So I told him, "Okay, go ahead with it if there's nothing to worry."

Hon. Dominic LeBlanc: Mr. Martelli, in that conversation, were you told that it was for regional media advertising?

Mr. Liberato Martelli: Not at all, sir.

Hon. Dominic LeBlanc: So to your knowledge, none of that money that was transferred in and out was actually spent on radio ads that may have used your name, or television ads or print ads.

Mr. Liberato Martelli: None, sir.

Hon. Dominic LeBlanc: So you were given no explanation as to what that money should be used for.

● (1500)

Mr. Liberato Martelli: Exactly.

Hon. Dominic LeBlanc: Do you think, Mr. Martelli, that the money was intended to in fact add other expenses to your campaign report? Did they try to add, for example, other office expenses or other campaign expenses, separate from advertising, to your report?

Mr. Liberato Martelli: None at all, sir, because the only budget I had from the Conservative Party, which they gave us, was only \$1,000, and that's what I ran on.

Hon. Dominic LeBlanc: In your view, then, once Mr. Larocque had told you that he was transferring the money, you or your official agent had absolutely no means of knowing where that money would be spent or what it would be used for.

Mr. Liberato Martelli: None at all, sir.

Hon. Dominic LeBlanc: Thank you, Mr. Martelli.

Mr. Liberato Martelli: You're welcome, sir.

Hon. Dominic LeBlanc: Madame Lavallée asked you this in French, and I'm wondering if I could ask you the same question again in English.

In the Elections Canada documents that identified 67 Conservative candidates who participated in the in-and-out scheme, your name is not there. Why do you suppose Elections Canada hasn't put you on that list? Do you suspect that there are other Conservative candidates, some of whom you may know, who in fact have participated in this kind of transaction?

Mr. Liberato Martelli: Sir, to tell you the truth, when I was interviewed last year by *le quotidien Le Devoir*, they said, "Mr. Martelli, your name's not on the list." Isn't that nice? I'm not on the list. Why is Elections Canada asking me so many questions?

So I really don't know. That you'd have to ask these gentlemen. And even when we did ask Ms. O'Grady about the situation, she pretended not to worry about it. It was just Elections Canada trying to get on their case.

Hon. Dominic LeBlanc: Would that have been the same kind of conversation you may have had with Mr. Rivard when Mr. Rivard called you and suggested that you not answer questions?

Mr. Liberato Martelli: When Mr. Rivard called me, sir, as I said, I really didn't want anything more to do with this party, because I really felt insulted and I felt like saying, "Now you're in deep waters, fix it up yourself." Oh, they were nice. They wanted to hire a lawyer to protect us. I said, "Michel, is this another scheme so you can send me the bill at the end of the month and say that this is the part that's costing me for being protected from you guys? No, thank you."

Hon. Dominic LeBlanc: *Merci beaucoup.*

Do we have time? My colleague may—

The Chair: You have one and a half minutes.

Hon. Karen Redman (Kitchener Centre, Lib.): Just very quickly.... I really appreciate the candour with which you've brought forward your experience, Mr. Martelli.

So at any point in time did you, your official agent, or your campaign manager have any control over that \$14,000?

Mr. Liberato Martelli: None at all, ma'am.

Hon. Karen Redman: And again, how was that accounted for in your return when you signed off on it with your official agent?

Mr. Liberato Martelli: I know what happened. My agent received the document from the party. They told him to just sign it and fax it to them as soon as possible. So that's what he did. He, also being new to this experience, just signed and sent it to them. Then when he saw the bank reports, he said, "Listen, there is \$14,000 in and \$14,000 out. What is this money?" I said, "Brian, this is the in-and-out that they told us about."

Hon. Karen Redman: Okay, thank you.

Mr. Liberato Martelli: You're welcome, ma'am.

The Chair: Thank you.

We'll move now to Mr. Del Mastro, please.

Mr. Dean Del Mastro: Thank you, Mr. Chair.

Mr. Martelli, what percentage of the vote did you get in your riding?

Mr. Liberato Martelli: If I'm not mistaken, sir, I think it was about 14.8% of the vote.

Mr. Dean Del Mastro: You're mistaken. You got less than 10%, actually.

Mr. Liberato Martelli: Well, if I got less than 10%, why did Elections Canada ship back \$8,000 that you guys took?

A voice: Let's ask them.

Mr. Dean Del Mastro: Well, maybe they didn't, sir. Maybe you never got a refund. Did you look into that?

Mr. Liberato Martelli: Well, from what I know, if you didn't get over 10%, you were supposed to pay back—

Mr. Dean Del Mastro: You didn't get a refund.

Mr. Liberato Martelli: I was supposed to pay back, but they never asked for that.

Mr. Dean Del Mastro: Yes, that's because you didn't get 10% of the votes, so you didn't get a refund.

Now, Mr. Martelli, what—

Mr. Liberato Martelli: Excuse me, sir, perhaps I could answer. If I was looking at the newspaper, because usually—

Mr. Dean Del Mastro: No, I'm moving on to my next question. It's okay. I'm just trying to clarify something for you.

Mr. Liberato Martelli: No, I just want to answer your question.

The Chair: Gentlemen, simply on behalf of the translators—they work very hard back there—we can only have one person talk at a time.

Mr. Dean Del Mastro: Okay, good. It's my time.

The Chair: So ask a question, let him answer; and then let him ask a question, etc., both of you.

Mr. Dean Del Mastro: Okay, but I've got the answer I was looking for, Mr. Chairman.

Mr. Liberato Martelli: Sir, if I may ask this, on January 24, following the day of the election, in *La Presse* they showed all the statistics, and I got 14.8% of the votes. That's what they had marked.

Mr. Dean Del Mastro: Okay. You may want to check into that.

What led you to believe you were part of a regional media buy, Mr. Martelli? What led you to believe you were part of a regional media buy? What led you to believe you had anything to do with this?

Mr. Liberato Martelli: Well, it's you guys who deposited the amount in my account without any explanations.

Mr. Dean Del Mastro: Okay, but you were never a part of any regional media buy. Did you know that?

Mr. Liberato Martelli: It was because I wasn't a star candidate for your guys; that's why.

Mr. Dean Del Mastro: No, you just weren't part of... No, it's got nothing to do with that. You just weren't part of a regional media buy. Did you know that?

Mr. Liberato Martelli: If I wasn't regional, as you were saying before, sir, why did you guys get me involved in this?

● (1505)

Mr. Dean Del Mastro: Well, when you're part of a team, teams help out teammates sometimes. So you may have received some assistance from the central party. All parties help their candidates out, that's all. But you were never part of a regional media buy.

Mr. Liberato Martelli: In other words, what you're trying to say is that I was just a pawn and "we'll use you and then when we finish with you, we'll get rid of you".

Mr. Dean Del Mastro: No, no, that's not what I'm saying. I'm saying that the party sent you some money to help you out, but you never received 10% of the vote so you weren't eligible for a refund, and you were never part of a regional media buy.

But you're angry with us. You're angry with a party that delivered on everything we promised in the last election—every single thing. Check. We had five priorities. You can check them all off and know that you stood for what was right and decent and everything that we promised. And you were never part of this, and these guys—the ladies and gentlemen of the jury across in the kangaroo court—have all convinced you that you were part of something wrong. And that's just completely false.

Mr. Liberato Martelli: Are you finished, sir?

Mr. Dean Del Mastro: Yes, absolutely.

Mr. Liberato Martelli: Thank you. May I have the microphone?

Mr. Dean Del Mastro: You can, sure.

Mr. Liberato Martelli: Well, sir, to answer your question, as you said before, if I didn't get 10%, why did Elections Canada send back \$8,000 to you guys?

Mr. Dean Del Mastro: But how do you know that Elections Canada sent anything back? That's the point.

Mr. Liberato Martelli: I don't think Mr. Mayrand, the gentleman who asked me this, felt like asking me, "What did you do with the \$8,000?" Somebody here is not telling the truth.

Mr. Dean Del Mastro: All I'm saying, sir, is that I believe you're mistaken and I want you to check into it. I'm not coming down on you. I think it's really sad that you've been drawn in here in the middle of August—

Mr. Liberato Martelli: It's all right. I've got no problem with that.

Mr. Dean Del Mastro: —because quite frankly, this is not a process that has been authorized by the House. It's been forced upon us by the tyranny of the majority, but that doesn't make it a legitimate process.

But that said, I just want you to go home and check into it, because I believe you're mistaken on these things. That's all.

Mr. Liberato Martelli: Young man, I think it's better that you guys do your homework. As I said, if I really wasn't involved, I don't think I'd be here today and I don't think I'd be wasting these people's time, the chair's time—

Mr. Dean Del Mastro: I don't believe you're doing it intentionally, sir. I'm just encouraging you to look into it, that's all. I'm just saying that you were never part of a regional media buy. If you were, we'd know. Elections Canada knows, because we have nothing to hide. We told them it's the same as all the other parties that have done these things.

