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—
Chair

The Honourable Diane Marleau

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•(0905)

[English]

The Chair (Hon. Diane Marleau (Sudbury, Lib.)): I'm calling the meeting to order. I'd like all the cameras to please leave. Thank you.

We have Minister Baird before us. Minister Baird is quite used to coming before committee. As you know, we generally allow the person appearing in front of committee to have up to 10 minutes to make a presentation or to say a few words. We will give you that chance now.

Hon. John Baird (Minister of the Environment): Thank you very much, Madam Chair.

In 2006, our government was elected on a mandate to replace the culture of entitlement and corruption, which was out of control here in our nation's capital, with one of accountability.

We all remember the gun registry fiasco, the HRSDC boondoggle, and the sponsorship scandal, Adscam. It's a shameful legacy for our country and one that we, as a government, have made significant efforts to put behind us.

In February 2006, I was asked by the Prime Minister to serve as President of the Treasury Board and to bring forward our government's number one priority, the Federal Accountability Act, the toughest piece of anti-corruption legislation in Canadian history. Through that legislation we have forever changed the way the federal government conducts its business and have given Canadians both responsible and accountable government.

I was proud of my term as President of the Treasury Board, and I believe my record there speaks for itself. Contrasted with the former Liberal administration that preceded us, one that the Auditor General said "showed little regard for Parliament, the Financial Administration Act, contracting rules and regulations, transparency, and value for money", the Treasury Board, under our government, took its responsibility to the Canadian taxpayer very seriously.

We provided relentless scrutiny of government spending and challenged countless submissions that came before us. That was our role as we saw it, to be the final guardians of the public purse. In some cases, submissions were outright rejected. Some were deferred in order to obtain more information or to make necessary changes directed by the board. And many times, submissions were approved with conditions imposed in order to ensure the greatest accountability.

This was the case for the Ottawa light rail transit project. On September 28, 2006, the contribution agreement on the Ottawa LRT was put before the federal Treasury Board. This happened right in the middle of a municipal election campaign during which the future of light rail was a hotly contested issue for the people of Ottawa and a major flashpoint in the election.

Many local groups and organizations, city councillors, and civic leaders had come out opposed to the project and called for it to be held back until after the municipal election. In fact, Gord Hunter, a city councillor and a former Liberal Party candidate who had run against me in a previous election, wrote to me in August 2006 and urged me to, in his own words, "Help save the City of Ottawa and withdraw funding Support for this project until the City comes up with a plan that makes more sense. It is your right to do so and it is the right thing to do."

Two hundred million dollars had been committed by the Government of Canada towards Ottawa's transit, and we had a responsibility to ensure that this federal money was spent wisely and in the best interests of taxpayers. That's what we were elected to do; that's what I was elected to do.

The scrutiny given to this project was just as rigorous as any other brought before the Treasury Board. An added challenge, however, was that the submission was brought to the Treasury Board in the middle of an election campaign, a campaign during which the public was either deeply opposed to the project or had many unanswered questions.

Being put in this undesirable position, many questions come to mind. First, why was it presented to the Treasury Board in the middle of an election? And why was there a sense of urgency to get it approved? Was it because the two leading candidates for mayor were opposed to the project? Would it not be more prudent to wait a few weeks until after the people voted? Why potentially bind a new mayor and council to something they would ultimately be responsible for if they had no say in its design? Would it not be better to let it be their decision? After all, this was the largest investment of infrastructure dollars ever put before the city.

The editorial position of the *Ottawa Citizen* stated at the time that "A reasonable voter might ask: Why not hold off a few weeks and let the new city council call a vote of its own, just to ensure that, in the eyes of the public, this massive infrastructure project has full legitimacy?"

The former mayor had told his council, as he had told me and the public, that there was an urgency to approve the contribution agreement. He stated that the deadline was October 1, 2006, well in advance of the November 13 municipal election date. In fact, the then mayor went so far as to publicly warn of the dire consequences if the project was not approved prior to Ottawa voters casting their ballots. Ottawa residents were warned of penalties of between \$60 million and \$80 million if the contribution agreement wasn't signed immediately.

Oddly enough, when that date passed, we were told that the real date was October 4. Then it was October 5, and then, of course, it was October 15.

However, what the contract revealed, and I am one of the few people to this day who've actually read the contract as it is still unfortunately kept secret from the people and taxpayers of Ottawa, was that the city had the right to extend the deadline for another 60 days—well after the municipal election—keeping the prices fixed and allowing the deal to be signed at the latest December 15, 2006, with absolutely no penalty. In other words, we were all lied to in a blatant attempt to further a political agenda.

On October 10, 2006, the Government of Canada gave approval for the project subject to ratification by the new city council that would be elected on November 13. I made it clear at the time that while it was not our place to micromanage the affairs of the city or to choose sides in municipal elections, we felt it was important that a project of such magnitude should have the full support of the people of Ottawa and the soon-to-be-elected city council as they would be the ones who would ultimately have to stand behind the project.

From the very beginning, this project had been shrouded in secrecy with very little information being shared with the public and even city council. In fact, a poll of almost 2,000 people conducted by the *Ottawa Business Journal* in February 2006 showed over 90% of respondents were “unsatisfied about the city's enforced secrecy amid rumours the project could top \$1 billion when all is said and done”. Remember, this was a project that was originally going to cost \$600 million, and then \$760 million, with an eventual price tagged at \$919 million, and there were still many, many uncosted items revealed in the contract that would have kept that price escalating.

In May 2006 former city councillor and mayoralty candidate Alex Munter stated:

I am deeply dismayed by what's happened with light rail expansion. It's been dividing people, dividing communities, because of concerns over secrecy, bad process and potential cost overruns.

It was easy to see that in no time, if it was not brought under control, it would become a \$1 billion boondoggle.

To quote again the *Ottawa Citizen* on this issue:

Turns out there are some people who favour secrecy, who are happy to keep the taxpayer in the dark, and not surprisingly they belong to the federal Liberal party—the same party that when in power was hardly famous for openness and transparency.

On November 13, 2006, Ottawa voters finally had their say. More than 244,000 of them cast ballots in favour of two candidates who did not support the Ottawa LRT project, compared to just 46,000 voters supporting the mayor and his plan for light rail. That's a

margin, Madam Chair, of five to one against the proposed light rail deal. The message was loud. The message was clear.

On December 6, 2006, the newly elected city council passed a motion to not proceed with the previous LRT project that was presented to the federal government, but instead chose a new direction that eliminated the downtown portion of the project from the initial proposal. I sent a letter to the City of Ottawa soon after reaffirming the support of the Government of Canada. Our \$200 million commitment was, as it always had been, still on the table.

Because the project had not changed, I also indicated that it would take some time for us to ensure due diligence was performed on behalf of taxpayers due to the scope of the project. I also indicated that I believed the consortium would respect the wishes of a new city council and allow them to have additional time necessary to move the project forward.

The provincial government also said they would have to take a look at the new project but were uncertain as to their commitment. Later, on December 14, Ottawa city council had a new vote and decided not to proceed with either plan, opting instead to start from scratch. That was the decision of council, and it was entirely theirs.

This committee is asking whether or not there was political interference in the federal government's decision to approve this funding subject to ratification by the new council. Some would argue that redirecting the O-Train out to Barrhaven on the eve of a federal election campaign in an attempt to save David Pratt was political interference, or that Dalton McGuinty's government sending a letter to the City of Ottawa just 72 hours prior to voting starting in what the *Ottawa Citizen* described as a push to help Bob Chiarelli “win the election after the polls showed his support sinking” would be political interference.

All I can say is what we did was right for the taxpayers. We made a decision to approve the contribution agreement and let the newly elected city council come up with its own conclusions on the future of light rail. That's what they decided to do from that point on. It was up to them.

Thank you. *Merci beaucoup.*

● (0910)

The Chair: Thank you, Mr. Baird.

It always was up to city council and you know that. You are here to answer questions about your involvement and using your position as the President of the Treasury Board in a municipal election. That's what you're here to answer for, not whether the project was good, bad, or indifferent. It's about your role in this.

I'm going to go to the Liberals here, to Mr. Mark Holland.

Mr. Mark Holland (Ajax—Pickering, Lib.): Thank you, Chair.

Thank you, Minister, for coming to the committee today.

Minister, again to the chair's point, the presentation misses the point a little bit. The question is not whether this was a good or bad project. That was certainly a debate in the municipal election. The reality is that your announcement when you went to the press had a major impact on the election. We're trying to figure out why it was you and why you intervened.

The reality is—

The Chair: Mr. Angus has a point of order.

Mr. Charlie Angus (Timmins—James Bay, NDP): Do we need a background screen telling everybody that you don't know what you're talking about?

Mr. Mark Holland: This is April Fool's Day, and it wouldn't be complete without some tricks and games.

Mr. Charlie Angus: Perhaps we could shut the machine off now that the show is done.

The Chair: I'm sorry, you'll have to turn this off. This is not about what we're talking about.

Please, I want that to end.

It's not bilingual, for one thing, and I want it turned off—absolutely turned off. You've made your presentation, and that's it. Turn the cameras off on this thing.

• (0915)

Hon. John Baird: Madam Chair, it is bilingual. There's French right there.

The Chair: I want it turned off anyway—

Hon. John Baird: Madam Chair—

The Chair: Please—

Mr. Mark Holland: Perhaps we could get to the matter of asking—

The Chair: —so we can get to what we're discussing.

Mr. Mark Holland: All of this hasn't eaten up my time, has it?

The Chair: No, it has not.

Mr. Mark Holland: Seven separate federal departments under your government approved this project. In fact, even Treasury Board, on October 10, under your leadership, approved this project. In fact, Deputy Minister Wouters, who was before this committee, said it was not even Treasury Board's responsibility to deal with this matter in this way, that it was in fact Transport's. It was Transport's file. It was Transport's decision. Your own deputy minister said it was another minister who should have had responsibility here.

We know there were 10 such other projects going on at the same time, including one in Toronto that was sole-sourced to Bombardier, yet not one of these other projects was treated in this way. This was the only project that was treated in this way. You picked this one out despite the fact that it also won a national award for procurement.

Treasury Board wasn't involved at all in the efficacy of the project—it was Transport—so, first, why were you making these decisions and not the transportation minister? Certainly you could talk to him or say that it's his file and he should be dealing with it. Why was it you particularly, particularly after all the others,

including the transport minister and the transport department, had signed off on the project?

In fact, there was no reason given for the funding to be withheld. The only reason given was that there was a single clause in a 600-page document that you interpreted as allowing you to buy some more time, and yet we heard from Mr. Wouters, your former deputy minister, that on that 600-page contract you never consulted him or his officials in your determination of that.

