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Chair

Mr. Derek Lee

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• (1105)

[English]

The Chair (Mr. Derek Lee (Scarborough—Rouge River, Lib.)): I see a quorum, colleagues. We're starting a little later than normal.

We are continuing today, under Standing Order 108, with our review of the economic stimulus package. We're delighted to have with us the Honourable John Baird, Minister of Transport, Infrastructure and Communities.

There's a great deal of interest about the stimulus package in Parliament and across Canada. I want to note, as we get into this, that I've been working with the staff to generate a picture of the procedure that is and isn't there surrounding the stimulus package. There has been a modification to the normal process of authorization of government spending to expedite the stimulus package. As a result, there may be some procedural adjustments that this committee should be undertaking to respond to that.

We're very much looking forward to the minister's testimony today and the information we will be receiving next week. The minister is here for only the first hour, so I will have to be very strict about my own speaking and the time of members.

Welcome, Mr. Baird. We're very interested in hearing your comments on the stimulus package.

Hon. John Baird (Minister of Transport, Infrastructure and Communities): Thank you very much, Mr. Chair. I'm very pleased to be here. I appeared before this committee a number of times when I was President of the Treasury Board and I'm glad to be back.

Obviously, we're going through some very uncertain economic times, not just in Canada but throughout the industrialized world. We believe the government can play an important role in responding to these economic challenges. They didn't originate in Canada; they originated in the United States and then have spread around the world. But we are committed to doing our part to help stimulate economic growth and to getting Canadians working again.

Infrastructure is one part of that program. We have a number of important initiatives designed to help give a much-needed shot in the arm to the Canadian economy. They range from the Building Canada plan—a lot of those funds go directly to municipalities through the gas tax—to the GST rebate. Then there's what I call Building Canada proper, in which we work with provinces and territories constructively on identifying and getting projects moving forward with various proponents. In many cases they are municipalities.

There is a huge need for infrastructure renewal in this country. There is a huge infrastructure deficit, and this is a great opportunity to ensure not just that we put Canadians to work in the short term, but that we come forward with measures to allow us to come out of this economic difficulty sooner than the United States and countries around the world do, and that we come out stronger and better able to respond to some of the challenges. The GDP decline was much less pronounced in Canada, but nonetheless it's a major concern. That's why we're moving aggressively to identify projects, to get agreement, and then to move forward as expeditiously as possible.

In most of the infrastructure projects we'll engage in, the Government of Canada doesn't hold the shovel. Rather, it's held by provinces, by municipalities, or other authorities. Whether it's a port, an airport, a convention centre, or the crown—you name it—we're doing the best we can to respond to the need to cut red tape and to speed up the process that will give a federal green light.

We met with the premiers and first ministers. That went tremendously well. We came forward with a five-point action plan that received unanimous support—which is quite remarkable—from Liberal, NDP, and Conservative premiers from coast to coast to coast. I think that speaks to the quality of the work that's been done both by parliamentary committees and by the public service, whether it's on the Navigable Waters Protection Act, or on having one environmental assessment process, or on cutting red tape, and not just at the public service level but at the political level. Too often decisions take an inordinate amount of time. The good news is, generally speaking, that we are working tremendously well with our provincial partners. Where there had been acrimony, there is, generally speaking, a much better level of engagement and agreement. I think that is what Canadians expect in these difficult times.

We have come forward with a significant number of infrastructure projects and plans. They also include, though, things outside of the traditional involvement, whether projects for colleges and universities, which would be managed by the Minister of Industry and the Minister of State at Industry Canada, or for support for VIA Rail or support for a good number of other initiatives, whether environmental, recreational, or a more traditional involvement in infrastructure.

Since January—just in the last month and a half—we have given the green light to 480 community projects worth more than \$1.5 billion, primarily in Ontario, Saskatchewan, and British Columbia. Whether it's for the Evergreen Line that the Premier of British Columbia and the Prime Minister announced, or whether it's for cleaning up the Saint John harbour in New Brunswick or for new water treatment facilities in Nunavut, we're doing our best to give the green light as quickly as possible. The funding will flow within 30 days of our receiving an invoice. We've said to all of our partners that we will be as flexible as possible and will pay our bills within 30 days so that these projects can move forward as expeditiously as possible.