So what I'm saying to you is that we would know if you were part of a regional media buy. You weren't. We would also know if you got more than 10% of the vote. You didn't. That's all we're saying.

Mr. Liberato Martelli: Coming back to my question, why did Elections Canada insist that I got back \$8,000?

Mr. Dean Del Mastro: I don't know. We have a lot of questions for Elections Canada, sir. I can't answer that for you.

Mr. Liberato Martelli: Do you mean to say these are the people you guys hired and you don't know what's going on?

An hon. member: We know what's going on.

Mr. Liberato Martelli: I don't think so, because even the office in Montreal didn't know what was going on between Benoît Larocque and Pierre Coulombe. Those guys didn't know what was going on. Are you giving me the same thing here too?

Mr. Dean Del Mastro: No. All I'm saying to you, sir, is that I believe you were never involved in any of this.

Mr. LeBlanc just took pains to say that, of all the people listed, you weren't one. Why not? It's because you weren't part of it. It's that simple.

Point of order, please. You have to recognize that.

The Chair: Your five minutes are up. I didn't want to interrupt you in the middle of your questioning.

Madam Redman is next on a point of order.

Hon. Karen Redman: According to the Elections Canada website, Mr. Martelli got 15.85%—6,830 votes in the 2006 election.

The Chair: Thank you, Madam Redman, but that is not a point of order.

I don't want you to think you have a perfect record.

The time has elapsed for Mr. Del Mastro. We'll now go to Mr. Nadeau, please.

[*Translation*]

Mr. Richard Nadeau: Thank you, Mr. Chairman.

Mr. Martelli, there's no point in getting upset about the people from the party in power. You need to know that for seven months, in the Standing Committee on Procedure and House Affairs, they put a spanner in the works to make sure that you would be unable to talk about your circumstances before parliamentarians. That is why the matter ended up with the Standing Committee on Access to Information, Privacy and Ethics. Moreover, the former Chair of the Standing Committee on Procedure and House Affairs, Mr. Goodyear, is here. You get the idea about their strategy for preventing things from moving forward, and for putting a spanner in the works.

The transfer of invoices is the big problem. That is entirely what this is about. You are right: 15 political parties ran candidates in the last election and only one of them is being investigated by Elections Canada, the Conservative Party of Canada. You are completely right. When it goes to siphon off from elsewhere... Even Mr. Del Mastro's lie when he said that you had not received 10% of the votes, shows how they operate, which is to draw attention elsewhere.

I would like to know whether, at one time or another, people from the Conservative Party required you to get involved in the infamous \$14,000 scheme?

● (1510)

Mr. Liberato Martelli: How could I say that? They didn't really exert any pressure. All they told me was that it was trivial and that the others were doing it. As I said, we were new to this.

Mr. Richard Nadeau: I think that you already replied to this question, but I wanted to make sure. Did they tell you what the \$14,000 would be used for?

Mr. Liberato Martelli: Not at all, sir.

Mr. Richard Nadeau: Not at all; okay.

Carole, would you like to continue? I will now give the floor to Ms. Lavallée.

Mrs. Carole Lavallée: I only want to understand exactly what happened.

Unless there has been a mistake, the return you filed with the Chief Electoral Officer mentioned that you had spent \$15,000, \$1,000 of real expenses and \$14,000 that were in your account at a certain point.

Mr. Liberato Martelli: That is correct.

Mrs. Carole Lavallée: And Mr. Michel Rivard is the person who came and prepared the return?

Mr. Liberato Martelli: Yes, Ms. Lavallée.

Mrs. Carole Lavallée: He had you sign it and he found the appropriate expenses. Is that right?

Mr. Liberato Martelli: That's more or less it.

Mrs. Carole Lavallée: Probably.

After that, you filed a return with Elections Canada in which you reported having spent \$15,000, when in fact you had only spent \$1,000.

Mr. Liberato Martelli: Exactly.

Mrs. Carole Lavallée: On the basis of this return, the Chief Electoral Officer reimbursed \$8,000 of taxpayers' money.

Mr. Liberato Martelli: Exactly.

Mrs. Carole Lavallée: And the \$8,000 did not go into your account, but into the account of the National Conservative Party.

Mr. Liberato Martelli: Exactly.

Ms. Carole Lavallée: That means that through a simple 24-hour in-and-out from your account by Michel Rivard, the Conservative Party added \$8,000 to its nest egg, to its powerful war chest. That's what it means.

Mr. Liberato Martelli: Exactly.

Ms. Carole Lavallée: So this is different from what we saw before. Thus far, what we saw was advertising expenses being "worked". However in this instance, the expenses are something we don't really know anything about.

You are not on the Chief Electoral Officer's list. So what is involved is another system to enable the Conservative Party to make more money through reimbursements from the Chief Electoral Officer from taxpayers' money.

Mr. Liberato Martelli: Exactly.

Mrs. Carole Lavallée: That is how I understand it.

What do you think about it?

Mr. Liberato Martelli: I find it fairly unpleasant for a party, as I was saying just now, in which we had confidence. I can see that it used people for its own needs, and then booted us out. I find that truly disagreeable.

Mrs. Carole Lavallée: Do you have any idea of what the \$14,000 was used for?

Mr. Liberato Martelli: No idea, Ms. Lavallée.

Mrs. Carole Lavallée: Before coming here, did you consult your return?

Mr. Liberato Martelli: No.

Mrs. Carole Lavallée: You could have looked to see what it was used for.

Mr. Liberato Martelli: As I said, when Mr. Rivard came to see us to have me sign the documents, he told me to sign here and there, saying that he was in a hurry and had to leave.

Mrs. Carole Lavallée: You had confidence in Mr. Rivard?

Mr. Liberato Martelli: I trusted the party.

Mrs. Carole Lavallée: Would you say that he breached your trust?

Mr. Liberato Martelli: I would say so, Ms. Lavallée.

Mrs. Carole Lavallée: Was Mr. Rivard well connected with the party leadership?

Mr. Liberato Martelli: I believe so.

Mrs. Carole Lavallée: Was he in contact with certain ministers?

Mr. Liberato Martelli: I have no idea, to tell you the truth.

Mrs. Carole Lavallée: All right.

Did you meet any of the current ministers during the election campaign?

Mr. Liberato Martelli: During my campaign?

Ms. Carole Lavallée: Excuse me?

Mr. Liberato Martelli: During the election campaign?

Mrs. Carole Lavallée: Yes, that's right.

Mr. Liberato Martelli: None at all, Ms. Lavallée, during the campaign in Montréal-Nord.

Mrs. Carole Lavallée: All right.

No one came. They abandoned you, all alone in your riding.

Mr. Liberato Martelli: Exactly.

Mrs. Carole Lavallée: Okay. All right.

Mr. Liberato Martelli: Mr. Harper had nevertheless been asked to come. We asked Messrs. Coulombe and Larocque, but Mr. Harper was more interested in focusing his efforts in Ontario rather than in Quebec.

Mrs. Carole Lavallée: Did Mr. Rivard and Mr. Larocque speak to you occasionally about their meetings with Mr. Cannon or Ms. Verner, who was the Conservative Party lieutenant?

Mr. Liberato Martelli: Not at all.

Mrs. Carole Lavallée: Good. Thank you.

[English]

The Chair: Do you have anything further? Are you happy? Thank you.

Mr. Del Mastro had a point of order. Is it on relevance, repetition, or procedure?

Mr. Dean Del Mastro: I'd just like to correct the record, if I could. Sometimes this job requires humility, and I'd like to apologize to the witness. He received about 15% of the vote in the last election. I was wrong on that; I was just referencing numbers wrongly. But he wasn't part of the regional media buy.

Thank you.

The Chair: All right, we'll move on. We're down to the Bloc now.

No, I'm sorry, Mr. Lemieux is next, for the Conservatives, followed by Mr. Martin, and then we'll have a Liberal and a Conservative.

Mr. Pierre Lemieux: Good. Thank you very much, Chair.

I'd like to start with a few questions.

The first is, do you realize that it is legal for a national party to move money, to give money to an EDA or a campaign? Are you aware that this is legal?

• (1515)

Mr. Liberato Martelli: Not at all, sir.

Mr. Pierre Lemieux: It is legal. Mr. Mayrand says it's legal; in fact, he has testified that it is legal.

Are you aware, sir, that it is legal for a national party to be a supplier of goods and services to an EDA or to a local campaign?

Mr. Liberato Martelli: We weren't informed of that, sir.

Mr. Pierre Lemieux: You didn't know, as a candidate, that the national party can be a provider of goods and services to a local campaign?

Mr. Liberato Martelli: It was explained to us when we were in Drummondville in 2005 maybe, yes, but it wasn't explained to us.

Mr. Pierre Lemieux: I can tell you it was. Mr. Mayrand also backed that up in testimony in front of this committee.

Let me just go a step further. Did your campaign buy goods and services? It probably did. Did you buy pens and pencils, paper?