When you were making decisions on this contract, making public proclamations that had a major impact on a municipal election, if you didn't contact or discuss it with even your own deputy minister, who did you review it with? Who did advise you on this contract in the four days that you had it between October 6 and October 10? In those four days, on 600 pages, where did you get your advice, if not from your own deputy minister and his officials?

Hon. John Baird: I counted about 27 questions. I hope you'll give me an opportunity to respond.

It is Treasury Board's responsibility under the Financial Administration Act to approve contracts of this scope. It had never been brought before the final arbiter of the taxpayers' dollars, the Treasury Board, which is a cabinet committee of ministers. In our government it requires elected officials to make the decision. There are groups that put forward submissions to Treasury Board; Treasury Board is not a rubber stamp. Just because officials in any given department might give a green light to a project, it is ultimately, under the Financial Administration Act, Treasury Board, a committee of elected representatives—

Mr. Mark Holland: The issue, Minister—

Hon. John Baird: I apologize—

Mr. Mark Holland: No, Minister, I think you are missing the point. The question is not whether Treasury Board had a role.

Mr. Wouters said—and it was made very clear to this committee—that you as minister and that department did not have responsibility for dealing with efficacy, and that your whole issue that it was a bad project was not a Treasury Board decision. That was a Transport decision.

I'm asking you very specifically who advised you on this project before you made these public proclamations. You had four days—600 pages—before you made an announcement that had a major impact on a municipal election. Who advised you? What advice did you get? If it was not your deputy minister and his officials, who advised you?

Hon. John Baird: I will respond to that, but you did ask 29 questions, or 27 questions, before that.

Mr. Mark Holland: I'm asking you one question, and I'm asking if you would respond to it.

Hon. John Baird: I will respond to that, but you did ask about 27 questions before that, and you made a number of comments that I feel I need to respond to. It is Treasury Board's—

Mr. Mark Holland: I'm asking one question now. I'm just asking if you could answer that specific question. Who advised you in that period of time on those 600 pages?

Hon. John Baird: You did ask 27 questions before that.

Mr. Mark Holland: I'm asking you that question. I made a number of other statements. I'm just asking you if you could answer that question.

Hon. John Baird: I'm going to go back to the 27 questions you started with, and I will get to that question.

Mr. Mark Holland: All right, if you don't want to answer it then

Hon. John Baird: I will get to that.

It is Treasury Board's responsibility under the Financial Administration Act to approve contracts of this nature. All that had been signed was an MOU with the city, with no information at the time of that MOU. There was no knowledge, no budget forecasting, and not even a physical plan for the project when it was announced on the eve of the 2004 election. Treasury Board accepted our responsibilities as required under federal statute to review the project and to make a value judgment, and we did.

Mr. Mark Holland: But hold on. This wasn't a Treasury Board project. This was not a Treasury Board project.

Hon. John Baird: All projects have to go before Treasury Board to get approval.

• (0920)

Mr. Mark Holland: They all do, but this was not a Treasury Board project, Minister.

Hon. John Baird: Treasury Board doesn't have any projects. All projects of this scope, of this financial amount, are required to be approved by Treasury Board, not—

Mr. Mark Holland: You mentioned, not with respect to their efficacy, but—

Hon. John Baird: I apologize. You mentioned that there—

Mr. Mark Holland: Minister, we're running out of time. I'm just wondering if you could get to the question I'm asking you to answer, with respect to who advised you on that contract.

Hon. John Baird: I will get to that, but you asked a few more questions before that.

Mr. Mark Holland: I only have seven minutes, Minister. I'm asking if you could please answer that question.

Hon. John Baird: Then you shouldn't have asked 27 questions, in fairness.

Mr. Mark Holland: No, I'm asking a question now. Could you please answer it?

Hon. John Baird: I'm going to respond to the second issue. You said there were 10 projects at the same time, and you said that the one—

Mr. Mark Holland: I will note that you're refusing to answer.

Hon. John Baird: You mentioned the City of Toronto one. In fact, it came before Treasury Board on December 14, 2006, well after the municipal election campaign. I did certainly have consultations with a number of members of Parliament before that,

including the Liberal member, Ken Boshcoff, who gave me some good knowledge before that project was approved. But that project itself came after the municipal election in Toronto.

If you have another eight or nine projects, I'd certainly welcome responding to those.

Mr. Mark Holland: Sir, I have one minute. Could you please respond to the question?

Hon. John Baird: I'm going to get to that.

Mr. Mark Holland: I have one minute, Minister.

Hon. John Baird: I'd be happy to respond to the other eight.

With respect to the legal interpretation, we did consult lawyers from the Department of Justice who spent four hours in my office going over the contract when it was discovered that we had been misled by the city. It was two or three lawyers from the Department of Justice who spent four hours in my office going over the project.

We were just looking to confirm that there was actually no irrevocability of the commission and the contract—

Mr. Mark Holland: You had no Treasury Board officials. You had several lawyers and no Treasury Board officials.

Can I ask one other question before we go—

Hon. John Baird: The lawyers are Treasury Board lawyers.

Mr. Mark Holland: Okay, but there were no other officials with Mr. Wouters. You had an individual, a 600-page contract, four hours, and that was it.

Can I ask you then about the confidentiality agreement that you entered into when you received the contract, which you then violated when you gave this information to the media? Did you ever contact the City of Ottawa or Siemens and ask them about the contract? I mean, they're the ones who drafted this contract. Did you talk to them before you went to the media and violated that confidentiality agreement?

Hon. John Baird: I haven't violated any confidentiality.

Mr. Mark Holland: Did you not receive the contract under a condition of confidentiality?

Hon. John Baird: I have signed no agreement for confidentiality.

Mr. Mark Holland: But was there not an understanding of—

Hon. John Baird: We agreed that we would not release the whole agreement. I felt I could release the one small page—

Mr. Mark Holland: They didn't feel the same way.

Hon. John Baird: The privacy—

Mr. Mark Holland: This is my last question.

Did you talk to Siemens or the city before you had that conversation?

The Chair: Thank you.

Mr. Mark Holland: Yes or no?

Could I get a yes or no?

The Chair: He won't want to answer.

Mr. Mark Holland: Okay, he doesn't want to answer.

The Chair: We're going to go to Madame Bourgeois.

Hon. John Baird: Pardon me, Madam Chair—

Mr. Mark Holland: He doesn't want to answer.

The Chair: No, it's not at this time that he can answer.

Hon. John Baird: Are you making a value judgment, Madam Chair, of my conduct?

The Chair: What's this?

Hon. John Baird: Are you making a value judgment that I don't want to answer the question?

The Chair: Would you like to answer the question?

Hon. John Baird: I'd be happy to.

The Chair: Good. Go ahead.

Hon. John Baird: I'm just curious as to you making a value judgment as to whether I wanted to answer.

The Chair: Will you answer his question or not?

Hon. John Baird: I'd be happy to. Could I have some time?

The Chair: Answer it.

Hon. John Baird: Great.

I consulted lawyers, we looked at the contract, and it clearly stated that there was a 60-day extension if the federal government had not signed on to the contribution agreement. So it allowed 60 days, and we availed ourselves of that 60-day period.

I was looking at the contract for one simple—

Mr. Mark Holland: Did you talk to the city? It's just a yes or no question.

The Chair: Thank you.

Mr. Mark Holland: Did you talk the city—

Hon. John Baird: Before we made our announcement, we—

Mr. Mark Holland: Before you made a public—

Hon. John Baird: Yes, we did contact the city beforehand.

Mr. Mark Holland: Okay. That's not what they said. That's interesting.

The Chair: Thank you.

The time is up for both of you on this round.

Thank you very much, Mr. Holland.

We will go to Madame Bourgeois.

[*Translation*]

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Thank you, Madam Chair.

Good morning, Minister.

Firstly, I would like you to state whether you agree with me that the management of a city is the responsibility of its municipal councillors, duly elected by its residents.

Hon. John Baird: Indeed.

Ms. Diane Bourgeois: Would you agree with me that the light rail transit project was a major issue for Ottawa in 2006?

Hon. John Baird: Absolutely.

Ms. Diane Bourgeois: City officials, including the City Manager, a city lawyer and a former director of the City of Ottawa's Economic Development and Strategic Planning Branch, told the committee that it took three years to develop the project. They analysed the project and submitted it to the Department of Transport and other departments, who approved it. They also told us that the project did not run over budget and that it had received Treasury Board approval.

After municipal officials and duly elected councillors had followed all of these steps, why did you suddenly decide to change the rules of the game and interfere in this matter? Were there serious grounds for doing so?

● (0925)

[*English*]

Hon. John Baird: I can tell you that the decision Treasury Board made was the one that was announced publicly. So when you say Treasury Board supported the project as is, that's not the case.

You had mentioned that the project had been working with the federal government for some 36 months. That's about 150 weeks. That is certainly the case. I believed that it was wrong to approve the project 33 days before people voted, and that if it had been working 150 weeks with the federal government it could go for another 33 days. The contract specifically allowed for a 60-day extension, and I thought this was wise.

I can remember the decision made on the eve of an election back in 1993 with respect to Pearson Airport and the EH101 helicopter project, which led to billions of dollars of problems when the new government took over. I thought if it had been going on for 150 weeks it could certainly be postponed for 33 days. The contract the city had signed specifically allowed, if the federal government had not signed a contribution agreement, a 60-day deferral. I saw no reason to go against that.

When I read the contract there were many, many portions of the project that were not funded. You said there were no cost overruns. Of course, there had been no shovel in the ground yet, so there couldn't have been cost overruns to a project that hadn't started. But there were many areas in the project that were not funded.

[*Translation*]

Ms. Diane Bourgeois: What I find surprising is that it seems, according to the information that we have available, that a number of departments had analysed both the technical aspects of the project and the possibility of it running over cost before submitting it to Treasury Board. It was your own department that approved the decision to grant the \$200 million.

I am not questioning your integrity, your intelligence or your understanding of your files, but do you not find it strange that a minister suddenly finds fault with a contract, and decides to cancel funding for a light rail transit project, right in the middle of an election campaign where the said project is a major electoral issue?

[English]

Hon. John Baird: I'm happy to correct the record. You said staff in my department are the ones who have to approve the project. That is not the case. Under the Financial Administration Act, it's required to go before a group of elected ministers, members of the Treasury Board. Treasury Board itself is composed of six cabinet ministers who are ultimately responsible for approving the project. So the project is not approved by the secretariat. By law it is required to go in front of ministers for a decision.

[Translation]

Ms. Diane Bourgeois: Excuse me...

[English]

Hon. John Baird: You say that the minister "showed up". In fact, it is law that it has to come before me and the other five members of the Treasury Board for a decision. So it was not an issue we inserted ourselves in. It is actually one that by statute we are required to approve.