In Ontario we announced more than 289 projects last month totalling \$1 billion; that's good news. They're in communities of under 100,000 right across the province. There is a good tripartite agreement with the municipalities, the province, and the federal government.

In British Columbia we announced 41 projects for about \$175 million. In Saskatchewan, \$90 million was announced to work on 46 different projects.

•(1110)

This is just a start. We are undertaking extensive consultation and decisions with our provincial and municipal partners around the country.

I'm very pleased now to take your good counsel and questions, Mr. Chair.

The Chair: Thank you, Mr. Minister.

I'll go to Mr. McTeague for eight minutes.

Hon. Dan McTeague (Pickering—Scarborough East, Lib.): Thank you, Mr. Chair, and thank you, Minister, for being here today.

Minister, I trust you've read the motion by our colleague, the finance critic and member for Markham—Unionville, that he plans to introduce today. The motion will require that the President of the Treasury Board inform the House every time your government uses any of the \$3 billion fund and that these reports also be accessible to Canadians to see.

Minister, do you support this compromise?

Hon. John Baird: I haven't seen the motion as yet.

Hon. Dan McTeague: You have not seen the motion tabled by my colleague in the House of Commons?

Let me ask you a question, then. You've talked about a number of announcements here. Specifically on the question of accountability, does your department have, in any way, shape, or form, a list of projects that it plans to access through this \$3 billion fund? If so, what are they?

Hon. John Baird: I think there will be projects that are outlined in our economic action plan, where we've clearly laid out a group of initiatives. I don't have a particular list to table today.

What I don't want to do.... I don't mean to be confrontational, but when you're working in partnership with the province and the municipality, it's distinctly unhelpful if one tries to jump the gun and

proceed ahead of them, when you have a partnership. We'll announce them in cooperation with the provinces.

•(1115)

Hon. Dan McTeague: Minister, I appreciate the fact that you are suggesting there are other places you'd like to look at spending this money, but 26 days from now you will have before you a government that will begin a \$33 million expenditure on a daily basis, and you can't provide this committee, nor apparently can any of your ministers, any list of priorities.

May I ask you how, in any way, shape, or form, you intend to spend \$3 billion? What is its purpose, and how can you assure Canadians that you will meet the test of your own party and your own statements in the House of Commons and prove that you're serious about transparency and accountability?

Hon. John Baird: You're an Ontario member of Parliament, as I am. If I were to unilaterally jump the gun and proceed to announce projects, I don't think either my premier or the minister of infrastructure in Ontario would be terribly pleased with that.

We will be spending the \$3 billion with respect to my department on the economic stimulus fund, and we will spend it on the environmental fund, and we will spend it on the RINC program. These are three specific parts of our economic action plan, and this will be the focus of our efforts. We also identified in the economic action plan accelerating various components of Building Canada, and it would include those as well.

Hon. Dan McTeague: Minister, I'm wondering whether any of what you've just announced has anything to do with the \$3 billion.

We're left in a position in which we have absolutely no idea how you or your government intends to spend the money. I'm hoping it's not a question of flying over in a helicopter and throwing money out at wherever it should happen to land. You must know by now, Minister, where that money is to be spent and how critical it is for the public to have faith and trust in our institutions, and for you as minister today to tell us specifically how the money is going to be spent, especially for the intended purposes that we all agree with to stimulate the economy.

Minister, where is that money going?

Hon. John Baird: I identified three specific programs as part of Canada's economic action plan, and that's exactly where it will go in my department.

Hon. Dan McTeague: Minister, when you were responsible for Treasury Board you came with a strong message of transparency and accountability. I'm wondering how you can claim that a \$3 billion expenditure....

The three points you've just made here have nothing to do with this \$3 billion, if I'm to understand this as the greater part of the budget. I'm wondering how you can make the claim of transparency when in fact you have not given to Canadians or parliamentarians anything more than a request for a blank cheque. How do you expect us to have confidence in what you're doing if we have absolutely no idea how that money is to be allocated?

Your department tends to have the first crack at these things, particularly given that it had \$3 billion left over from the previous budget that it didn't use.