Mr. Liberato Martelli: None.

Mr. Pierre Lemieux: You didn't buy any. In general, do you think campaigns buy pens, paper, pencils?

Mr. Liberato Martelli: I've seen that done, but we didn't have any.

Mr. Pierre Lemieux: Do you think that campaigns buy brochures?

You don't think campaigns buy brochures. I can tell you they do. My campaign bought brochures.

My campaign bought signs. Do you agree that those are advertising materials?

Mr. Liberato Martelli: I know that the party paid for my signs—thank you very much—but for the pamphlets—

Mr. Pierre Lemieux: I'm not asking who paid for it. What I'm asking is, do you agree that campaigns can buy brochures and signs? Yes or no?

Mr. Liberato Martelli: Sir, as I said, I'm not aware of it.

Mr. Pierre Lemieux: A campaign can buy signs and it can buy brochures.

Do you think it can buy signs from one supplier and brochures from another supplier? Do you think it can do that?

Mr. Liberato Martelli: Sir, as I said, it wasn't explained to us.

Mr. Pierre Lemieux: Just yes or no.

The answer is yes. You can buy signs from supplier one; you can buy brochures from supplier two. You didn't know very much as a candidate, but you can do that. It is legal. It's above board.

Signs and brochures are advertising. The national party can be a supplier of goods or services. So I'm allowed to buy signs from supplier one, brochures from supplier two, and I can buy advertising

from supplier three, and supplier three is allowed to be the national party. That's perfectly legitimate. There's nothing wrong with that.

Monsieur Mayrand testified in front of the committee that there is nothing wrong with that. They are just another supplier. That's what has been going on here. Candidates have been buying advertising from a supplier. It just so happens the supplier is the national party. Why? It's cheaper for the national party to buy a regional ad buy than it is for me to buy an ad buy, Mr. Del Mastro to buy an ad buy, and my colleagues to buy all separate ad buys. It's better that we all buy one big ad buy. But I'm allowed to buy ads from the national party, and the national party is allowed to transfer money into my campaign. It's above board and it's legal.

What baffles me, sir, is what you're doing here, the relevance of your testimony. All of what I've said is legal, it has all been backed up by Monsieur Mayrand in front of the committee, it's all above board, and yet you're here and you're not part of this regional ad buy at all. You did not participate in the regional ad buy.

You say the national party sent you \$14,000. Well, that may be. They're allowed to do that. They are allowed to do so.

The point I'm making to you is that in fact you're here probably because our adversaries across the table have invited you here because you're a hostile witness. They're using you to deliver their—

The Chair: Mr. Lemieux, you have one minute left in your time.

Sir, just a moment. I'm getting a little concerned that we're getting too close to badgering a witness. It is not dealing with a witness with dignity and respect. Please just pose your questions. You may not be happy with the answers, the witness may not be happy with your questions, but that's our process. So I'd like you to complete your questioning, but please don't judge the witness.

Mr. Pierre Lemieux: I'm not judging the witness. I'm trying to determine the relevancy of the presence of the witness in front of this committee when he was not part of a regional ad buy. He's not on the Elections Canada list of a regional ad buy. Everything he did was above board. Elections Canada has no issue with this witness. What is he doing in front of the committee?

The Chair: Order.

Mr. Pierre Lemieux: I'm going to get to my question.

You're also, sir, not a public office-holder and you are not commenting on public office-holders, which is what the mandate of the committee is. This is the point that Mr. Del Mastro was bringing up. We're actually outside the mandate of the committee right now when we talk about parties. We're supposed to be linking all this to public office-holders.

You are neither a public office-holder nor have you questioned a public office-holder. It hasn't come up in your testimony. So the fundamental question I have to you is, sir, what are you doing here?

• (1520)

Mr. Liberato Martelli: Do you want the truth? Do you think you can handle it?

Mr. Pierre Lemieux: Given everything I've said, the relevance—

Mr. Liberato Martelli: Do you think you can handle it, sir?

The Chair: I think you did ask a question to the witness. Your time is up, but I'm going to allow the witness to respond if he wishes.

Mr. Liberato Martelli: I realize you guys are just going around the truth, trying to bypass and not coming straight to the point.

You can laugh, sir, because you guys are going to be crying later on.

One thing I want to tell you, sir, is that if it really was for a national issue, as you said, for advertising, do you think I'd want to use that \$14,000 to do some publicity? But I didn't.

Coming to your point, those funny pens and pencils that you guys give out, I didn't have a budget for that. The only brochures I did, I paid for out of my pocket. I printed them at home with a printer, black and white. If we did have money, I think it would have gone a lot further than that.

But the issue here is that you guys are trying to hide that you know your days are counted.

The Chair: Order, please. Order.

Thank you, Mr. Martelli.

Mr. Martin, please.

Mr. Pat Martin: Thank you, Mr. Chair.

Thank you, Mr. Martelli, for your very clear and concise testimony. I assure you, don't be deterred by the smokescreen these guys are throwing up. Your moral compass is operating a lot better than the moral sextant that guides the Conservative Party of Canada, believe me. You seem to know the difference between right and wrong. To you, it strikes you as wrong to take \$14,000 and pretend it was a local expense when in fact it was part of the national campaign's expense.

No amount of baffle-gab is going to take the stink off what the Conservative Party has done in this election financing scheme. A stand-up guy like you is here to add some clarity to this, and I for one appreciate you being here and not falling for this kind of mischief that we're seeing over here.

This is the kind of thing that turns people off politics, Mr. Martelli, and I wouldn't blame you if you feel a little bit jaded after your experience as well.

Mr. Liberato Martelli: The only thing I can say in my testimony here today is that I have nothing to hide, and I have nothing to lose compared to my counterparts here.

I'm sorry to say this, but you know, Mr. Harper is very strong. He comes to Quebec every 24th of June—he doesn't come before that—to say, hey, let's go for *la fête nationale, bonne fête Québec*. In

general, he shows up only for special occasions. I remember that three other ridings asked him to come, and they were denied. There was me in Bourassa, Mr. Ercolano Pingiotti in St. Leonard, and another gentleman in Maisonneuve, who asked to have him come. He wasn't interested in coming.

As I said before, when I was tossed out I took my pill. I didn't say anything. I said, this is the way it's run and it's okay. I wouldn't have bothered to be here. But to get me involved in some of their schemes that they want to wash their hands of and pretend they didn't know about it or I didn't get 14.8%, I find that a bit low from you guys. I thought you would have done your homework, but that's not the case. You had your time to talk, and now it's my time.

The only thing I can say is that I'm very disappointed with the Conservative government. Laugh, sir—I appreciate that you laugh. It's really going to do you good, because you aren't going to be laughing for very long.

The Chair: Mr. Martelli, Mr. Martin is posing some questions. Let's be attentive to the process here, please.

Mr. Martin, carry on.

Mr. Pat Martin: I'm interested in your views. This was a party that ran on transparency, accountability, doing things differently, and taking big money out of politics. It seems that they had more money than they could spend legally, so they laundered it through some local campaigns and tried to pass it off—

Mr. Liberato Martelli: Let me tell you something. In 2006 when we were supposed to get some of these ministers to come—I think it was Madame Verner—in all of the meetings they were saying, “Hey, we've got some money and we're ready to go back to elections.” It's funny that the other parties hardly had any money. How come these guys all of a sudden had this surplus of money? Don't make me believe it was through people buying memberships, because we did a sprint one night, and out of 100 people I called to renew their party cards, only one did.

Would you like to know where this was done?

• (1525)

The Chair: Mr. Martelli, your comments should come through me, not to other members.

Mr. Liberato Martelli: I respected them when they were talking, so I'd appreciate it if they'd let me talk too, please.

The Chair: I think everybody should appreciate that view and that process.

Mr. Martin, you have another minute if you have any further questions.

Mr. Pat Martin: I'd like to give my time to Mr. Martelli, if he cares to conclude some of his thoughts.

Go ahead, please.

Mr. Liberato Martelli: That's basically it, sir. As I said, if I really wasn't involved in this, why am I here? I didn't decide to come to Ottawa to talk to you gentlemen because it's a nice summer day. I came here to tell the truth, and as I said before, I don't think you gentlemen can handle it. That's all I have to say.

The Chair: Thank you very much.

Mr. Hubbard, please.

Hon. Charles Hubbard: Thank you, Mr. Chair.

First of all, Mr. Martelli, you should be commended for getting nearly 16% in an election, because not only does it appear that you had no support whatsoever; you were basically paying for most of your efforts through your own time and resources.

Mr. Liberato Martelli: Exactly.

Hon. Charles Hubbard: Were you surprised today to hear Mr. Del Mastro say that in terms of the city of Montreal you were not part of the regional so-called buy? In other words, the Conservative Party apparently did not support your candidacy in Montreal North.