[Translation]

Ms. Diane Bourgeois: Your staff recommended that you approve it. The \$200 million funding envelope had been approved; the City of Ottawa had begun negotiating contracts. What I am struggling to understand, Minister, is why you personally decided not to release the \$200 million when officials from various departments had recommended that Treasury Board approve it? Do you not think that this was an unfortunate decision and one that could be viewed as interference?

[English]

Hon. John Baird: It in fact wasn't me personally who made the decision; it was a unanimous decision of the Treasury Board to...not as you said. The decision was to approve the project, just requiring that the new city council in 33 days signal their support for it. They, at the end of the day, would be on the hook for the cost overruns, for all the unfunded portions of the project. I read the contract. There are significant amounts of the project that are not funded.

I can tell you that it was not my choice to decide when this came before the board; it was when it was submitted. I found the world as I found it; I didn't choose that it come before the board at this time. It's been going for 150 weeks. It certainly would have been better for it to come before the board not during an election campaign.

We did not put an end to it. It was approved and it did have 33 days.

The board is the ultimate decision-making authority for spending within the federal government. It is not up to the officials to make that decision. At the end of the day, the buck stops with me, with the members of the Treasury Board, as to whether the project would get the green light. It is explicitly our responsibility and not that of the unelected officials within the department to make those decisions.

• (0930)

The Chair: Thank you very much.

[Translation]

Ms. Diane Bourgeois: Thank you very much.

[English]

The Chair: We will now go to Mr. Moore.

Mr. James Moore (Port Moody—Westwood—Port Coquitlam, CPC): Thank you very much.

It almost seems, when you look at it on the surface, with the dynamics and the timing of this, that it's one of those things where you're damned if you do and damned if you don't. If the federal government announces a project while there happens to be a campaign going on, people say they're interfering in the campaign; if you don't announce a project, they'll say you're interfering with the campaign. It seems that no matter what you did we were headed for this kind of accusation/circus.

One quote that Mark Holland left out of his presentation was that Wayne Wouters, before the committee, when asked point blank if there was anything even slightly abnormal, out of step, or inappropriate in any way whatsoever in the process of this project with regard to Treasury Board, said no, that everything went forward precisely as it was supposed to.

I guess one thing that a lot of people in the Ottawa area—your constituents, people in the area—want to know is whether the \$200 million from the federal government is still available for the City of Ottawa for a rail project, going forward.

Hon. John Baird: Yes, it is—or for any transportation project.

No matter what you do, I guess if you had to err on the side of caution.... There had been, in the previous administration, billion-dollar boondoggle after billion-dollar boondoggle, whether it was on the gun registry, in HRSDC, or with the sponsorship program and Adscam.

It's not easy to make a difficult decision, but we were elected to make the difficult decisions. We campaigned on a new era of accountability. I was Mr. Accountability. If I had the choice between being more accountable or less accountable, I'd be more accountable.

I wasn't going to have anyone say to me after the fact, "Well, Minister, you approved this 33 days before an election and now there's a \$500 million cost overrun and you should pay up, because you approved it, not me." That's why we opted for a 33-day delay.

Mr. James Moore: When we see the headlines and declarations that are made that "Baird cancelled light rail project", is that assertion false?

Hon. John Baird: It was approved. It left Treasury Board, never to come back again; it was approved. All that had to be done was to subject it to a ratification vote by the new council, and then Transport was authorized to sign the contribution agreement.

Mr. James Moore: So the money was set aside by the federal government.

Wayne Wouters is well respected. We had him in this room. I was on the Bill C-2 Accountability Act committee. He is a fantastic civil servant and he answered all the questions of all the opposition parties. He is a well-respected civil servant who said clearly that no rules were violated, everything was maintained, the recommendation came from Treasury Board, and the money was set aside, but that whether or not the project would go forward would be the consideration of a new city council, because we were in the middle of an election campaign.

There were three principal contestants for the mayor's job. What was the breakdown of the votes, and what were their positions on rail?

Hon. John Baird: It was literally 85% against.

Mr. James Moore: And the money is still on the table for a light rail project going forward—

Hon. John Baird: Or any transportation project the city would like to follow.

I think around Ottawa there was a perception that Treasury Board was a group that just met once a week and rubber-stamped things. That was not the case when I was President of the Treasury Board. We held things up, we stopped things, we turned things down, we put on conditions, and we asked a lot more tough questions.

One senior official at Treasury Board said that we asked 20 times more questions than the previous Treasury Board. I'm proud of that. That's exactly what we promised to do when we sought election: to bring a new era of accountability to federal spending. And we delivered.

Mr. James Moore: In the preamble to every question in the House of Commons on this issue, and when the Liberals try to bridge into other issues, they say John Baird interfered in a municipal election. What is your response?

Hon. John Baird: In no way, shape, or form did I interfere. If the mayor had been able to do a great photo op, hammering in the nail of the first rail 33 days before the election, people would have been able to say that I was interfering in the election and providing the photo op for him.

So we approved the project as it was. It's the city's right to determine what kind of project it is. If they're asking for federal funding, they have to obey our processes, and one of the processes right from the get-go was that it required my committee's approval—the Treasury Board's approval—of the project.

• (0935)

Mr. James Moore: We're talking about a municipal election that took place a year and a half ago, and I think most people want to look forward to the future. What is the current status of light rail in Ottawa, and what is your involvement as a member of Parliament for the area regarding light rail or transportation projects in the future?

Hon. John Baird: The city will make a determination about what they want to do, and they'll have to live with the consequences. They made a decision to start from scratch, believing the proposal was badly flawed.

It was not done on partisan lines. Five former Liberal candidates, including a former Liberal candidate who ran against me, agreed

with the decision not to proceed with the proposed light rail project, precisely because they felt it was financially irresponsible. So this was not an issue decided on party lines.

From my perspective, we promised a new era of accountability. We promised we would step in and make the difficult decisions.

If I had wanted to do the easy thing, I would go along to get along, but I wasn't elected to rubber-stamp anything. I wasn't appointed President of the Treasury Board to be a yes-man. Treasury Board, under my leadership, exercised real financial controls, and I think that's what taxpayers expected us to do.

Mr. James Moore: What were the principal arguments made by the Treasury Board department officials who said, "Wait until the new city council is elected and let them ratify or defeat it"?

Hon. John Baird: My first reaction on this project was to question why this was coming before us just 40 days before voters vote on what was a very controversial project. We had a good number of infrastructure projects, and I don't remember getting letters from any city council anywhere in the country saying, "Don't approve this project. Get involved. Ask the tough questions." I did in this case, and we did.

I recognized that it was not my role to decide what type of transportation system this city chose. It was a political liability that we would have. If the project went \$600 million over budget, the pressure would be for us to come up with one-third. This is exactly what's happened in a good number of other capital projects for which there was a political liability, and it is difficult to say no. When you're a third partner going in, you're a third partner at the end.

I always wanted to be clear that we had \$200 million. That was all that was approved at that stage. We're happy to hear what city council wants to do. We've committed \$200 million. If they come in above that, we're happy to hear the case, as I know the provincial government would be as well.

The Chair: Mr. Angus.

Mr. Charlie Angus: Mr. Baird, I'd like to start by asking in what capacity you acted in intervening? Was it in your role as President of the Treasury Board or as political minister for the city of Ottawa?

Hon. John Baird: I didn't intervene. It was legally required.

Mr. Charlie Angus: What role were you playing?

Hon. John Baird: President of the Treasury Board.

Mr. Charlie Angus: As President of Treasury Board.

Hon. John Baird: So it wasn't an intervention. It was put in front of me as required by statute.

Mr. Charlie Angus: Whatever. I guess many of us on the committee were somewhat dumbfounded when the Secretary of the Treasury Board said, “At no point did I say that Treasury Board asked for a copy of that contract”. The Secretary of the Treasury Board told us he had never seen the contract, that you had the contract. Is that the way you act as the President of the Treasury Board?

Hon. John Baird: Often I will ask for additional information for a given project. But we were told that it had to be approved by October 1. Then we were told that it had to be approved by October 4.

Mr. Charlie Angus: But Treasury Board did not ask for the contract; you did.

Hon. John Baird: No, Treasury Board did ask for the project.

There are two things: there is Treasury Board and there's the secretariat. The secretariat is there to support the board. We were told there was a deadline for the project—October 1, then October 4, then October 5, and then October 15. What I said was, “Show me where it says we have to make a decision immediately.” The city said it had to be made by October 15. Frankly, I called them on it.

Mr. Charlie Angus: So that's what you looked for. You looked to see if there was a clause....

Hon. John Baird: I did not believe the city.

Mr. Charlie Angus: Did you look for a clause to see if you could get them out?

Hon. John Baird: Yes, yes.

Mr. Charlie Angus: So that's why you phoned.

Hon. John Baird: Yes, that's the only reason I asked to see the contract.

Mr. Charlie Angus: That's what I figured.

Hon. John Baird: And sure enough, I hit the jackpot. It was exactly what I thought. You go with your gut, Charlie.

Mr. Charlie Angus: Yes, obviously you do.

I guess that's the issue here, Minister, you going with your gut. It is a question of your political judgment and political prudence.

This was a municipal election. Choices had to be made carefully. As you said yourself, one way or the other you could upset the apple cart. City officials say in their internal memo of October 5 that you were the one wanting the contract. The Secretary of Treasury Board never saw the contract. Why did you not go back to city officials? Why did you take it to the media?

• (0940)

Hon. John Baird: It was very clear that when we.... I basically was doubting whether the city was telling me the truth because their story had changed so many times. I just said, “You know what? Show me where it says we have to decide this in the middle of an election campaign.”

We got the document. There was a black and white clause in the document that allowed a 60-day deferral if the federal government or the provincial government had not signed the contribution agreement. We explicitly, in the 600-page contract, were looking for the timeline. When we found it, we said great—

Mr. Charlie Angus: But why go to the media?

Hon. John Baird: We contacted the city—

Mr. Charlie Angus: Why did you tell the media in the middle of an election rather than go back to city officials?

Hon. John Baird: And what would I go back to city officials to do?

Mr. Charlie Angus: To say, “Listen, you've misinformed us. Can you clarify how this contract works? Can you clarify these clauses?”

You yourself said that you hit the jackpot. So you hit the jackpot and went and said to the media, “Guess what? I as minister can intervene.”

Why did you not go back to city officials?

Hon. John Baird: No, I reject your notion of intervention. It was black and white. I got advice from lawyers who were based in the Department of Justice that it was black and white, crystal clear, that it could be delayed 60 days.