Hon. John Baird: I'll be very clear and very specific. We identified three initiatives with respect to infrastructure as part of our economic action plan: the economic stimulus fund, which will work with provinces and generally municipalities; the \$1 billion environmental fund, for green initiatives; and the RINC program, to do with recreational activities. Those are three specific programs outlined in our economic action plan that those funds could support.

Other cabinet colleagues, such as the Minister of Industry with respect to post-secondary education, or the Minister of Human Resources and Skills Development with respect to social housing... They will all be specifically the initiatives contained in the economic action plan. We do not have authority internally within government to simply write people a cheque, unless there's an established program that has been outlined in the budget and approved by Treasury Board.

Hon. Dan McTeague: Minister, what you're suggesting here is a brand-new, entirely different program. You're asking Parliament to now sign a blank cheque for something when we have no idea where it is going to be spent. We need specifics. We can't operate as a committee, and our Parliament cannot function, if we have people simply saying, "We need the money and we'll tell you about it a little later".

I appreciate the fact that the Auditor General will have an opportunity to look at this, or that it has been passed by the Auditor General, but you know full well that for eighteen months she won't have an opportunity to pass judgment on what you're about to spend.

Let me ask you once again—

Hon. John Baird: It's absolutely no different, though, from the current Building Canada process. Parliament authorizes funding for Building Canada and that money is then allocated afterwards. You have exactly the same amount of information, I would suggest, that you had last year, the year before, or during the many years that you were in government.

Hon. Dan McTeague: Minister, in our time in government, money was actually spent for programs that we put forward. You allowed \$3 billion to lapse in the last government. If you look very clearly—

• (1120)

Hon. John Baird: Let me—

Hon. Dan McTeague: Let me finish. Last year you lapsed \$2 billion. That money is now gone. This year you still have \$3 billion in approved funding that you have still not spent. This money can already be used to stimulate the economy and create jobs. What possible reason do you or your government now have for an additional \$3 billion blank cheque? Why don't you use the money that you already currently have?

Hon. John Baird: I'm very pleased to respond. The money is not gone. Capital spending can be rolled over, so it does not disappear. I think our government has been more successful than the previous government.

For example, the MRIF program was announced with \$1 billion in funding on August 20, 2003. It took almost three years for all the agreements with the provinces and territories to be signed. In fact, in the case of British Columbia it was in 2006. In 2005-06, two years after the program was announced, only approximately \$11.5 million had been spent, against a budget of \$134 million: 91% of the program's budget for the first two years had lapsed and was rolled over.

I am not satisfied with the speed with which decisions and approvals are given for infrastructure. I was sent to this department with a mandate to make things happen. We are working constructively with provinces and municipalities to identify projects to give the federal green light to, letting them go forward as quickly as possible.

Hon. Dan McTeague: If this money that you've just announced is for Budget 2009, why do the main estimates say that Treasury Board vote 35 exists "to supplement other appropriations and to provide any appropriate Ministers with appropriations for initiatives announced in the Budget of January 27, 2009".

The Treasury Board briefing that we had the other day, which I appreciate some of you may have been a part of, confirmed that this money could be used on anything, by any department. How, then, can you claim this is anything but a blank cheque?

Hon. John Baird: I'm telling you very specifically that it would go for initiatives under our economic action plan—the three specific examples that I cited within my own department—which would be allowed.

Hon. Dan McTeague: Minister, I fail to understand that you are being specific when you have provided no details. Either you have a specific outline plan for that \$3 billion or you don't. Don't put words in the context of saying that you have specifics when you have nothing. Either you have something and you're going to tell the committee now, or the Auditor General's going to tell us in eighteen months, or we're going to lose what's important—the trust of Canadians—in how we spend money.

Minister, you campaigned on accountability and transparency, you and your party. You won on those slogans. I want that transparency, I want that accountability, and I want it here, before this committee.

When are you prepared to tell us the specifics of that \$3 billion for the stimulus program?

Hon. John Baird: I've outlined the three specific examples within my department where these funds could be used.

One thing I can guarantee you is that those moneys will not end up in the bank account of a political party.

Hon. Dan McTeague: I want guarantees; I want truth, Minister. I want to see where this money is being spent. Let's not talk about the past or the future. This is your responsibility. When are you going to live up to it, Minister?

The Chair: That's time.

I have to go to the next member.

Monsieur Laframboise, vous avez huit minutes.