Mr. Liberato Martelli: To tell you the truth, we were left on our own in that county. As I said, there were only three of us running this. There was me, Mr. Brian Alexandrovitch and Mr. Alain Prenoveau. We put up signs and went door to door and in the shopping centre to promote.

Hon. Charles Hubbard: The big man from Montreal who appeared in Ottawa after the election is now Senator Fortier. Did he help you in the campaign?

Mr. Liberato Martelli: Not at all, sir.

Hon. Charles Hubbard: Yet an unelected person today is the main force of the Conservative Party in your city.

Mr. Liberato Martelli: We didn't have any help whatsoever.

Hon. Charles Hubbard: Since the election, have you had much contact with Senator Fortier?

Mr. Liberato Martelli: None at all, sir. Maybe the occasional Christmas card at Christmas time. That's basically it.

The Chair: Order, please.

Mr. Hubbard, I'm having some difficulty understanding the relevance.

Hon. Charles Hubbard: [*Inaudible—Editor*]...only some degree of sympathy for the witness. He's been badgered today by the Conservatives.

The Chair: Please, let's see if we can keep to matters relevant to the order before the committee. Okay?

Hon. Charles Hubbard: Mr. Chair, it's disappointing to hear the witness here today and to hear how he was treated by the people he worked for.

Thank you, Mr. Chair.

The Chair: Okay. We're finished.

Have you any response to that, to Mr. Hubbard's statement?

Mr. Liberato Martelli: I'd like to thank you all. Thank you for letting me come here and say what I had to say honestly. As I said,

I'm still disappointed with you gentlemen and a whole lot of people in Montreal North and some other ridings too.

The Chair: Mr. Martelli.

Mr. Liberato Martelli: I'm sorry, sir.

The Chair: You understand that it's not a good time to poke the dog.

Could we have Mr. Wallace, please? Finally, Mr. Wallace.

Mr. Mike Wallace: Are you calling me a dog of some sort, Mr. Chair?

• (1530)

The Chair: No, no. Don't wake sleeping dogs. Just....

Mr. Mike Wallace: Anyway, I thank you for the time and I thank the witness for coming.

Based particularly on the questioning by Mr. Lemieux about what was done being completely legal, the 15% that the candidate got obviously was not as a result of their efforts, with three people running the campaign and no money. It obviously was the national campaign that drove the dollars, the quality of the leadership we have in the current Prime Minister, Prime Minister Harper.

There was a question about cabinet ministers coming to visit. Well, of course we weren't in government at that point. Thank God we are now; we have cabinet ministers to visit ridings now, but we didn't have them previously. It was time for a change, and thank God, Canadians across the country found change, and we now have a Conservative government here.

The individual who has been the witness today has issues, obviously, that he wanted to bring forward on his own, with the indulgence, the acceptance, and the invitation of the opposition members. It was clear that the issue of supporting local candidates from a national party is legal. We've had indications from other parties that did it in the last campaign.

The individual is not a public office-holder, which is what this motion deals with—public office-holders. So we appreciate his making the fine effort to come from Montreal, but it really had no relevance here today. In fact, we would have gotten a lot more relevancy, Mr. Chair, if we had been informed that there were going to be openings this afternoon for a witness who could have helped us in questioning, and that is the director of the national campaign for the Conservative Party of Canada.

I clearly indicated this morning that we had an opportunity to see that individual. It was not clear to me that we would have only one witness here this afternoon. It is partly my fault. When I saw that there were only three, I should have pressed the issue: if we could have five in the morning, why couldn't we have four in the afternoon?

My point is this. If we were going to do this in a non-partisan manner, which is highly unlikely, but if we were, it would have been nice if you as chair had indicated that the committee would not see this individual in the morning, but that there might be some time in the afternoon, because we had set two hours aside for one person. It was an interesting discussion, but we had room for others.

In order for this committee to operate more as a parliamentary committee, as it has—I've sat on this committee since we began this Parliament in the spring of 2006, and we have studied a number of issues in a very parliamentary fashion—I think it would have been appropriate for us to do that.

I thank the witness for coming. I think the issues.... He needs to be aware, as do all candidates, that he has a responsibility to understand what their role is. We are asking at present for an interpretation of the rules that were in place at the time of the election.

We believe we are right, that there's nothing wrong with what we did. We have been very transparent, open, and public about it from the beginning and are not, as the NDP individual here today has indicated, trying to hide something. It is absolutely the opposite. We've been clear in the press, clear in the House of Commons, clear as we find out an interpretation of our view of what was in place at the time of the election.

Many candidates may not know the rules. I don't blame you for that, because there are a lot of rules to understand. When there's a campaign of only three people in a riding, with no money, it's very difficult to be worrying about those particular issues.

That's not the case in my particular riding. I happen to be quite aware. I've been a campaign manager; I've been involved with a number of campaigns both federally and provincially. So I'm fairly well versed on the issues we face everyday, which may not have been your case.

But in fact the witness did not offer anything new or add to the debate today, didn't further the discussion beyond where it was. We could have had the director of the campaign for the Conservative Party of Canada here this afternoon and we could have had some real quality questions asked and answered. I'm sorry we missed that opportunity.

Thank you, Mr. Chair.

The Chair: Unfortunately, the five minutes have expired.

Mr. Martelli, I don't think there was anything in there for you, but there certainly were some statements.

For the benefit of the committee, you may know that prior to calling this morning's meeting to order, I went to speak with Mr. Finley at the witness table and told him, indeed, and reaffirmed to him what I had said in the memo I had the clerk send to him on Friday, that we were booked solid in the morning and couldn't hear him. I said that we might be able to have him this afternoon, and he said no, that he wanted to appear this morning. That was not possible. I told him also that he was summonsed for Wednesday. But in the letter I did confirm to him that he could come on Thursday, because I didn't think we wouldn't have a full day on Thursday, based on what I was anticipating.

So there's no question that Mr. Finley has been summonsed. We do very much want to hear from him. He has been summonsed for Wednesday. Hopefully, he will appear; but if not on Wednesday, I hope he will contact us and take up our offer to appear sometime on Thursday, so that we can hear from this very important witness. I think members would agree with this.

Now, with regard to the issue of public office-holders, honourable members, it has come up that we can only talk about public office-holders. The motion doesn't say that we can only deal with public office-holders. Be very careful: it is about the ethical conduct of public office-holders. And to understand the ethical conduct of public officers, you must understand the event in which they are implicated, which may give rise to an ethical undertaking to either report, recuse, or to take some other action on behalf of that public office-holder vis-à-vis either the 2006 guidelines of the Prime Minister or, since they were subsequently withdrawn and replaced by them, the amendments to the Conflict of Interest Act.

This is very complicated. It has to do with what triggers actions on behalf of public office-holders, actions that are of an ethical manner relating to their private interest. The private interest has to do with their participation in an election campaign, for which they filed an election expenses return after they became public office-holders. There are allegations that these were improperly filed, and there are some further allegations that there may be some consequences. I don't want to go there.

The reason that we have to look at the event is to determine and understand what happened and whether someone should have known or ought to have known—

• (1535)

Mr. David Tilson: I have a point of order. You're getting into debate.

The Chair: I understand that, but Mr. Lemieux raised this issue about this witness, that he should not have been here, questioning why he is here. And I'm trying to explain that Mr. Martelli is here, and accepted being here without summons, to help us understand what happened.

Now, finally, I am going to ask Mr. Martelli if he has any final comment to make before he's excused, and then I'm going to take a 10-minute break and we will come back; and then we're going to deal with the motion of Mr. Reid concerning the independent investigation of Elections Canada. And I would also like to deal with the budget. That's what I propose.

Now, before we go to Mr. Martelli for his final comment, if any, Mr. Del Mastro, could you please state the basis for your point of order?

Mr. Dean Del Mastro: Yes, it's procedural, Mr. Chair. And I was patient and did listen to your statement. I ask that you please be patient and listen to this. They are your words, Mr. Chair, from 3:45 on June 19. I read the first part. I'd like to continue that:

We are not authorized—it's not within our mandate—to determine any ethical standards of any party. This has to do only with public office-holders and their duties with regard to ethical standards, which are set by the Prime Minister and are also included in the Code of Conduct for Members of Parliament, which is included in the Standing Orders. We are not—and I hope everyone understands that—in a position under our mandate or the motion before us, not authorized whatsoever, to opine on a political party and its activities. That is not included in this discussion. The only way it could ever be considered is if the committee specifically wanted to do that, but it does not.

We should not be talking about political parties and what they did. We should be talking about the persons, as outlined in my ruling, named in the findings of Elections Canada, who were involved in certain activities that may have given rise to actions under the standards of ethics.

We have to be very careful. I know it's more exciting to talk about elections and parties and all these other things, but we need to keep it to the mandate and to the motions, and political parties are not going to be examined, by themselves, by this committee. We're not authorized to do that. We're looking at individuals covered under the codes and under the ethical standards expected of public office-holders.

An hon. member: Hear, hear!