Mr. Charlie Angus: You asked for the contract. You were looking for one thing. You found it. As you said, you hit the jackpot. Why did you not go back to city officials?

Hon. John Baird: We contacted the city before our decision was announced.

Mr. Charlie Angus: Well, that's not what their internal memos say. Their internal memos say that they found out by watching CTV news that night that you had announced that you had found evidence that they could hold off the clauses.

In fact, their—

Hon. John Baird: We communicated it to the city before it was announced in the media.

Mr. Charlie Angus: This is part of an internal memo from the City of Ottawa, dated October 10, 2006:

First let me emphasize that I regret that Minister Baird did not raise questions around the December 15 clauses directly with the City, but instead chose again to go to the media....Had the City been contacted directly, we would have clarified the difference between financial close clauses and the project's exposure to cost overruns....The media transcripts indicate that Mr. Baird has decided to apply the provisions for financial close for a use never contemplated....

So the question is simple: are you telling me that this internal memo is a lie, that these people are lying to their own staff?

Hon. John Baird: I'm telling you that I was told on five separate occasions that there were deadlines—ranging from October 1 to October 15—and that there was a black and white, specific....

I mean, it may not have been their idea to use that—

Mr. Charlie Angus: But that's not what I'm interested in. What I'm interested in is what I asked you—namely, why did you not go back to the city and talk to them? You say you talked to the city—

Hon. John Baird: I didn't need to. There was no—

Mr. Charlie Angus: —and now the city officials are saying it's too bad you never bothered to speak with them.

So did you or did you not speak to the city before you went to the media?

Hon. John Baird: We did. We did communicate our decision to the city before it was announced publicly.

Mr. Charlie Angus: How much before? Twenty minutes?

Hon. John Baird: I'd have to check. What I can tell you is that I did not need to go back to the city for clarification because it was black and white. The legal advice I received from the professional members of the public service, the Department of Justice lawyers, backed up exactly what was in the contract. It explicitly said that if the federal government doesn't sign the contribution agreement, you can get a 60-day extension.

I had no questions to the city. They had already lied to me four times. I didn't need to go back again.

Mr. Charlie Angus: But if you had asked the city, the city would have clarified what was in that contract. That's what their internal memo says, that you did not go back.

Hon. John Baird: I think the city wanted to maybe have a fifth or sixth go at it. I didn't need to.

Mr. Charlie Angus: Well, it seems to me, Minister, that you felt you hit the jackpot. You stepped in—

Hon. John Baird: I caught them in a lie.

Mr. Charlie Angus: —and you went to the media. You're not really clear whether you let them know just before you went into the CTV studios or, as their memos say, they watched it on TV and found out that you'd dropped a cluster bomb in the middle of the election campaign.

To get back to my basic question about your political prudence here, in the city of Ottawa you were clearly acting as a political minister, you clearly intervened, and you clearly took it out in a media campaign rather than dealing with the city. My question is, what kind of political judgment is that?

Hon. John Baird: I did not have any questions for the city about the contract. It was black and white. It was crystal clear. I had been misled.

The clause explicitly allowed—not could be used, or could be tailored to use, but explicitly allowed—for a 60-day delay. You have that section of it before you, I'm sure. You can get your own legal judgment as to whether I'm right. But that was the black and white legal argument I got from the lawyers.

Mr. Charlie Angus: Well, I'm looking at the internal city documents that say that if you had contacted them, if you had asked any questions, they would have clarified that your decision to apply the provisions for financial close for a use never contemplated “does not relate to the high-level due diligence review we understood from last week's media transcripts that Treasury Board was undertaking”.

Again, that leads me back to why you told the city you were doing due diligence, why you told the media you were doing due diligence, and you told the committee that you were only looking for one thing, looking for that clause.

Hon. John Baird: That was my due diligence.

Mr. Charlie Angus: You told us you hit the jackpot when you found that clause, and you stopped that project from going ahead.

Why didn't you just tell the city in the beginning that this was what your whole intent was?

• (0945)

Hon. John Baird: I explicitly wanted to see where it said that there was a deadline that the city had told me. They had changed their tune five separate times. I asked to see it in black and white, and I did; it explicitly said there was a 60-day delay.

You have that paper in front of you. You can go to any lawyer who will confirm that.

That was the black and white, 100% legal advice I got from the Department of Justice officials. I said, “Great, this project is approved, subject to council, and never has to come back before Treasury Board again.”

But I can tell you that if I've asked something five times, I get five separate, different answers, I call them on it, and I get it in black and white that I was misled, then I don't need to go back and get it for a sixth time.

Mr. Charlie Angus: In the CFRA interview with you on October 5, the host says:

Are you aware that the mayor was trying to get you all day yesterday on the phone and he was told you were unavailable?

Were you just not interested in talking to the city?

Hon. John Baird: I talked to the city on more than 10 occasions.

The Chair: Mr. Angus, could you table that City of Ottawa memo with the committee?

Mr. Charlie Angus: Yes, I can.

The Chair: I'd like that very much. Thank you.

Mr. Holland.

Mr. Mark Holland: Minister, what were the names of the Justice lawyers that you spoke with and got advice from? Would you be willing to provide us with the briefing notes?

Hon. John Baird: I don't have them in front of me.

Mr. Mark Holland: You don't remember who those lawyers were?

Hon. John Baird: The lawyers I met with 18 months ago? I meet with probably 100 people a day, and I don't have the names of the Justice lawyers in front of me.

Mr. Mark Holland: Would you ever be able to provide that to committee?

Hon. John Baird: I can certainly look into it.

Mr. Mark Holland: And the briefing notes that they would have supplied you with?

Hon. John Baird: There weren't any briefing notes.

Mr. Mark Holland: Lawyers usually take notes. Can you look into that?

Hon. John Baird: If this was first approved by the previous Liberal government... We can open up all the cabinet confidences of my Treasury Board if we can open up all the cabinet confidences of the previous—

Mr. Mark Holland: I'm asking for the briefing notes because Mr. Wouters and his officials weren't involved, and I'm just trying to figure out who was. Let me say this, Minister: it's not Treasury Board's responsibility to review municipal contracts. The board's responsibility is to review federal contracts. Your former deputy minister came before this committee and said that this was not the Treasury Board's area of responsibility. That was clear.

I'm going to ask you, can you cite a single example, just one, in Canadian history, where Treasury Board has interfered in a municipal contract in the same way? Just one example.

Hon. John Baird: Of course, those are all cabinet confidences, but if you—

Mr. Mark Holland: No, they're projects with public outcomes. Can you name one?

Hon. John Baird: When I—

Mr. Mark Holland: Can you name a single one in Canadian history?

Hon. John Baird: When I asked to look at the contract, I was exclusively looking for the clause that placed a deadline, and the penalty for exceeding it, on the city. That was the only purpose. Because I had been given five different answers on five different occasions, I asked to see the source document where the deadline would be found. I read it and learned that I had been misled.

Mr. Mark Holland: I'm asking for another example in Canadian history where a municipal contract was asked for and where there was intervention by Treasury Board on the contract.

Hon. John Baird: I can't speak about what happened at Treasury Board before I got there.

Mr. Mark Holland: It's not their role.

Can you give me a single example in Canadian history where Treasury Board approved a federal contribution agreement, only to withhold it until a future city council could approve the project?

Hon. John Baird: Treasury Board didn't approve their contribution agreement.

Mr. Mark Holland: Yes, they did, contingent upon a decision in the future council.

Hon. John Baird: We said the contribution agreement could be signed after the new municipal council backed it.

Listen, we ran for office promising a new era of accountability, and we delivered.

Mr. Mark Holland: And we didn't get it. Thank you.

The Chair: Madame Folco.

Ms. Raymonde Folco (Laval—Les Îles, Lib.): Thank you, Madam Chair.

Since dates seem to be of such importance in this matter, I'd like to ask you, Minister, whether you can tell us where and when Treasury Board met to make the decision to sign off on the light rail project.

Hon. John Baird: I would have to check, but I believe it was the 10th. We'd meet in the cabinet room, as all cabinet committees do.

Ms. Raymonde Folco: The information we have is that the 9th to the 14th was a break week; no one was around. We know that ministers who sat on the secretariat at the time—Ministers MacKay, Bernier, Flaherty, Skelton, Cannon, Fortier—all these people were out of town. So who actually did you meet with on the 10th?

Hon. John Baird: I had the support of the Treasury Board and the Treasury Board itself made the decision. I don't have the power to make the decision.

Ms. Raymonde Folco: Where was the meeting held?

Hon. John Baird: In the cabinet room.

Ms. Raymonde Folco: So there was a meeting held in the cabinet room. But with whom, considering that I just read you a list...?

Hon. John Baird: I don't have attendance lists for cabinet committees here. I don't have the exact date in front of me.

Ms. Raymonde Folco: Could we have that list, Madam Chair? I would like to see this committee receive a list of the ministers who were present when the discussion took place with Treasury Board on the signing off of the light rail contract.

I would like to remind you that the Secretary of the Treasury Board said he never actually saw the contract. So I'm coming back on this. One person tells us he never actually saw the contract. We know there was a week when six ministers at least were not in Ottawa. Yet you tell us there was a committee that physically met and discussed this contract.

Once again, I am asking if we could have a list of the persons who were present—along with yourself, Minister—to discuss that contract. I would also like the date and place.

● (0950)

The Chair: Would you like to make a motion to that effect?

Ms. Raymonde Folco: Yes, I would.

The Chair: That he present the list of people who attended the Treasury Board meeting to discuss this?

Mr. James Moore: I have a question. Why would she need a motion?

Ms. Raymonde Folco: No, I'm quite willing to present a motion on this.

Mr. James Moore: Well, let him answer. If the chair would stop directing members of the committee....

The Chair: Obviously, Mr. Baird has said before that he didn't quite remember, so perhaps he needs to go back and check.

But, Mr. Baird, if you want to answer....

Hon. John Baird: Subject to cabinet confidences, obviously, I will take the question.

The Chair: Okay, it is subject to cabinet confidences.

Ms. Raymonde Folco: I'm sorry, cabinet confidence....

The Chair: We're close to being out of time.

Ms. Raymonde Folco: Cabinet confidence, Mr. Minister, covers what the cost was, who discussed what, and what decisions were taken. Cabinet confidence does not include when you met, where you met, and who was present, and this is what I would like to hear. I have not asked what was discussed in detail. I have not asked what the decision was. I have asked where you met, who was present, and when you met.

I'd like to bring up another point here. We have a letter in front of us, dated October 10, 2006, signed by Mr. Wouters, Secretary of the Treasury Board. He's writing to Mr. Kirkpatrick, city manager, saying, "I am writing today to inform you that the government of Canada has approved \$200 million in funding for the North-South Light Rail Transit Project in Ottawa."