[Translation]

Mr. Mario Laframboise (Argenteuil—Papineau—Mirabel, BQ): Thank you, Mr. Chair.

Minister, earlier, when you listed the amounts allocated to the various provinces, you did not talk about Quebec. I am going to read you an extract from a press release issued by the Union des municipalités du Québec last Friday, entitled: “ Investment in infrastructure—the UMQ condemns the snail's pace at which negotiations between the federal government and Quebec are progressing “:

Although the municipalities have more than \$4 billion in projects ready to kick off to stimulate the economy, they still do not have access to the announced funding as promised by the federal government back in 2007. UMQ members are extremely concerned, because, in the meantime, the employment rate continues to rise.

The President of the UMQ added the following:

The majority of mayors have said that they have literally had their foot on the shovel for the past two years. They are waiting for the agreement to be signed at any moment while the economic situation demands immediate action. Over the next few days, mayors from across Quebec are mobilizing to ensure that all provincial and federal elected representatives are aware that the money announced must be spent within the next twenty-four months.

What are we going to tell the mayors? What will the federal MPs tell the mayors about the delay in getting these agreements signed?

Hon. John Baird: First, I must stress that the municipalities come under provincial jurisdiction. We respect provincial jurisdiction. The Quebec National Assembly was quite clear, we must work with it in areas that fall under provincial jurisdiction. I would like to identify such projects more rapidly, in cooperation with the government of Quebec. I must say that I have a good relationship with Minister Jérôme-Forget, with Ms. Normandeau and with the office of the premier. If the federal government and the provincial government cooperate, this process could go quite quickly. It is never easy to establish intergovernmental relations.

The Quebec government has a process that has been in place for a long time, and this requires us to work with it. I am not complaining and I respect Quebec law, which states that we must work with that government. I am convinced that the Quebec government wants to make decisions as quickly as possible with regard to these new investments, in order to create jobs and break ground on these projects. A lot of progress has been made, but it is not enough. We will continue to work in this regard.

• (1125)

Mr. Mario Laframboise: Mr. Minister, I also respect jurisdictions. The municipalities are asking to see results from negotiations between Ottawa and Quebec. When the Liberals were in power, agreements were signed.

Are you the ones delaying the process? Have you imposed requirements that the Quebec government is refusing to respect? If so, the municipalities are the ones paying the price. They have been prepared to start these projects since 2007, what is the stumbling block? Are you being too demanding?

Hon. John Baird: Under the communities component of the Building Canada Fund, there are \$210 million for this kind of project. We need to sign an agreement with Quebec and we were very close to doing so. I am well aware that the Quebec government wants to work with us and that progress is being made. The details will follow. We have made a lot of progress with regard to Ontario, Saskatchewan and British Columbia. I am fully aware of the importance, for Quebec municipalities, of concluding a good agreement with the province. There are various policies. Under legislation passed by the National Assembly, municipalities must not only negotiate with the minister responsible for infrastructure, but also with the Minister of Intergovernmental Affairs. It is not my place to say whether their process works or not, but that is the National Assembly's wish, and I respect it. The process has not been as fast as we would have liked. My mandate is to ensure that things move more quickly.

Mr. Mario Laframboise: Okay. You are telling me that you are not the ones behind the delay, but rather the Government of Quebec. It is that correct?

Hon. John Baird: No, I am saying that the system that is already in place ensures that we need to resolve a number of details with the Government of Quebec. Investments are shared between the Government of Quebec and the federal government. My deputy minister went to Quebec City on Monday, where he met with his provincial counterparts. This meeting went well and we are very close to making a number of announcements.

Mr. Mario Laframboise: If you do not sign agreements with the provinces, you could decide to keep the \$4 billion set aside in the budget and invest it elsewhere. Do you intend to do everything possible to sign an agreement with Quebec? Is the province at risk of losing that money?

Hon. John Baird: Absolutely.

Mr. Mario Laframboise: Is it at risk of losing it, if an agreement is not reached?