Mr. Dean Del Mastro: Mr. Chair, I humbly request that you stand by these high words and, please, govern the committee according to them. That's it.

Now, what we heard today had nothing to do with your words at 3:45, June 19, 2008, which were set forth to govern this committee. Now, if that has changed—and judging by what you just said a few minutes ago, it's changed again—I'd like some clarification on that, because very clearly, the motion that was set forth was not set forth for this purpose—what we have heard this afternoon—absolutely not, and you made it very clear that it was not the intent of that motion.

• (1540)

The Chair: I stand by those, Mr. Del Mastro, because this is not a matter in which we're dealing with the ethical activities of a party. We are dealing with the ethical conduct of public office-holders. But if you look, Mr. Del Mastro—and I know you're not a member of the committee and you weren't there—when I made a ruling on the admissibility of this motion to be debated in the first instance, I laid out in some detail, first of all, the principle that our mandate only includes public office-holders. But secondly, this event being the transfer of money, the transfer, as we all know, is irrelevant to everything. It's totally permitted. It is the attribution or the accounting for the expenses. That is the issue. But you cannot separate that process that a public office-holder or other candidates... because, as a group, none were public office-holders at the time, but they participated in an event that triggered a filing of returns.

The link to the committee is that—and understand the subtlety; this a very fine line, I understand—after six ministers and four parliamentary secretaries became public office-holders, after they were put into those positions, they filed final election expenses returns pursuant to the Canada Elections Act, they have been challenged by the Chief Electoral Officer, and there are other proceedings, etc. That is the event. That is the point at which public office-holders now may have to have made either a reporting to the Ethics Commissioner or to the Prime Minister. There may have been recusal requirements. I don't know that yet. We'll have witnesses to help us understand what should have triggered what. But we will have expert witnesses. And members will know that some of the expert witnesses with regard to violations under the Canada Elections Act have indicated clearly that criminal charges are

possible. That is serious; I take it seriously. And let's not start splitting hairs. We're talking ultimately about the guidelines related to public office-holders.

That's enough of this.

Mr. Martelli, if you have any final words, now is your turn.

Mr. Liberato Martelli: I would like to thank you all for accepting me here today to give my side of the story.

When I was convinced to come here, I was talking to a friend of mine. I was surprised that Monsieur Jean Landry wasn't asked to come to this commission too. But that's the committee, sir.

As I said, I'd like to thank the gentlemen here who are being nice. The other gentlemen here...as I said, you're talking about transparency, but that hasn't been much of the case. But hey, you guys have to live with that decision, not me.

Thank you.

The Chair: Mr. Martelli, thank you kindly for your appearance. I appreciate your taking the time and I thank you for your frankness.

Sir, you are excused and I am going to suspend for...

Mr. Goodyear wants to ask a question.

Mr. Gary Goodyear: In fairness, it's not a point of order. I just want to ask a question about the witness scheduling.

Given that we've had two witnesses this morning who did not participate in regional buys, and then of course we have this gentleman here who we could argue was relevant or not, I'm just wondering if the chair would consider the committee reviewing the witness list to see if there are other witnesses who perhaps also would not be relevant, and reconsider allowing some of the Conservative witnesses who are fully relevant to this matter.

I don't want to move a motion, because I don't want to fool you now that I have the floor. I could easily move a motion, Mr. Chair, but I'm appealing to your common sense and asking you. I think it would be appropriate for the committee to revisit the witness list with the intent to eliminate witnesses who are not relevant to the proceedings and to add the Conservative list of witnesses, who are in fact, in my humble opinion, relevant.

I would ask the chair for that, please.

• (1545)

The Chair: First of all, with regard to participation in the media buy being a criterion for being a witness, I'm not sure that was ever set up. We do know that each of the parties was invited to submit proposed witnesses. The witness list was vetted and was approved by the committee.

I think, Mr. Goodyear, you will be aware that during the June hearings where we dealt with this motion that's before us today there were two amendments. One amendment was that we would consider also persons from other parties. That was the gist of one of the amendments or subamendments. The other one was that the committee would also entertain activities in election years prior to 2006. As you know, the committee defeated and rejected both of those, and it's one of the reasons we're now here faced with the motion to deal strictly with Conservative candidates only, with regard to the 2006 election only.

The committee proposed its witnesses; I did not vet them. But I think if there is going to be a change, if there are any changes that members want to propose with regard to witnesses or to future witnesses, those will have to be handled by the committee by giving a notice of motion, I believe.

Mr. Gary Goodyear: May I do that now?

The Chair: No. I want people to have a chance to think about this. We're going to come back in 10 minutes. We'll come back at four o'clock and resume.

• (1545) _____ (Pause) _____

• (1600)

The Chair: We're resuming now.

Colleagues, I indicated to you at the last meeting that I would come forward with a budget. I want to deal with that right now. I think it's fairly straightforward. I don't want to give any personal details, but we have a couple of witnesses who would like prompt reimbursement of the expenses they incurred to appear before us, and they would like to leave this account with us today. It can't be processed without a budget.

Circulated before you is a best-effort budget that I had asked the clerks to come forward with, based on our best expectation of witnesses who would appear and would have travel costs.

The total travel expenses were estimated at approximately \$39,900. To the extent that the committee decides to have any further meetings with further witnesses, a further budget would have to be submitted to the committee for its approval.

Unless there are any questions, I would like to simply ask the committee this: does the committee approve the budget as circulated?

Do you have a question, Mr. Del Mastro? Okay, and then it's Mr. Tilson and Mr. Wallace.

Mr. Del Mastro, please.

• (1605)

Mr. Dean Del Mastro: I'd simply like to point out for the record that the committee is authorizing virtually the entire amount that it can authorize, on its own volition, for expenses for this procedure. The most the membership here could authorize is \$39,999. We are authorizing \$39,900. I request that all of you take time to consider whether this is a good use of \$40,000 of taxpayers' money.

Thank you.

The Chair: Mr. Tilson.

Mr. David Tilson: In the witnesses' expenses portion, which lists off the \$39,000, I wonder whether you could explain to me.... That's 20 witnesses, at least on this proposed budget. What happens to all the other witnesses? Do they not get anything?

The Chair: Mr. Tilson, a number of the witnesses are local in Ottawa, so there wouldn't be travel costs, and based on statements that persons have made about declining to appear who cannot be summoned, I was not going to provide for them.

Mr. David Tilson: Mr. Chairman, I've taken the position from the very beginning that these proceedings are discriminatory. Many of the proceedings taking place—with all respect to you, sir—are out of order. The entire proceedings are out of order, as I think the committee will probably find to their embarrassment when it comes before the House, if it ever does come before the House. When I feel that way, I don't know how I can possibly support a motion to pay \$40,000 for witness fees.

I have to tell you, I'm genuine about this. I really think these entire proceedings have become incredibly political. The timing of what goes on is obvious. In my heart, there's just no way in a million years I'm going to support paying \$40,000 to witnesses to appear at proceedings that shouldn't be taking place in the first place. It's a complete waste of taxpayers' money.

The Chair: Thank you.

Mr. Wallace, please.

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

I fundamentally disagree with you on the public office-holder piece. You ruled me out of order about a thousand times when I tried to go over what a public-officer holder was during the last.... But it's in the motion.

We have people who have come just today, and I think we should reimburse the people who came today. First of all, I think this budget should have been passed at the last set of meetings before you invited people, but it's here today, so I'm willing to support a budget for this.

Even though half the witnesses—and I've counted up—were not involved in the regional ad buy, I would like to know, of the witnesses who are listed here, because you must have an idea who they are, how many actually were involved in the regional ad buy. If they weren't involved in the regional ad buy—and whether you agree or disagree with this, I don't care—they really should not be witnesses. They're wasting our time and, in this case, public tax money. I don't mind inviting people who have been involved in the 2006 election and involved in the regional ad buy, but concerning others who were not, I think we should revisit the list and disqualify those candidates.

My question to you, sir, is do you know, of the people here—what is it, about 20 people here?—whether all 20 were involved in the regional ad buy?

The Chair: Well, as you know, the proposed witness list was submitted by the parties. They have determined that they have questions for these people that they believe are relevant to the motion before us.

I have not been given the details, but I can tell you that obviously the people from Elections Canada are witnesses; they are not involved in the regional buy, but they have been called. The public prosecutor, the experts we had proposed—there were three there—none of those are, obviously. There are some people on the list who refused to participate in the buy.

Mr. Mike Wallace: But are they included in this listing?

The Chair: I assume you're telling me that if they were in the election and refused to participate in the retail buy, they're not relevant witnesses.

• (1610)

Mr. Mike Wallace: No. What I'm asking, sir—

The Chair: No, I'm sorry, is that true?

Mr. Mike Wallace: What I'm asking is, if they were involved, if they've agreed to come—you have them down here as agreeing to come, I'm assuming—if they've indicated that they're coming and they were involved in the regional ad buy, I think we should have public money pay for them to come here and be witnesses.