In all this, there are people who are saying they don't have the information or that the information has been approved. On the other hand, you, Mr. Minister, are saying that you did meet, in spite of the fact that we have information that practically everybody was away. We need to have much more specific, concrete information. This is not a cabinet secrecy point, because I'm not asking how it was discussed. I'm asking simply who of the cabinet ministers were present.

Hon. John Baird: I will go back and....

The Chair: Thank you, Madame Folco—

Hon. John Baird: Could I respond?

The Chair: —your time is up.

We will go to Madame Faille.

[*Translation*]

Who is going to begin? Ms. Faille or Ms. Bourgeois?

Ms. Bourgeois.

Ms. Diane Bourgeois: Thank you, Madam Chair.

Minister, I would like to revisit certain comments that you made. You said that costs were spiralling. However, the City has told us that, had the project been over budget, it would have absorbed the additional costs. Were you aware of that?

[*English*]

Hon. John Baird: The city, of course, would be legally liable for any cost overrun. The reality in government is that if you have a three-way partnership of a third, a third, and a third, the minute

there's a cost overrun, they're at your doorstep expecting money, and it's an awfully difficult decision to not give money.

For example, when the gun registry was only supposed to cost a few million dollars, there was a contract to provide it. Of course, they came back and asked for more. And that's how things spiral out of control.

[*Translation*]

Ms. Diane Bourgeois: You are correct in saying that you have a responsibility in terms of the three-way partnership, but your responsibility is not simply to spend taxpayers' money whenever a request is submitted. However, after undertaking the required analysis, and after a project is approved by all of the relevant stakeholders, your sole responsibility is to release the funding. Your mandate is not to say whether the project suits you personally.

That being said, if I am not mistaken, the new municipal council had approved a light rail transit project. Why did you ask for another vote?

I have one last question for you before I hand over to my colleague. You said that the City lied to you concerning the deadline for the document it had to sign. Do you stand by the allegation that the City lied to you?

[*English*]

Hon. John Baird: You asked a number of questions. You first made a statement that it's the responsibility of Treasury Board to disburse funds. We wouldn't need Treasury Board if public servants could make decisions and it was just a—

● (0955)

[*Translation*]

Ms. Diane Bourgeois: You were responsible for managing the \$200 million.

[*English*]

Hon. John Baird: No, you're wrong. It's exactly the responsibility of Treasury Board to exercise value judgments with respect to things that come before it. With respect, it is. Otherwise, why would you bother having a meeting? The officials would just have the responsibility to approve all the money.

At the end of the day, we did have a responsibility to exercise due diligence, to ask important questions about value for money, and the other.... So you're wrong there.

With respect to the dates, we were told that it had to be passed by October 1, it had to be passed by October 4, and it had to be passed by October 15 and October 5. We were getting so many answers that I said, "Show me where it says we have to make a decision or there's no penalty". I asked, I got the contract, and sure enough, I was exactly right. I had been misled, and there was a 60-day delay explicitly contemplated in the contract, just for this purpose. The federal contribution agreement had not been signed. You could have a 60-day delay.

[*Translation*]

Ms. Diane Bourgeois: Thank you.

Ms. Meili Faille (Vaudreuil-Soulanges, BQ): Welcome to the committee, Mr. Baird.

I would like to follow on from what my colleague was asking about the contract for the light rail transit project. You said earlier that your decision to intervene was fair and just. From reading the memos provided by the City, we know that there had been a good working relationship between Transport Canada and Infrastructure Canada for a number of years. Both of these bodies are experts in managing large infrastructure projects.

As President of the Treasury Board, what is your expertise in this field?

[English]

Hon. John Baird: I sat as a member of the management board of the Ontario cabinet for three years, where we dealt with a wide range of issues. I've been a cabinet minister now for six and a half years. I've been an elected official for 13 years. I have worked in over 16 departments as a student, a political aide, a parliamentary secretary, and a minister. I was the parliamentary secretary to the Minister of Finance for two years, where I carried more than 13 pieces of financial legislation. I was parliamentary secretary to the chair of the management board in Ontario, where I dealt with many issues with respect to this. So I'd say I have a pretty good amount of experience.

[Translation]

Ms. Meili Faille: Very well. What you are saying is that, in spite of the work carried out by the municipal council and its infrastructure committee, in spite of the approval process that was followed—over the course of the past three years, the project was approved at 13 different stages—, and in spite of the good working relations between Transport Canada and Infrastructure Canada, both of whom worked closely with the City of Ottawa, when you evaluated the project, you simply dismissed out of hand all of the analysis and work that had been done.

Are you telling us that you made a political decision to intervene based on your experience and that, in one fell swoop, you rejected all of the analysis that had been provided over a three year period by experts from Transport Canada, Infrastructure Canada and the City?

The Chair: Thank you, Ms. Faille.

[English]

We'll go to Mr. Moore.

Hon. John Baird: Can I respond?

The Chair: If you'd like to answer I will let you, but we are well over time.

Hon. John Baird: Thank you.

You said that decisions were made on the project. No government agency, other than Treasury Board, has the authority to make a decision on a project of this scope. The city was made aware on the day of the announcement, in its memorandum of understanding, that the decision on the project would be made by a cabinet committee, the Treasury Board. I did not choose to get involved. This issue was brought before me in that context. We're not a rubber-stamp agency. That's how we had the sponsorship scandal. When money went astray and everything ran amok at the bureaucratic and political levels, we promised to be aware of accountability and we delivered it.

• (1000)

The Chair: Thank you, Mr. Baird.

Now we'll go to Mr. Moore.

Mr. James Moore: We only have a couple of minutes, because I know the minister is scheduled to be here for only an hour, as per the schedule. There are two things I want to talk about. One is what Charlie was talking about in his round of questions: communications between the city and the federal government.

Réjean Chartrand, who was the light rail project manager, confirmed that the price of the project would remain fixed until December 14. He said that if the contract was awarded then by the new council there would be “little exposure”, meaning financial and legal exposure. He said that on October 11, 2006, at a city council meeting. He also said that the contract was never intended to be viewed by the federal government, and the fact that the federal government saw it threw them off in some ways.

Hon. John Baird: He has basically backed up every single thing I have said. The contract was not meant to be seen by the federal government. I was told five times that there were different deadlines when penalties would kick in: October 1, October 4, October 5, and October 15. At some point I said, “This is ridiculous. Show me in writing. Show me in black and white.” They never intended for me to see that contract, because the moment I saw it I knew I had caught them in a lie. When he went before city council and acknowledged that, it backed up every single thing I had said.

I was told there was a huge rush, we had to sign this, and if we didn't there would be an immediate \$60 million to \$80 million penalty, when in fact the contract itself explicitly allowed, exactly and precisely, for this purpose. If the federal contribution agreement wasn't signed, there could be a 60-day delay.

It's regrettable that I was misled. I don't apologize for asking the tough questions. I didn't get elected to be Mr. Nice Guy and try to get along with everyone. I got elected to fight for taxpayers, to fight for every single taxpayer's dollar. I got elected on a principal agenda of accountability. I was appointed by the Prime Minister to be President of the Treasury Board and be Mr. Accountability—to ask the difficult questions that hadn't been asked for a generation in this town.

Mr. James Moore: The bells mean it's 10 o'clock and we're almost out of time, so I'll finish where I began—a sort of “damned if you do, damned if you don't kind of a thing”.

I can only imagine what would be thrown at you in question period today if you, as the Minister of the Treasury Board, had ignored your officials and the recommendations, plowed ahead, and delivered immediate cash, ignoring the rules, for a light rail project in your riding, in spite of the fact that there was a municipal campaign and 85% of Ottawa voters voted for candidates who were opposed to this project. They would say, "You're ignoring the rules. You're ignoring the will of the people." Instead, what did you do? You recognized the rules and allowed city council itself to decide the future of the project, and you're being criticized for that. This is a very bizarre situation.

Hon. John Baird: This was a move that empowered taxpayers. It let the voters decide, and they made their decision.

Mr. James Moore: Thank you.

The Chair: Monsieur Thibault is next for five minutes.

Mr. James Moore: I have a point of order, Madam Chair. We're out of time here.

The Chair: The bells for the House have nothing to do with the committee.

Mr. Thibault is next on the list. I believe Mr. Angus also wants to ask another question, as well as Madame Bourgeois.

Mr. James Moore: I have a point of order, Madam Chair. I know you're on Liberal time and there's Conservative time, but we're—

The Chair: Thank you.

Mr. James Moore: It's my point of order, Madam Chair.

The Chair: Will Mr. Baird stay for a few more questions?

Hon. John Baird: The committee asked me to stay for an hour and it's been an hour, Madam.

The Chair: We didn't ask you for an hour.

Mr. James Moore: Yes. That's the motion, Madam Chair.

The Chair: We asked you to come for two hours, and you notified us that you might have just an hour. But if you wish to stay and answer a few more questions, I think it would be very much appreciated by the committee.

Hon. John Baird: Was it an hour?

The Chair: It wasn't on the motion that I know of. I asked for one additional meeting the week after the March break to hear testimony from the Minister of the Environment, John Baird. There was no time mentioned on that one.

If you can stay, we'll let Mr. Thibault ask his question. We'll let Mr. Moore ask another one if he wishes, as well as Madame Bourgeois and Mr. Angus.

Mr. Baird, will you stay for the extra questions?

Hon. John Baird: I'll stay for an extra 15 minutes, Madam.

The Chair: Monsieur Thibault.

Hon. Robert Thibault (West Nova, Lib.): Thank you, Minister, for the indulgence.

You pointed out the difference between the Treasury Board Secretariat that does the analytical work and Treasury Board itself, which is composed of ministers who make the decisions. You took pride in saying that you asked difficult questions and you got to the

bottom of things and did some research before you approved projects, but you had approved this project.

I see the letter from the Secretariat stating that the Treasury Board had approved this project as of December 10, so I presume that the difficult questions and due diligence by you and your colleagues as Treasury Board ministers had already been done.

Before I get to this point, I'd like to take you back. I have 13 years' experience in municipal government, as you have a lot of experience in provincial and federal.... I look at this, and I see in winter 2003 that council had approved the transit expansion. I know from experience that this would come after discussion. It wouldn't come out of thin air.

In May 2004 they announced the project. In May 2005 they signed a memorandum of understanding with Ottawa and with Ontario. Between May 2005 and August 2006 the intergovernmental working group...to oversee the city's progress at meeting the requirements set out in the MOU, the tripartite MOU.

On July 12, 2006, it awards the bid. From mid-September the Treasury Board submission is approved by Minister Cannon, so Transport Canada has looked at this project. They've done their analysis. They've submitted to you as president for approval for funding.