Hon. John Baird: No, of the \$4 billion, we want to spend approximately \$1 billion or slightly less in Quebec. Some projects fall under provincial or municipal jurisdiction, and we respect that. Among the projects under federal jurisdiction, many concern bridges, airports and ports, for example. I received a number of requests from Sept-Îles, Quebec City and Montreal concerning federal infrastructure. Our top priority is to maintain good relations with the province and the municipalities. As Minister of Transport, I receive a lot of requests regarding airports and ports, in each region. We could also do a little bit of everything, meaning provincial or municipal projects or in other areas. If we could work with the province, we could, with a provincial portion and a municipal portion, do a lot more and create many jobs. That is our top priority.

•(1130)

Mr. Mario Laframboise: You are hoping that there will be an agreement with Quebec, but if there is not, you will act within the framework of your own jurisdiction, if I understand correctly.

Hon. John Baird: I am going to answer in English.

[English]

My first priority and my first objective is to work constructively with Quebec. What we won't be doing with any province, with this new fund, is spending two years negotiating a framework agreement. We don't have the time in this economic situation. What we hope to do is work cooperatively with the Government of Quebec and establish a group of projects that can be funded expeditiously, so that Canadians and Quebecers can get the much-needed shot in the arm.

I'm not going to contemplate failure. I am committed to do my level best to work with the province. We don't have time to spend a year or two years debating wording of contribution agreements, debating whether we should fund this or that. We need to move expeditiously. I strongly believe this is the view of the Province of Quebec. That's the view of the average Quebec family. They want to see us work constructively and get results.

[Translation]

The Chair: Thank you.

Mr. Gourde, you have eight minutes.

Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC): Thank you very much, Mr. Chair.

I want to thank the minister for coming and for being available at a time when, we know, his time is extremely limited.

Minister, could you give us details about the benefits related to this unprecedented investment by our government in infrastructure, specifically with regard to Canadian municipalities?

Hon. John Baird: We are talking here about money for gas, the GST transfer for municipalities, provincial projects. In Canada, the investment last year and this year in construction and infrastructure remains the most significant, and that is a good thing. Given the current global economic crisis, we are extremely aware of needing to do more and do it much faster. I accept this and that is why we are taking action.

Mr. Jacques Gourde: Minister, I would like to hear your comments about how these new projects set out in Budget 2009 will stimulate the economy and accelerate investments in infrastructure.

[English]

Hon. John Baird: I think if we make important, needed investments.... I'll use the example right here in the town where we are. We're working in cooperation with the province and the city on building a new convention centre. This will create a significant number of jobs in the short term and put a lot of money into the economy, both for labour and for materials, whether those be concrete, cement, or other building materials. When that new building is complete, we will be able to give a real boost to the tourism sector, to retail, and to hospitality, and get the associated benefits that come with that. This will allow us to do a great job, not just in the short term but into the future, because of that investment.

If we can reduce congestion on our roads with investments in public transit, that will not just improve the quality of life, but that will add environmental benefits and also make our economy more competitive. That is important, if we make investments in airports and ports that will allow goods and services and people to be moved around. We can create jobs in the short term and get more money into the economy. When we come out of this economic downturn, we'll be able to be stronger than when we went in, and we're committed to that.

[Translation]

Mr. Jacques Gourde: Minister, how can we accelerate base funding for provinces and territories? What does this mean for them, and what is the purpose of this funding?

•(1135)

[English]

Hon. John Baird: Under Building Canada, every province is entitled to \$25 million a year, for a total of \$175 million a year. The process is very quick. They just have to submit a letter outlining the projects they'd like to spend the money on and we can flow the money.

We have offered to all provinces that if they would like to accelerate that and seek the full \$175 million, we're prepared to do that. We have a good amount of support. Some provinces will want it all right away. Others will want it over two or three years. We make the offer on the acceleration. It has been generally positively received. It depends on the nature of the project. If you're dealing with something in northern Canada, obviously the construction season is shorter. You have to get materials in and out. There's significant transportation. If you're looking at simply resurfacing a road, obviously you can move more expeditiously. If you're looking at, as we will be in Human Resources and Skills Development Canada, social housing retrofits, they can be done far more expeditiously than building a new \$100 million building.

We've offered this directly to all the provinces, so I think we're prepared to be as helpful as we can by accelerating the existing investments in addition to the new initiative we've come forward with. Sometimes a significant amount of planning has to be done, and now engineers can get to work, architects can get to work, and planners can get to work, which is good.