The Chair: Or refused to participate?

Mr. Mike Wallace: If they're not coming, why are we budgeting for them?

The Chair: Okay, we're not.

Mr. Mike Wallace: That was the point. So if they're not coming, they're not budgeted for. That was one point.

Secondly, you don't know whether they are involved in the regional ad buy or not.

The Chair: I couldn't tell you exactly.

Mr. Mike Wallace: Okay, and then my third question is this. This is for the approved list. My understanding is that there was a list of witnesses provided, you ruled a whole bunch of them out of order because you thought they were irrelevant, and then it went to a vote. There's no flexibility in here for us to bring, after we've seen a set of witnesses, some other witnesses from that list who may in actual fact be relevant after we've heard some things. That is not included in this number. Is that correct?

The Chair: No. As I had indicated to you, if the committee decides to hold additional hearings and call additional witnesses, we would have to bring forward a further amendment to the budget, obviously, to deal with decisions that have not yet been made.

Mr. Mike Wallace: My final point—because I don't want to belabour this—is that I'm happy to support the budget for those who were here today. Could we delay this until tomorrow, and could you find out, on these 20 witnesses? We pay for the ones who came today, because we had no choice, but for the other ones, could you let the committee know which ones of this number were involved in the regional ad buy or not?

That would be my preference, and then we could vote on it tomorrow, since you're not getting any witnesses tomorrow morning anyway.

The Chair: I understand your opinion. That's up to the committee to decide in terms of the budget.

Mr. Goodyear, Mr. Martin, and then Mr. Lemieux.

Mr. Gary Goodyear: Thank you, Mr. Chair.

I take a slightly different view from that of my colleagues. It is not the witnesses' fault that they have been subpoenaed, nor is it the witnesses' fault that the Liberal Party has decided to use a parliamentary committee for their political gain. So I will be supporting that the witnesses be reimbursed. Perhaps we could put forward a motion later that this budget be reimbursed by the Liberal Party.

That said, I will be supporting this budget because it's not the witnesses' fault that they're being used in this game.

On a separate note, it's why I was going to suggest to you, when we were talking earlier, that you allow me to move the motion as to whether we'd revisit the list, because it might change the budget.

All of that said, I don't think it's the witnesses who should be punished because of this game, because of what's going on here. So I will be supporting the budget.

Thank you.

The Chair: Mr. Martin, please.

Mr. Pat Martin: My only comment was going to be, in reference to what Mike is putting forward, which is that only people who were directly involved in some group advertising buy should be called as witnesses, the in-and-out idea or the claiming of national expenses as regional expenses or campaign expenses is not limited to advertising. The Ottawa bureau chief of the *Winnipeg Free Press*, Mia Rabson, identified some 50-odd ridings where the same modus operandi was used for polling. So we should not limit our investigation to just group advertising. We believe they exceeded the national spending limit by even more than the \$1.3 million with another 50 ridings that did the same trick for polling expenses, national polling expenses, where there were examples of individual ridings spending \$16,000 on polling in the middle of a campaign. I don't think you could spend \$16,000 on a poll on an individual riding, a federal riding.

So by no means should we limit the witnesses by virtue of the fact of whether they were in the advertising buy or not. The point is, were they involved in claiming national expenses as if they were local campaign expenses?

The Chair: Thank you.

Mr. Lemieux.

Mr. Pierre Lemieux: Thank you, Chair.

I want to state my concerns. I understand the costs associated with bringing witnesses in front of the committee, but if they really have no relevance here, I think it's an unfair burden on the taxpayers in terms of paying their travel expenses and the very real cost of this committee operating. We have a lot of people on duty when this committee sits.

For example, this morning Louise O'Sullivan came and wasn't really here to answer questions. She just had a message to deliver: "I had nothing to do with this." That was it, but we paid for that. We all sat here, time ticked on, and this cost Canadian taxpayers money.

As for Ann Julie Fortier, we're looking at 2006 and she was from 2004. What are you guys thinking? She was here and didn't have much to offer.

Then of course we had our witness Mr. Martelli just after lunch, who was not part of the regional ad buy at all. He's not even on the list Monsieur LeBlanc brought up, but we're paying for him to be here. We've sat here all afternoon talking to a witness who was not relevant to the mandate of the committee, and we're asking taxpayers to pay for this.

So I'm very much in favour of what Mr. Wallace said. If the witnesses are in fact relevant to the mandate of this committee, we should absolutely pay for them, as we do with every other witness. But if we're just hauling in every Tom, Dick, and Harry because that's what the majority over there want, I think Canadians should know they're paying for that. They're paying for this little vendetta of the opposition to pull in witnesses who are not relevant.

It's a democracy. It's the tyranny of the majority, and you are the majority. That was stated by the Speaker of the House. I have to go through the chair, of course, so please pass on to Monsieur Nadeau that it was stated by the Speaker of the House himself that there is a tyranny of the majority on committees and it's leading to anarchy. Now it's leading to taxpayers paying for witnesses who are not necessarily relevant to the mandate of this committee, to the investigation, or to the hearings we have under way right now.

Thank you for your patience, Chair.

● (1615)

The Chair: Okay.

Madame Lavallée.

[*Translation*]

Mrs. Carole Lavallée: Mr. Chairman, I would imagine that together with the office of the clerk, you conducted a very rigorous analysis of the expenses to be committed and that you will be monitoring that closely. Among other things, be sure to ensure that Doug Finley is not paid twice. That would strike me as proper. I would imagine that all the committees are handled properly.

If we were to hear only the witnesses that the Conservative Party would like to hear, then clearly it would not cost us a cent. Because from the outset, the Conservatives have not even wanted us to carry out this analysis. So they cannot be expected to agree that we should be hearing witnesses. Even when witnesses are highly relevant, they say every time that they are people whose evidence is neither necessary nor useful. That is what we have been hearing from the very beginning. As I said earlier, they sow chaos and then complain about it.

In short, I fully agree. [*Inaudible - Editor*].

[*English*]

The Chair: Okay. I have a number of things I'd really like to say, but as chair I'm not going to participate in this debate.

I don't have anyone else on the speakers list, so I'd like to put the question on the budget.

(Motion agreed to)

● (1620)

The Chair: Thank you, colleagues. That disposes of that item.

At the last meeting of the committee in July, the committee adjourned, but there was one item left. It was the motion of Mr. Scott Reid, member of Parliament, which reads as follows:

That pursuant to Standing Order 108(2) and in reference to the current study under way by this committee, that the Committee request that the Chief Electoral Officer appoint an independent investigator to review the allegations of a leak of a planned search of Conservative Party headquarters, and that this investigation include all individuals who were privy to information about the search before the search occurred.

That is the motion before us, moved by Mr. Reid. We had planned to have the debate and vote on it at our last meeting. Unfortunately the committee chose to adjourn, so we are resuming debate on the motion from Mr. Scott Reid, as per the notice of meeting before you.

On debate we have Mr. Del Mastro, Mr. Tilson, and Madame Lavallée.

Mr. Dean Del Mastro: Thank you, Mr. Chair.

I think, quite frankly, that all Canadians have an interest in knowing how that particular operation came into being, and I think it's only right to ask that an independent officer look into this. I think any reasonable person sitting at home understands that it was absolutely remarkable that the parties on hand were on hand at the precise time Elections Canada showed up to conduct a search of the Conservative Party office.

The Chair: The testimony was that it was two and a half hours after the search was executed.

Mr. Dean Del Mastro: I think that's contrary to what the motion reads. What the motion is requesting is that we have an independent investigator review the allegations of a leak. And I think that's entirely reasonable. I think Canadians at home would actually like to know how that occurred, because it was remarkable. It was a remarkable coincidence, quite frankly, that they were there when the door was knocked on. And I think it's only right that we have an independent officer look into this, if for no other reason than to allow people to have confidence that Elections Canada is truly an independent body that has absolutely no bias toward any party.

I think all parties should have an interest in ensuring that this is exactly the outcome an independent investigator might be able to affirm. Or heaven forbid, he might actually come up with findings that indicate that there was indeed a leak, and it was inappropriate. And those who caused that leak to occur would be held accountable, because I think, again, that's only right. That's what Canadians expect. And I think the committee should authorize that.

The Chair: We'll have Mr. Tilson, please.

Mr. David Tilson: Mr. Chairman, from listening to Mr. Mayrand's evidence, we're not too sure how officials from the Liberal Party arrived there. He didn't seem to know that. Why were they there at all? Whether it's instantaneous or whether it was two hours, why were they there at all? Why was the media there at all?

Naturally—and I'm thinking politically—I asked the question, which got quite a chuckle from the opposition, about Mr. Mayrand at Elections Canada having the Conservative Party's election plans for the next election. He says it's safe under lock and key. Why did they need to seize that material? Why did they need to seize everything? Why was at least one political party there at all? What did that have to do with it? How did they find out? Who told them? The same goes with the media.