The mayor signs the contract on September 15, 2006. On September 28 to October 6, the Treasury Board meetings are held to approve the terms and conditions of the Ottawa light rail contribution agreement.

On October 6, the Treasury Board president, you, go out and receive the contract. On October 10, you approve the project.

Then later, because you're getting some pressure, you find this way to block it and not have the memorandum of agreement or the cost-sharing agreement signed. So you can't have the contract signed.

Now I'm going to bring you back to what you said at the beginning here. You were concerned very much with corruption. I see you have an understanding of it. I can see that one of the worst cases of corruption that I could find would be when a federal official, a minister of the crown, particularly the President of Treasury Board, would use his authority to influence another election in another jurisdiction, and that's the question we're examining here. I won't say you're guilty of it, but there are difficult questions to answer.

That appears quite relevant here. And then we have other allegations, as you well know, in which Mr. O'Brien is facing serious questions now.

Now, I know Mr. Wayne Wouters. He was my deputy minister when I was at Fisheries. I don't know him for taking quick and unconsidered decisions. I don't know him for wanting to get ahead of his ministers at Treasury Board in approving a project that they would not have approved.

So if he sent that letter on October 10, 2006, I would have to assume that Treasury Board would have gone through all of its due diligence and considerations, both at the secretariat level and at the board level. To say that this was being rammed through by council, when we see the progression from winter 2003 to the election time of November 2006, I find absolutely ludicrous and self-serving on your behalf.

•(1005)

Hon. John Baird: Well, Mr. Thibault, I thought it was irresponsible to approve a \$1 billion contract 33 days before an election, where you had a good number of members of the board of directors of the council writing to me, communicating that they didn't support the project, that there were major concerns about it. I thought it could wait for 33 days. I was misled and I acted.

Maybe it was your experience in government, sir, where the deputy ministers made the decision. At the end of the day, the Treasury Board, under my presidency, was accountable, was the one authorized to make this decision. We accepted our responsibilities and we did it.

I dare say if that type of scrutiny had taken place over the public purse, we probably wouldn't have had all the corruption under the previous government.

Hon. Robert Thibault: The result here is that by your exchanging your judgment for the council's means there's no light rail, and they were sued by Siemens for \$240 million.

I'd like to turn over the remainder of my time to Mr. Holland.

The Chair: Time is up for this.

We're going to go to Mr. Angus.

Mr. Charlie Angus: Thank you.

I'm going to go back to what we were discussing earlier, which is the whole decision that this would be fought out in the media. There was a fascinating interview you did with CFRA on October 5. They started the show by saying that the fact that you would be intervening had been floated out of City Hall the week before by someone who was on the Larry O'Brien campaign. That was the context in which you were being interviewed on CFRA.

Steve Madely says—and he is sort of paraphrasing the city:

And the mayor's office says that at the time, you were told not a problem. You want the contract, 600 pages, we'll get it for you. We do have, as part of that contract, as we have explained to our city councillors and to the media and all of us knew this, certain commercial limitations on what can be released. And so we have to just make sure that all of that is covered?

John Baird: That's not the message that I...heard.

•(1010)

Hon. John Baird: I was told I couldn't have the contract initially.

Mr. Charlie Angus: Yes, we'll get to that.

I'm looking at the city memo to you in which it clearly states that there were issues of confidentiality that you were not a part of, and if you had any issues of confidentiality you had to discuss it with them. It's here in black and white. It was written. Yet you're telling CFRA that nobody ever told you there were confidentiality issues that you couldn't release.

Hon. John Baird: No. I was told I couldn't see the contract at first, and then, under public pressure, they bowed to show me the contract. I did disclose one page of it. An official complaint was launched to the independent non-partisan officer of Parliament, the Privacy Commissioner, and she dismissed it. She was the arbiter in this case.

I have not ever received any legal.... Siemens has not contacted me, and neither has the city with respect to breaking any rule.

Mr. Charlie Angus: You had asked for the contract from Siemens, and they said they did not feel comfortable giving it to you.

Hon. John Baird: I didn't ask Siemens. We asked the city.

Mr. Charlie Angus: You did ask Siemens, and they did not like this.

Let's continue the CFRA interview, because it follows with what you are trying to establish here.

John Baird: ...asked for a copy of the contract and we haven't been able to get...it.

Steve Madely: ...Mr. Baird, when did you ask for the contract?

John Baird: Earlier this week.

Steve Madely: The mayor's office says 48 hours ago.

John Baird: Yes, earlier this week.

Steve Madely: So they've committed they'll give you the contract.

John Baird: No, Steve, I've got to be honest with you. That's not...a message that's been communicated to us.

Then we go back to what was said earlier:

Steve Madely: ...the mayor [has been] trying to get you...yesterday on the phone, [and] he was told you were unavailable?

You said:

We have been told, our officials have been told they can't have a copy of the contract.

You are very clear. You were saying that in the media. Yet on the same day as you are saying this, the internal memo of the City of Ottawa says:

City Council will have heard that the President of the Treasury Board has asked to see a copy of the City's contract.... City Council can be assured that the City is moving to respond to this request as quickly as possible, as we have for every other requirement....

The City received the request for a copy...at the end of the day Tuesday, October 3. Staff had not anticipated this.... [This is an] unusual request... [but] we understand,...through the media, [your] due diligence concerns....

And he assures the city that this contract will be given to you as quickly as you had asked for it. You have used the words "misled" and "lied to" every time you have spoken about the city. Again, is this internal memo an attempt by city staff to mislead their own people? They clearly say you had asked for the contract and you were getting a copy of the contract. What you said on CFRA—

Hon. John Baird: We had asked for the contract and we were told we were not getting it.

Mr. Charlie Angus: They said they were asked at the end of the day on October 3, and on October 5 they were assuring the city that you were getting the contract quickly.

Hon. John Baird: Yes. I guess it's "he said, she said".

When I got the contract, I confronted my worst fear that in fact there was a delay clause allowed in it.

Mr. Charlie Angus: It's not "he said, she said". I think the issue we have to contend with at committee is your political prudence, your judgment, the fact that you were looking to hit the jackpot, that you felt you hit the jackpot, and you never bothered to talk with the city.

In the media, you consistently painted the city officials as undermining, lying, and misleading, when their own documents say they were trying to respond to the request, because they didn't know what you were asking. You told them it was for due diligence, when clearly you were telling us you were looking for the one clause to intervene with this contract.

Hon. John Baird: That was part exactly of my due diligence, to confirm that there was a date.

Mr. Charlie Angus: That was your own personal due diligence. Again, as minister in this very politicized government.... You were acting in that role, not in the role of defending the taxpayers. You were acting in a role on your own.

I don't know what else we can do at this committee with this case. But on the record, I have serious questions about your political judgment and your prudence as a most trusted minister of the Prime Minister—and that's what the President of the Treasury Board has to be.

Hon. John Baird: I have to maintain the confidence of the House of Commons, and I am pleased to tell you that I still have it.

The Chair: Mr. Moore, did you have one more question?

Mr. James Moore: No. Looking at the clock, it's now a quarter after, and the minister said he would be here until a quarter after, so we're out of time as I see the clock.

[Translation]

The Chair: Ms. Bourgeois, do you have any other questions?

• (1015)

Ms. Diane Bourgeois: No, Madam Chair.

[English]

The Chair: Mr. Holland, one more question?

Mr. Mark Holland: Madam Chair, this will be very quick—

Mr. James Moore: Madam Chair, I just want to be more impartial. You're giving people extended time. You're giving them an extra amount of time.

Madam Chair, I will take my time. It's my turn—

The Chair: Mr. Holland, just a moment, please.

Mr. Moore had said he didn't want to take his turn, but now he's decided he wants to take it. I asked him.

Take it. I'm not going to go past you. Go ahead and ask your question.

Mr. James Moore: As I say, as we have one minute left because the minister is out of time, I want to go back again. Charlie Angus mentioned your conversations with the City of Ottawa in the fall of 2006 and what Réjean Chartrand mentioned when he made his presentation to Ottawa city council on October 11. He said the contract was never intended to be viewed by the federal government and the fact that the federal government saw it threw him off.

I think the people who are not only your constituents but taxpayers across the country.... Taxpayers in Port Moody send money to Ottawa that goes into the federal treasury for projects the federal government has decided, through a myriad of avenues, are a priority, so my constituents and my taxpayers are on the line. Why would they be shocked and why would he be saying the federal government shouldn't even have viewed these contracts and shouldn't have had any access to how the money was going to be spent by my constituents?

Hon. John Baird: I couldn't get a straight answer with respect to when the deadline was and what the penalties would be if it wasn't passed by October 1, October 4, October 5, and October 15, so I simply asked to see the contract as part of my due diligence to discover whether and what the deadline and the penalties would be.

Obviously they didn't expect me to look at the contract, because the moment I did, it was quite evident, and it was confirmed by lawyers, that my suspicions were true, that I had been misled.

Mr. James Moore: Minister, we appreciate your coming to this committee and giving us the 15 extra minutes. Thank you for your time.

The Chair: Mr. Holland has one more short question.

Mr. Mark Holland: Just one question, Minister, and thank you for your time.

It wasn't just the city that said there would be major implications to delaying the contract. Contradicting your own version and take on the contract, it was also Siemens. I'll table with this committee a document dated Tuesday, October 3, 2006, wherein Siemens details the key messages of a meeting they had with you when they detailed the major cost implications of a delay.

But I want to know specifically what rights you or the federal government had under the contract to invoke the clause 6.1.7, which is the one you use. What rights did you or the federal government have to use that clause to extend the closing dates for the contract between the City of Ottawa and Siemens?

Hon. John Baird: It explicitly stated a 60-day delay could be invoked—

Mr. Mark Holland: But what rights did you or the federal government—

Hon. John Baird: I never suggested we did.

Mr. Mark Holland: But what rights do you or the federal government have?

Hon. John Baird: I never suggested we had any rights in that respect.

Mr. Mark Holland: So you had no rights.

Okay, thank you.

Hon. John Baird: Thank you.

The Chair: Thank you very much.

We'll break for five minutes and then we'll return to deal with other issues.

• _____ (Pause) _____

•

• (1025)

The Chair: I would like to reconvene the meeting, if the members would please take their seats as we continue on this particular...

Yes, Mr. Holland.

Mr. Mark Holland: On a point of order, I want to understand what happened with the one hour. When we say "one meeting", my understanding is that a meeting is two hours. Where did this one hour come from?