We also know that the best way to get infrastructure going in the future is to make decisions now. Even if it's going to take two or three years, let's not take two or three years to make the decision and then two or three years to get the project going. The good news is that we have a good amount of interest from around the country, from provinces, on this. That acceleration is just another effort on our part to be constructive and helpful.

[Translation]

Mr. Jacques Gourde: Minister, there has been a lot of discussion about the need for all levels of government to work together. What is our government doing to encourage and support such cooperation, in order to ensure that all the provinces and municipalities get their share of the funding as quickly as possible?

[English]

Hon. John Baird: I think in most cases it's about leadership from the top. Where there's a cooperative spirit on all three levels of all sides, on the municipal side, on the provincial side, and on the federal side, things can happen. We can go farther faster. That takes a lot of personal engagement.

I've met with all of the premiers. I've met with all of the ministers, all the provinces and territories, and underlined that. Generally speaking, it has been well received. We've made a good amount of progress in the last month and a half to two months on getting projects announced so that municipalities and provinces can get tenders out and shovels in the ground as soon as possible.

It does take a lot of personal engagement. In your province of Quebec, I personally get involved, with cabinet colleague Christian Paradis, to work constructively with the provincial government. I think it has been well received.

Often it's tough to get decisions made when you have a good number of approvals. We've done our part at the federal level to try to expedite those. We've challenged municipalities and we've challenged provinces to do everything they can. And that's going to be good news, I think.

Obviously I can't speed up a provincial or a municipal process. That will be up to them. Sometimes it goes quicker, and sometimes it goes slower than we like, but we're working awfully hard.

[Translation]

Mr. Jacques Gourde: In closing, I would like to make a comment on the reimbursement of the excise tax on gas. This measure was very popular in my riding. In fact it greatly helps our small municipalities improve their water systems, roads and certain sports infrastructure.

Will this measure be renewed, Minister?

[English]

Hon. John Baird: Yes. We announced in last year's budget that the gas tax transfer would be made permanent. It increased this year; in fact it doubled this year.

You know, when we go into an economic hard time, rather than cutting our transfer partners we're actually increasing support. But with this new economic stimulus money, what we want to do is ask how we can stretch it as far as we can. If we can get provinces and municipalities to join us in matching our investments, we can create three times as many jobs. We can get three times as much money, three times as much of a shot in the arm.

Some municipalities have said they just don't have the money. We came forward with a \$2 billion initiative to provide low-interest loans to some municipalities who are in need of that. The good news is that there will be.... There's no doubt in my mind that these

programs will be oversubscribed and we'll have to turn down a lot of great projects. That speaks to the demand and to the cooperation and willingness out there.

• (1140)

The Chair: Thank you.

Mr. Martin, for eight minutes.

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

Thank you, Minister Baird.

Minister, two themes have come through your remarks today. One is flexibility and one is fast-tracking. I too look forward to the rollout of this money. I know you're aware of my riding; you've been there. And you're always welcome there as long as you bring your chequebook, which you often have—

Hon. John Baird: I appreciate the warm welcome you give me, Mr. Martin.

Mr. Pat Martin: Yes, well, to the socialist paradise of Manitoba, you're always welcome.

Let me tell you, though, Mr. Minister, that there's some fear that even though you're speaking about flexibility and fast-tracking, there are still silos of money that the infrastructure spending finds itself in, and it's leading to roadblocks, to rigidity, to red tape still. I'd ask you to extend this spirit of flexibility to accommodate some of these concerns. Perhaps giving you a specific would help you understand what I mean.

I represent a very low-income riding. Right in the heart of that riding is the University of Winnipeg. The University of Winnipeg is building a big recreation centre that will in fact have a skating rink, etc. If we wanted to avail ourselves of the arena funding—the skating rink funding that you spoke about as one of your spending priorities—we may run into a barrier. Namely, because it's part of a university, even though it's servicing the whole community, in fact the low-income community, you might send us somewhere else that doesn't have the same fast-tracking capability.

Can you give any assurance that you're willing to be even more flexible than the current plan seems to dictate in order to accommodate this kind of need? We have shovel-ready projects, in fact hammer-ready projects, that could start tomorrow with the kind of flexibility that's preferred by your office.