Mr. Chairman, I'm going to quote an article from the *Globe and Mail*. I took this out quite a while ago and I don't have the date of it. It's written by Robin Sears, who, when Mr. Rae was the Premier of Ontario, was his chief of staff. He's a former NDP campaign director.

There's one paragraph in which he addressed this issue. He said:

Elections Canada's very un-Canadian behaviour is unacceptable in a democracy. Without a better argument and evidence, Elections Canada will lose the legal battle, and then we will all pay the cost politically. The bad blood caused by its storm-trooper tactics has infected the political system. Many Liberals and New Democrats are horrified by all this. They know it could be their turn next.

What caused all this? Why did unauthorized people know about it? What else did they know? Were there other things that they knew? I think the motion by Mr. Reid is appropriate.

Of course, Mr. Mayrand doesn't know the answers to these things; we're going to have to assume they're okay. Well, maybe they're okay, but maybe they're not okay. Quite frankly, I don't feel too comfortable that the Conservative Party's elections plans are under lock and key, particularly after what's been going on and particularly when he doesn't know how these people arrived at his office.

Mr. Chairman, on the proposal that there be an independent investigator, I don't really think Mr. Mayrand, when that question was posed to him—and someone could correct me, but I'm fairly certain one of the members of the committee posed it to him, though I can't recall—would have any strong objections to it. If we're going to do our job on this thing, that's an issue.

I would think this particular issue doesn't just affect what has happened to the Conservative Party. As Mr. Sears said, if we're going to allow Elections Canada to do this, it could happen to any one of you people in the near future. You should all be worried about that. Maybe Elections Canada didn't do anything wrong, but it surely is left up in the air: maybe they did. Given the very fact that it says we think maybe they did do something wrong, we should have some independent person to say that they did something wrong and let's fix it, or that they didn't do anything wrong.

All I can tell you is that if Mr. Sears is correct, then all of you in the opposition should be as worried as we are about how this happened.

• (1625)

The Chair: Thank you.

Madame Lavallée, s'il vous plaît.

[Translation]

Mrs. Carole Lavallée: Thank you very much, Mr. Chairman.

Generally speaking, the Bloc Québécois is in favour of independent inquiries. We also agree with the fact that an independent investigator should meet all of the witnesses concerned

in a particular matter. We are also in favour of public reviews. Indeed, we are involved in such an exercise today.

While the Conservatives are playacting as offended virgins in this internal investigation being conducted by the Chief Electoral Officer of their own government, their own Prime Minister on the sly, with his left hand, double quick, conducted two internal investigations—not one, but two—that I would describe as idiotic.

The first had to do with the Maxime Bernier affair, at the Department of Foreign Affairs. The Minister of Foreign Affairs left documents at the home of his girlfriend. An internal investigation was carried out, and no one even met his girlfriend! Some internal investigation!

And I won't even talk about the statement made by Barack Obama's adviser, which was repeated by another of the Prime Minister's advisers, about Obama's intention to do away with NAFTA.

So two idiotic internal investigations yielded nothing because none of the right people were even met. Nothing was done.

At the moment, there are five Conservative Party representatives here with us to lecture us, to speak from on high to an important and respectable institution. Furthermore, everyone in opposition has reiterated its respect for Elections Canada and its Chief, except this party.

In short, they are in the process of playing the offended virgins to Elections Canada, which is investigating a matter, when all is said and done, which does not have a national, coast to coast, dimension, but which simply concerns the ego of a number of Conservatives. They're in the process of doing a number on us, emphasizing that it is absolutely essential for an independent investigator to conduct an investigation to determine who said what. In any event, the whole thing is nothing but gossip.

That said, it is clear for the time being that the Bloc Québécois will vote against the motion moved by Scott Reid. Furthermore, I'm surprised that it is even possible to discuss a motion moved by someone who is not present. However, if you feel that the rules are being followed, we can proceed to a vote. We will vote against it.

When this government, the Prime Minister, has appointed an independent investigator to conduct a sensible inquiry into the Maxime Bernier affair and the affair concerning the statement made by one of Barack Obama's advisers about NAFTA, we might perhaps be prepared to review our position and then we might be willing to look at what could be done with such a proposal.

A voice: There is also the Cadman affair.

Ms. Carole Lavallée: Ah, I had forgotten to mention the Cadman affair. Thank you.

• (1630)

[English]

The Chair: Thank you.

Mr. Goodyear, please.

Mr. Gary Goodyear: Thank you, Chair.

I am going to support the motion, and I'll tell you why. It's been almost a month since we met with Monsieur Mayrand, and Madam Jennings asked at the July 16 meeting for copies of four days of testimony. We've not seen that. Mr. Hiebert—and you can find this request on page 8 of the July Hansard—asked for documentation of the five factors being applied to all parties. Monsieur Mayrand promised to do that. I've not seen that.

The Chair: I just want to check. Did members receive the box of documents from Mr. Mayrand? It arrived at my office last Wednesday; it's about a thousand pages. It includes the affidavits and includes his covering letter. I think we circulated the letter from Mr. Mayrand, did we not?

Mr. Gary Goodyear: All I got, Mr. Chair, was a letter. I don't know why you're hiding this stuff from us.

The Chair: It was sent actually to the clerk and also to the chair, but there is his letter and it addresses Mr. Hiebert's question. That twigged me when you mentioned Mr. Hiebert.

Mr. Gary Goodyear: That's good to hear, because obviously he's following through.

The Chair: I can give you some assurance, I believe. I looked at them again last night.

I believe that all of the information, including some.... He was correct, and this is the letter. The letter is dated August 6 and it was cc-ed to Miriam Burke, acting clerk, and it is about a thousand pages long. Very quickly, there were questions by Mr. Reid, Mr. Poilievre, and Mr. Mulcair about the leak, and there was a response in here. I can tell you that's there. The questions and comments by Mr. Goodyear with regard to the Canada Elections Act and where in the act—they are answered here. The reports regarding section 407—

Mr. Gary Goodyear: Mr. Chair, frankly, I find that completely irrelevant in the sense that I don't have that information.

The Chair: Yes, I know, and it was only provided—

Mr. Gary Goodyear: Is there a really good reason for that?

The Chair: I received it in English. This arrived on the 7th, and the clerk was not in the office on the 7th. We had a duty clerk, who couldn't do anything with it.

Mr. Gary Goodyear: All right, I will accept that as reasonable. If it's not in both official languages—

The Chair: It just arrived on Thursday.

Mr. Gary Goodyear: All right. I'll accept that.

• (1635)

The Chair: It was coming.

Mr. Gary Goodyear: Let me proceed with one other point then, and I will give the chair and the clerks leeway that the answers to these questions are in fact in that document. That's yet to be seen.

If members recall, Monsieur Mayrand said that in his investigation of the leak he spoke to a few people.

He spoke to a few people. He did not have records of it. That's not an investigation. That is simply asking a few of your buddies and not putting the metal to the fire, so to speak.

I think this is very serious business, and it should be looked into. And whoever made the leak, if in fact there was a leak, should be brought to account.

It was also mentioned by Monsieur Mayrand—and I can't quote him, but his quote is in the minutes—that he had significant concerns about the fact that the investigation undertaken by the commissioner, who invited the RCMP and apparently, allegedly, called up his Liberal buddies and said to come on over, we're going to do.... Mr. Mayrand expressed concern that it happened the day before these people were going to be questioned and disposed. So I think Mr. Mayrand himself expressed the need to look into this further.

The last point I would like to make is that it interests me significantly that between then and now Elections Canada has found a way to allow the Liberal leadership candidates to defer their repayment of their illegal loans. I just think there's too much going on here at Elections Canada to avoid any kind of investigation into this process. I had hoped the motion would have been expanded. I won't do that, but I absolutely feel that members here should vote for a proper investigation. If there was no leak, I'm sure members opposite will be really happy. If there was a leak—well, guess what?—you should be happy about that too.

That's my point, Mr. Chair. I will be supporting the motion.

The Chair: Thank you kindly.

I have Mr. Lemieux and then Mr. Martin.

Mr. Pierre Lemieux: Thank you very much, Mr. Chair. I want to pick up where my colleague left off on some of the testimony of Mr. Mayrand.

When Mr. Poilievre was here, he mentioned an email that Monsieur Mayrand had prepared on April 18 discussing the subject of a leak. He mentioned the word "leak" seven times, which indicated a high level of concern. In other words, Monsieur Mayrand was concerned that the impartiality of Elections Canada was being affected by the leak of their visit to Conservative headquarters. He was concerned and didn't want Elections Canada to be affected by that.

Monsieur Mayrand was asked about the internal review that was conducted, and he said it was conducted by people responsible for the various programs in the organization. So it sounded like it was quite a large internal review. Monsieur Poilievre said, "What are their names"? Monsieur Mayrand said, "It was mainly me." But he did say that also participating were his director of communications and the commissioner's office. So there were two other people—a group of three.