The Chair: We were advised—the clerk was advised two weeks ago—that Mr. Baird might have just one hour to give, but that was the extent of it. The motion itself just said for one meeting. There was nothing on our part saying it was just one hour. We were just told it was—

Mr. Mark Holland: Maybe what I would suggest, then, just as a point of clarification for the committee in the future, is that when we schedule these, we create a definition for what a meeting is. My understanding of a meeting would be a full two-hour meeting. I think what we have to do is have a common understanding of what language means.

The Chair: Normally the understanding is that when a minister comes before the committee, it is to be for the full meeting, but many times the ministers are busy, and they'll advise us that they can only have one hour. Sometimes it stretches on, but this is—

Mr. Mark Holland: Yes, and I'm not trying to go back to this point. I'm just talking about going forward.

The Chair: That's one of the challenges.

Mr. Mark Holland: Maybe what we could do for the future—and this will just end it, because this will be a quick point—if we say that a meeting is two hours and if we hear that somebody isn't available, is come back to the committee so that the committee could be made aware of it beforehand. That would eliminate the confusion, or we could make a decision to try to reschedule, or something.

The Chair: Mr. Holland, sometimes it is better to go with the minister on the date when we can receive him than to refuse to hear him because he doesn't have the full two hours. Usually it's at the discretion of the chair, and I usually exercise that discretion.

On that same...Madame Folco.

[Translation]

Ms. Raymonde Folco: Thank you, Madam Chair.

I would like to table a motion. It is, of course, available in both official languages. It reads as follows:

That Minister Baird provide a list of the Treasury Board meetings where the light rail project in Ottawa was discussed, with the dates of those meetings, the names of the participants in those meetings and where they took place.

• (1030)

[English]

That Minister Baird provide a list of the Treasury Board meetings for the light rail project in Ottawa....

Excuse me.

Mr. James Moore: A point of order.

The Chair: A point of order? I had recognized her. She is putting forward a motion. Even if you had one before, we are discussing the light rail project, and she has every right, because she has the floor, to propose a motion.

Mr. James Moore: Yes, and I have every right to have a point of order.

The Chair: Yes.

Mr. James Moore: I tabled this motion on February 26, 2008. We still haven't debated it, Madam Chair.

The Chair: We can certainly debate it.

Mr. James Moore: It deals with light rail, and we're dealing with that now, so you're saying.

The Chair: It hasn't been moved. It was presented to the committee. Madame is moving her motion now.

Mr. James Moore: Madam, it already has been tabled. I don't have a copy of her motion in either official language; this is in both official languages. It deals with what we're talking about....

Can I finish my sentence without your interrupting?

I've already tabled this, Madam Chair, and I would like to debate it.

The Chair: Mr. Moore, I have recognized Madame Folco. She is speaking and she is in the process of dealing with a motion.

Mr. James Moore: I'm in the middle of my point of order, Madam Chair.

The Chair: I am telling you now that I'm listening to her. When she's through, if you want to move your motion at that time, go ahead.

Madame Folco.

Mr. James Moore: Madam Chair, I have a point of order and you've interrupted me. Let me finish my point. It's not a debate.

The Chair: It is not a debate. What I have said is you have not moved that motion, even though it was tabled.

Mr. James Moore: Yes, I did. I had my assistant speak to the clerk before we came in at the end of this, and she said to you I was going to move this motion, did she not?

The Chair: You will move the motion, but I recognized her, she was speaking, and she has the floor at this time.

Mr. James Moore: This is outrageous. Before we came back into this—

Mr. Mark Holland: You could challenge the chair and move on.

Mr. James Moore: Mark, I have the floor, for God's sake. Listen.

Madam Chair, we had the minister for the first half of this meeting; in the second half of the meeting we're talking about future business. Coming back for future business, I had my assistant speak to the clerk and say, "Mr. Moore would like to move the motion that he tabled in this committee a month and a half ago."

We come back, you gavel it into session, and you recognize the Liberal over me, after we've already told the clerk that I'm going to move my motion.

Ms. Raymonde Folco: This is not future business.

Mr. James Moore: Can you please manage this committee in a non-partisan way and recognize me?

Ms. Raymonde Folco: This is not future business. This is a follow-up on questioning to the minister.

Mr. James Moore: Can I have your motion in both official languages? Do you have it ready?

Ms. Raymonde Folco: Yes.

Mr. James Moore: Where? Have you tabled it with the clerk?

Ms. Raymonde Folco: I'm tabling it now.

Mr. Mark Holland: Hold on. The chair has made a decision. You either challenge the chair or we move on.

Mr. James Moore: What's that?

Mr. Mark Holland: This is not debatable.

Chair, on a point of order—

Ms. Raymonde Folco: It's in both official languages.

Mr. James Moore: Oh, you've scribbled it out on a scratch pad.

Ms. Raymonde Folco: Oh, I scribbled it out? It's still written. The pen—

Mr. James Moore: I tabled this a month and a half ago.

The Chair: Enough already. The chair recognizes a member, then a member moves a motion.

I have not recognized you; therefore, your motion was not moved. I have recognized Madame Folco, and she was in the process of speaking and moving a motion.

Mr. James Moore: Yes. You're a good Liberal, Madam Chair. You're a good Liberal.

The Chair: After she finishes, I will go to yours, if that's what will make everyone happy.

Mr. James Moore: You're a good Liberal, Madam Chair.

The Chair: Yes, I am. And I don't play games.

Madame Folco.

[*Translation*]

Ms. Raymonde Folco: Thank you, Madam Chair. Having just read the French version of my motion, I would now like to read it in English.

[*English*]

That Minister Baird provide a list of the Treasury Board meetings where the light rail project in Ottawa was discussed, with the dates of those meetings, the names of the participants in those meetings, and where they took place....

This is simply a follow-up to a question I had actually asked the minister when he was present. I just want to make sure that the details are clear enough in terms of what I was asking regarding Treasury Board meetings.

The Chair: On Madame Folco's motion, Mr. Holland.

Mr. Mark Holland: Perhaps I can make the friendly amendment that we include the four Justice lawyers who were referenced. We'd be given the names of the people from Justice from whom he received advice.

Ms. Raymonde Folco: So it would be the four from Justice.

Yes, I quite accept this friendly amendment.

The Chair: Is that a friendly amendment?

Mr. Mark Holland: It's seeking the Justice lawyers referenced by Minister Baird as the people who gave him advice on the clause he referenced, clause 6.1.7.

The Chair: Is there any debate on this? No?

All those in favour of this motion—

Mr. James Moore: No debate?

• (1035)

The Chair: You wish to speak. Okay. You're usually pretty fast, Mr. Moore.

Mr. James Moore: I am pretty fast. I said it, but the chair apparently has blinders on when it comes to this side of the room.

I would just say that the committee can pass the motion all it wants, but there are cabinet confidences and confidentialities here that need to be taken into consideration. I don't want to have this motion pass when in the end the answers can't be given. Of course, then we'll have questions in question period—that John Baird is in contempt of Parliament, that he's in contempt of committee—when in fact the information that may be sought out here may be part of cabinet confidentiality and therefore can't be rendered public.

I just want to make that point. You can move the motion, but the reality is that this is just another game, in my judgment.

The Chair: Thank you, Mr. Moore.

Madame Folco.

Ms. Raymonde Folco: I quite understand Mr. Moore's pre-occupation. My answer is the same one I gave to the minister when he brought up that point, that I am not asking for the contents of the discussion, except that it was a discussion about light rail, which we know must have taken place somewhere, with somebody. If the minister feels that any of the things the committee is asking for go into the confidentiality problem, I'm sure he will get someone to write us a letter to tell us why he cannot answer us.

I feel quite at ease with the motion as is, including the friendly amendment from my colleague Mark Holland.

The Chair: Is there any further debate?

Hearing none, I'll call the question.

(Motion agreed to [See *Minutes of Proceedings*])

The Chair: Mr. Holland, I will go to Mr. Moore now, because he gave notice.

Mr. Mark Holland: I don't have a motion or anything; I just want to table a document, if that's okay.

The Chair: You can table the document.

Mr. Mark Holland: It's the document from Siemens regarding the meeting they had on October 3.

The Chair: Thank you.

Mr. Moore.

Mr. James Moore: My motion is very simple. Members of this committee have had the motion since February 26, when I gave notice, that the committee dismiss any further consideration of the Ottawa light rail issue.

[*Translation*]

That the committee dismiss any further consideration of the Ottawa light rail issue.

[*English*]

The Chair: Is there any debate on the motion?

Mr. Angus.

Mr. Charlie Angus: Thank you, Madam Chair.

I don't know how much further we have on this, but I do think it's fair to get the information that Madame Folco has just requested. Once we have that, we'll probably be moving toward our final stages on this.

I would request that we actually just sit on this. We've already agreed that we're going to be getting these documents. I'm not keen to vote it down at this point, but I think we're not quite there yet. If Mr. Moore wants to wait on it, I'd be more than willing to entertain it once we've seen what these documents are.

Mr. James Moore: Any documents will be forthcoming with the caveat that I just mentioned—his responsibility to his obligations in terms of cabinet confidences—but any other documents the committee has requested in the past, or will in the future, would be forthcoming.

What I'm suggesting here is that we now go forward with all of the other things this committee has talked about, such as your motion

with regard to Justice Gomery, and other things that Meili and Diane wanted to discuss, that we not....

You know, come on; we know what's going on here. Let's actually do some committee business rather than just the obvious immediate politics of it and let's get on with committee business. This will continue on in question period. You know that. This will continue on in the papers. Mark will do that. That's what he does. That's fine. But let's actually have some definitive certainty of what this committee is going to be doing going forward.

We committed to one meeting on this issue. We've had John Baird come before the committee as an extension of the original first meeting. We've had Wayne Wouters. We've had the officials. We've had everybody here well beyond what the original motion was. They've had their moment in the sun. Let's get on with committee business. That's all I'm suggesting in the motion.

The Chair: Mr. Holland.

Mr. Mark Holland: Have you a motion to table it, because that way it could be brought back at a later date?

The Chair: You're tabling the motion, so we won't vote on it now. And then we will come back to it at another time. Are you in accordance...?

Mr. James Moore: No, I'd like a vote on my motion.

The Chair: You'd like to vote on the motion now?

Mr. Mark Holland: I understand, but I'm putting forward a tabling motion.

Mr. James Moore: You're moving a motion to table my motion?

Mr. Mark Holland: Correct.

Mr. James Moore: No thanks.

The Chair: He doesn't want to do that.

Mr. Mark Holland: No, no, I understand that, but don't I have the ability to move a tabling motion?

The Chair: Does he have the ability?

Mr. James Moore: Yes, he does, and he requires unanimous consent, and I'm saying no.

The Chair: You need unanimous consent.

Mr. Mark Holland: Oh, okay.