Monsieur Poilievre went on to ask who knew about the event that was about to transpire—this visit to the Conservative Party headquarters. Monsieur Mayrand said it was him, the deputy chief electoral officer, and the director of communications. Of course, Monsieur Poilievre said, "So you all investigated each other on where this leak might have come from."

Of course, there lies the difficulty. We have Elections Canada conducting an internal review, and the three people who were involved are conducting an internal investigation on themselves as to whether there was a leak or not. Monsieur Mayrand is concerned about the whole issue of the leak and whether or not it will tarnish the reputation of Elections Canada.

I just want to finish by quoting Monsieur Mayrand again. He said, “When allegations are made, put in written form, and put before the proper authorities, I will welcome an investigation into this matter.” So Monsieur Mayrand, the elections officer, has said that when this allegation is made and delivered to him in written form he will gladly welcome this investigation into the matter. He said, “We didn’t see any cause to take further steps or carry out a formal investigation into the matter” at the time because it was mostly noise in the media. That’s what he was saying in the sentence before that.

So we have an opportunity here as a committee to help Elections Canada. Monsieur Mayrand would welcome an investigation, and of course it can’t be internal by the people who possessed the knowledge as to whether or not they leaked it themselves. That doesn’t pass any ethical standard. It has to be done by an independent investigator. This only makes sense.

We have Monsieur Mayrand’s testimony that he would welcome such an investigation. But I think Canadians would welcome this investigation as well, because I think Canadians are questioning what happened. How is it that the Liberal cameramen were there on the scene at the time? How did that happen? It likely was not by coincidence. Let’s have an investigation and find out exactly how that happened.

So I think this motion from Mr. Reid is very appropriate. Just reading Monsieur Mayrand’s words, he himself welcomes an investigation into the matter. I think this committee should ask that an investigation be done to protect the integrity of Elections Canada. It’s essential, and I don’t know why any opposition member would vote against that. What is there to hide? I suppose that is the question.

So I encourage my colleagues, particularly my opposition colleagues, to vote in favour of this motion. I think it’s important, and Monsieur Mayrand himself—as Canadians have seen the unfolding of this internal investigation and Monsieur Mayrand’s comments regarding a more formal investigation—would be happy to conduct it. Let’s vote in favour of this motion.

Thank you, Chair.

● (1640)

The Chair: Mr. Martin, please.

Mr. Pat Martin: I’ll pass, Mr. Chair.

The Chair: If I may ask for the indulgence of the committee, the motion of Mr. Reid requests that Mr. Mayrand appoint an independent investigator. We don’t have jurisdiction to instruct him to do that; it’s not like a recommendation. Is that the understanding of members?

There is someone who could strike an independent investigator. If Mr. Mayrand picks his own investigator, I’m not sure whether that would meet the criterion of independence the members are

proposing. It appears to me that it really is the Prime Minister, and I’m wondering if the recommendation really should be that the Prime Minister appoint an independent investigator to look at the leak, as opposed to asking Mr. Mayrand.

You trust him. That’s okay, as long as members are aware of the subtlety here.

Mr. Gary Goodyear: Thank you, Mr. Chair.

On your comment, that’s quite a remarkable understanding. Actually, I think that Monsieur Mayrand can be trusted. I think he came here sincerely. He pointed out that he had concerns about the investigation; he was very clear. We could have used him for another hour or two to question him.

I think Monsieur Mayrand will take the instruction of the committee and proceed forward. I actually do believe the gentleman thinks there was a leak and he wants to get to the bottom of it. At this point in time, I’m going to give my faith to Mr. Mayrand.

The Chair: Mr. Lemieux, you wanted a further comment.

Mr. Pierre Lemieux: My colleague stated it extremely well. Again, I will remind the committee and Canadians that Monsieur Mayrand said he would welcome an investigation into this matter. I have full confidence in his choosing an independent investigator. I think we all understand it’s a recommendation to Monsieur Mayrand. He has stated his concern on this matter. I’m sure he will act diligently.

The Chair: I have no further colleagues on the list.

Are the members ready for the question on the motion? This is on the motion by Mr. Scott Reid with regard to an independent investigator.

An hon. member: Can we have a recorded vote?

(Motion negated: nays 6, yeas 5)

● (1645)

The Chair: Now, there was a question with regard to whether I knew whether any of the remaining witnesses were not participants in the media buy. I have taken the opportunity to check it with the clerk. Of all of the remaining witnesses, the only two witnesses are Mr. David Marler, candidate for Brome—Missisquoi, and his official agent, Mr. Geoffrey Webber. I believe those two witnesses were proposed by two parties here.

An hon. member: It’s the same guy?

The Chair: It’s the same riding, but it is two persons.

Is anyone who proposed Mr. Marler and his official agent aware of the relevance of those witnesses to assist the members? I know there’s some concern about hearing people who did not participate in a—

[Translation]

Mrs. Carole Lavallée: Can I take that question under advisement and return tomorrow morning or consult my notes? Because I don’t know it all by heart.

[English]

The Chair: Okay, that's fine. We'll get it specifically. But as you know, the remaining witnesses are party officials, media buy executives, and Elections Canada and public prosecutor personnel.

So of the persons who participated in the election, there are only those two who were not participants in the media buy. But there may be questions. They may have been the ones who said they wouldn't participate. I guess the question is whether that is relevant. Madame Lavallée is going to advise.

Mr. LeBlanc, can you help us out here?

Hon. Dominic LeBlanc: I can, Mr. Chairman. I can leave you with a copy of this *Vancouver Sun* article, CanWest News Service, April 23, 2008, where David Marler, a former Conservative candidate in the Quebec Eastern Townships riding of Brome—Missisquoi, as you said, claimed that he “refused to go along with the party's in-and-out financing scheme because he didn't think it passed the smell test”:

Marler, a lawyer from Knowlton, Que. says he was told by party officials in January that they did not want him as a candidate.

While they refused to give any reason for their decision, Marler believes it could have been because the party was still upset over his refusal to allow money to be transferred in and out of his campaign account in 2006.

This candidate had been approached, declined, and then was told he couldn't run again for the Conservatives.

The Chair: Okay. I believe that provides the information to members with regard to the discussion we had before the break. That having been heard, I've given the information to the members.

Mr. Goodyear, you had a matter you wanted to raise with us.

Mr. Gary Goodyear: Yes, please. Thank you, Chair.

I would like to move a motion: that the list of witnesses be reviewed with the point of relevance being considered for all witnesses, and that suggestions for additions and/or deletions be submitted by any or all members by 9 a.m. tomorrow.

The Chair: As I understand the motion, all of the witnesses for whom notice has been given and for whom members have been given the information with regard to their calendarization for our meetings were already approved by the committee.

With regard to relevance, I think we've dealt with it. All of the witnesses are either participants in the media buy.... One candidate and his OA refused to participate, and the rest are media buy personnel or Conservative Party officials or representatives or are from Elections Canada or the public prosecutor's office. Those people are all clearly relevant.

I suggest to you respectfully, Mr. Goodyear, that to review the current list would probably not result in any changes, simply because they are all relevant on their face.

With regard to the second part of your proposed motion, about any future witnesses, that is an agenda item for us of which you've been given notice for Thursday, and we should deal with it then.

Mr. Gary Goodyear: Mr. Chair, you've accepted my motion, and really, with all due respect, I wasn't looking for your opinion. I was asking, through a motion that is debatable, that the list be reviewed this evening by all members, and that if we feel someone is irrelevant.... We just witnessed today, Mr. Chair, witnesses you have already deemed relevant being completely irrelevant, an error that cost the taxpayers money.

I'm only suggesting what Madame Lavallée has asked: that she take it under advisement. We offered her until tomorrow to determine the relevance of that witness.

I have a motion before the chair, and I would like it debated, and I would like a vote on it.

The Chair: Okay, thank you. I have heard the motion.

Mr. Goodyear, as I indicated to you, all of the witnesses presently on our notice list have been approved by the committee. We have an item to consider future witnesses, and to have a debate and a vote on something that the members have already voted on would be improper.

Accordingly, I'm going to rule the motion out of order.

Some hon. members: Oh, oh!

An hon. member: I challenge your ruling.

The Chair: The chair has been challenged. That has to be put to a vote immediately. I would like to ask the clerk to please call the roll.

An hon. member: [Inaudible—Editor]

The Chair: No, no, I'm sorry. Mr. LeBlanc answered the question that Madame Lavallée needed some time to deal with.

Some hon. members: [Inaudible—Editor]

The Chair: Order, order!

The decision of the chair that the motion is out of order has been challenged. It's not debatable. I must put the question now. The question is, shall the decision of the chair be sustained?

Madam Clerk, would you please call the roll.

(Ruling of the chair sustained [See *Minutes of Proceedings*])

The Chair: The orders of the day, the witnesses, and the motion by Mr. Reid have all been discharged. There's no other business before the committee at this time.

Some hon. members: Oh, oh!

The Chair: Therefore, we are adjourned.

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