The Chair: Well, if you want to vote on this, it's totally up to you.

Mr. James Moore: I'd like to move on to Charlie's motion with regard to Gomery.

The Chair: Well....

Mr. Angus.

Mr. Charlie Angus: Chair, I'm jumping the gun; I was so excited to talk about Gomery.

Some hon. members: Oh, oh!

Mr. Charlie Angus: I certainly feel we need to get on to business, like the public appointments commission and Gomery and what we're dealing with there. I was actually holding off on that today, because I wanted to check a few more facts. So I'm ready to go with that on Thursday.

Again, in terms of this motion, I certainly understand the desire to go on to other business. I don't know if there's much more we can do on this at committee; I think we've heard what we needed to hear. But what makes me uncomfortable about this is if we're just shutting the door, and whether or not we want to look at that evidence and to present even a one-page report—

The Chair: I think it all depends on what we get from our requests. That's my feeling.

• (1040)

Mr. Charlie Angus: But I think we certainly need to be looking at getting on track with all the issues we have before us, because we need to continue to move forward.

So I'm not looking to be hostile on this. I think we are close to moving on, but I'm wary about just shutting the door now before I've seen any of that. I can't—

Mr. James Moore: I'm not moving an amendment to the Constitution Act. I'm just moving a motion before the committee so that we can give the clerk some certainty in terms of scheduling from now on forward, through this coming three-week block, then the gap, then the next three-week block. We are masters of our own agenda, and if we want to consider something in the future... But I think this is getting pretty circular with regard to the light rail project this morning.

The Chair: We haven't scheduled any other meetings on this issue at this time. Obviously, if the committee wants more meetings, that's up to the committee. At this point, there's nothing scheduled.

There has been a request of the minister, and we'll wait to get the report of the minister. There may not be another meeting, even without this motion. But that's up to you; if you want us to vote on this motion, we will.

All those in favour of the committee dismissing any further consideration of the Ottawa light rail issue?

(Motion negated)

The Chair: Now we're on to committee business.

Did you wish to move your notice of motion? You had given me notice that you would not be moving it today. But we do have a few minutes, if you wish to go with that.

Mr. Charlie Angus: If we are going to future business—because I certainly think we need to get on a schedule to make sure we are planning—the one thing I would also recommend is that we move away from making motions that lock in our time. We need to get back to a planning framework. I think it would probably bring down a bit of the temperature if we actually had a plan we were trying to follow in general.

From Justice Gomery's appearance the other day, which I thought was very interesting for all of us, I feel there are basically three areas that fall to our committee. One is that we're asking the government to

embark on a formal study of Justice John Gomery's report. That's what he's requested from the House, and we're the only committee that's looked at it, so I think that would be a reasonable thing to bring forward.

We should immediately take steps to enact section 228 of the Federal Accountability Act that calls for the establishment of a public appointments commission, because that was one of the key elements in the report, and Justice Gomery certainly believes it is very crucial.

And we should immediately move to implement Justice Gomery's recommendation 15 by bringing into force the provisions of the Lobbyists Registration Act, which are not yet in force.

Again, those are areas, I believe, that are under the purview of what we try to do at this committee. Again, it's something we're going to bring as a recommendation to the government; we're not going to fill this up with 30 more witnesses. It's fairly straightforward.

The Chair: Mr. Kramp.

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): While I appreciate Charlie's intent in bringing this forward, I have some difficulty with some of the statements in here, quite frankly. I'll just sift down through them.

The first one in the first paragraph states that he received no acknowledgement of appreciation. Well, I can accept the statement that was made, but that really doesn't have any bearing on the operations of government, on the actual efficiency and efficacy of what we're trying to do here. So I really think that is irrelevant at this particular point, from a point of administration.

Particularly in paragraph 3, it says that no meaningful action has been taken on a number of important recommendations. Well, at the same time he acknowledges that 14 of the 19 have been implemented. So that's a direct contradiction in that statement. I think that statement is just absolutely wrong. There's no doubt that there are still some recommendations not implemented that Justice Gomery would like to see, and the government readily acknowledges that. But there's also a significant number of them that have been, so that statement is just factually wrong.

Then of course the next one, statement 4, expresses sincere thanks. I couldn't agree more. I think that's a great statement in there. I think it's a recognition of the appreciation of all the work of Justice Gomery's committee and his study. I think that's absolutely reasonable.

I think that really just takes away from what we're trying to do here. If Mr. Angus wishes to follow a different course of action on this, I think I'd certainly be amenable to some further discussion.

But I'd take a look at the other comments as well, the comments with recommendations 1, 2, and 3. I could talk at great length on the public appointments commission. Of course, I sat on the committee when that was thwarted for political reasons, but I don't want to go back into that and rehash that one at this particular point.

With recommendation 3, it's my understanding that that's already in process. We've advanced well along the way.

There are a lot of recommendations that require a lot of work. As Mr. Thibault would know, and Madam Chair, from having served in cabinet positions, implementing a whole series of recommendations isn't done overnight. There's been significant movement made on a number of these recommendations. If the committee feels there's a particular recommendation that requires more or immediate work, I think that's fair ball to bring before this committee to evaluate and discuss, but to throw a blank cheque over the whole thing as being not accepted, or not in the form of a recommendation, or no acquiescence from the government on this, I think is a bit wrong and misleading.

And particularly with the last one, with the Lobbyists Registration Act, it's my understanding, and of course I'm not totally familiar—I'm not the minister involved with this—but there is progress being made on that, as there has been on a number of issues that came forward with the 14 recommendations that were included in the Federal Accountability Act.

So progress has definitely been made. I certainly have great appreciation for Justice Gomery for all of the work he encountered on his study.

On this motion, I think the intent is there but there are just too many either errors or omissions in it, with the greatest respect, Charlie.

•(1045)

The Chair: Mr. Angus.

Mr. Charlie Angus: Thank you.

I'm very intrigued by my colleague's response. I guess I'll have to find out whether the issue here is concern over editorial content—and I'm always wary of editorial content—or actually moving forward with this motion.

If the issue is fundamentally about making statements that are perhaps politicized, I'd be more than willing to augment it to say:

Justice John Gomery appeared before the Standing Committee on Government Operations and Estimates on March 13, 2008.

Then we would strike the third and fourth line of that first paragraph and move right to the second paragraph:

Justice Gomery further testified that the Federal Accountability Act took steps in the right direction on accountability and transparency, but that it was predominantly developed before his report was finished and therefore cannot be considered a response to his recommendations.

That was his position. Then it would continue:

Justice Gomery testified that no meaningful action...

That third paragraph might bother somebody. I don't mind. That's your side of the House versus our side of the House in how we interpret it. If it means moving forward, I would certainly strike that. It's neither here nor there.

So we would be delivering something more fact-based. He came and this is what he said. We want to thank him as a committee for his work, because someone in government should do that, and we're taking it upon ourselves.

That leads me to the fundamental issue of the three key recommendations we're asking the government to study and report back on. They can choose to do that in their own time.

If my colleague's concern is on the Lobbyists Registration Act, which is not yet in force but is moving ahead, that shouldn't pose any problem to the government because it will be completed.

The public appointments commission was a commitment. Justice Gomery made it clear that he felt it should move ahead.

So if we can strike some of the language in the preamble and move forward with that, I don't think it should present any problem to anyone on the government side. So I'm interested to see if I can get support on that.

The Chair: Mr. Angus, can I go over the changes you've made on your motion?

Mr. Charlie Angus: Sure.

The Chair: You say it would read that the committee present the following report to the House:

Justice John Gomery appeared before the Standing Committee on Government Operations and Estimates on March 13, 2008, testifying that the Federal Accountability Act took steps in the right direction on accountability and transparency, but that it was predominantly developed before his report was finished and therefore cannot be considered a response to his recommendations.

Then you skip the next two lines and continue:

The Standing Committee on Government Operations and Estimates expresses the sincere thanks of this Committee and all Canadians to Justice Gomery for his work done on behalf of ordinary Canadians from coast to coast to coast to improve the accountability and transparency of the federal government.

Then there are three recommendations, and they remain essentially unchanged.

Mr. Kramp.

•(1050)

Mr. Daryl Kramp: Madam Chair, I don't have too much difficulty with where we're moving on this. I'm prepared to move forward. I think we're both in the same spirit on this. Taking out paragraph 3 is solidly judgmental at this point, so I'm comfortable with that.

I would ask for one further consideration, and then I think we can really move forward on this and bring forward the estimates. Once again it's judgmental. In paragraph 2, I'm fine with the exception “and therefore cannot be considered a response to his recommendations”. There's a wide variety of opinion on that. If we can remove that portion of it but leave everything else in there, I'll be in favour of moving forward with this.

Mr. Charlie Angus: I just want to clarify. You're saying, “but that it was predominantly developed before his report was finished”.

Mr. Daryl Kramp: Yes, he said that and it's a fair statement.

Mr. Charlie Angus: That's perfectly fine with me.

The Chair: Do you mean we'll miss the final portion of that sentence?

Mr. Charlie Angus: Yes. We'll take out “and therefore cannot be considered a response to his recommendations”.

The Chair: If everybody is in accord, we'll remove that portion as well.

We'll go to Mr. Albrecht and then Mr. Holland, if they have anything more to add.

Mr. Harold Albrecht (Kitchener—Conestoga, CPC): Thank you, Madam Chair.

Just for clarification, if I understand Mr. Angus' intent here, it's that this committee do the study. The preamble here recommends that the government—

The Chair: It is for the government; it's not meant for the committee to study it.

Mr. Harold Albrecht: I want Mr. Angus to clarify it. So after this is passed, there'll be no further action by this committee.

The Chair: That's correct.

Mr. Charlie Angus: This is the result of our meeting. We're presenting the government with our findings.

The Chair: Mr. Holland.

Mr. Mark Holland: I'm good.

The Chair: All those in favour of this motion as amended?

(Motion as amended agreed to [See *Minutes of Proceedings*])

The Chair: Shall I report this to the House?

Some hon. member: Agreed.

The Chair: Is there any further business?

[*Translation*]

Ms. Diane Bourgeois: Could the clerk give us an update on our schedule?

The Chair: Certainly. On Thursday, Mr. Fortier will be appearing before us to discuss the Main Estimates.

Ms. Diane Bourgeois: Excellent.

The Chair: Our analyst has prepared a report on the compensation delivery system, which he will hand round to members. We will deal with that on Tuesday. Then we have the...

[*English*]

main estimates, Privy Council, with Christine Miles, Public Appointments Commission Secretariat, and Christiane Ouimet, commissioner, Public Sector Integrity Canada. That's on the Thursday.

All business being concluded, thank you very much. The meeting is adjourned.

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