Hon. John Baird: That's why I appreciate your introducing me to the president of that university earlier today. You both outlined the project. That's probably a project that would be more suitable to the \$2 billion fund for colleges and universities. But we're trying to look at what we're doing on the cutting of red tape and fast-tracking—the work that our officials have done at Transport, Infrastructure and Communities—and at what we can do to roll that over to the college and university funding as well, to make it just as expeditious.

Obviously, we're going to have to keep a close eye on this so that the red tape is cut and the decisions are made. What happens, though, is that the best commitment—from, in that case, the federal and provincial governments—to work cooperatively together to make decisions is absolutely central.

I think Premier Dewar had an excellent relationship with the previous Liberal government, and he has an excellent relationship with our government. I think that will make all the difference in making things happen for people in Manitoba.

Mr. Pat Martin: But I think right across the country, Minister, you would admit that there are some projects that are the real low-hanging fruit. Some have actually started. Given the economic climate, major corporate donors have backed out and stalled projects.

I mean, what if you had a project where the hole was in the ground, the province had already funded half of it, a couple of corporate donors backed out, and for a couple of million dollars we could trigger a \$60 million project? I think all the rules should go out the window in a case like that. And that's a concrete example: a \$60 million project, \$30 million worth of provincial funding, and, for the loss of a couple of sponsors, stalled.

Isn't that a perfect role for the federal government to step into?

Hon. John Baird: We have some fundamental principles that particularly the new funding is built on.

One, we much prefer to have partners, because we can go a lot farther faster. In the case of the example you raised, it's at a much better ratio than one-third, one-third, one-third.

The second issue is that we want it to be incremental. We don't simply want a municipality or province to take any new money and just withdraw money out so there's not a single new job created.

Would we be prepared to look at something that was stalled and that would otherwise not be able to proceed? We can certainly look at that. What I don't want to do, if city X has already committed to spending \$1 million on fixing up a bridge or road, is simply give them a third of that money and then have them take a third of theirs out and put it in their bank. Then we're not creating any new jobs, and we're not providing any additional stimulus, which we're committed to do.

• (1145)

Mr. Pat Martin: No, I understand; that wouldn't be what we were looking for.

I guess what we're looking at out there in the field, waiting for this money to roll, is that we don't really know what the rules are yet. It seems every time we ask for specifics, the rules are almost as flexible as the flexibility that you promised in the program delivery.

I'm not sure people are sure whom to approach, or what silo of money they are even asking for. Where do we go for the hard facts about applying for this money to get it into the communities quickly?

Hon. John Baird: We will be coming forward in short order with the specifics on that. I think we'll take an asymmetrical approach on a province-by-province basis.

Obviously, for a province like P.E.I., their pool of money is demonstrably smaller than a province like Ontario. If we can sit

down with the province, identify a group of projects that can move right away, and get going in a matter of a few weeks, obviously that's better than putting out a call for proposals and waiting six months for them to be evaluated before you move.

With a province like Manitoba, where we have a pretty decent working relationship with the provincial government, I suspect we'll probably sit down, survey the landscape, and then make a collective decision on how to proceed.

In Ontario, for example, it's a significantly higher amount of money, so I would expect that there would probably be some public calls for expressions of interest. We'll be speaking to that in the very near future.

Also, every day after question period I head back to my office with a list of five or six suggestions from Conservative, Liberal, Bloc, and NDP members of Parliament, which is great. That's the job of members of Parliament. I've had a good number of suggestions and I take them right back. We even act on them sometimes.

Some hon. members: Oh, oh!

The Chair: Thank you.

For the record, I think the minister was referring to the Honourable Lloyd Axworthy, who's joined us as an observer here today. He is a former minister and former member of Parliament. I just want the record to show that.

A voice: And a good Canadian.

The Chair: He's not keeping an eye on us.

Ms. Hall Findlay, for five minutes.

Ms. Martha Hall Findlay (Willowdale, Lib.): Thank you very much.

Thank you, Minister, for your time today.

My colleague asked earlier about the list. I'm afraid I'm still not clear. You mentioned three large buckets within the budget, but for this extra \$3 billion...? I'll just note that I'm a little confused because earlier you mentioned \$4 billion, so I'm now a little unclear about the actual amount. But using \$3 billion for the discussion now, you mentioned three large buckets that are already discussed in the budget, but now we're dealing with \$3 billion that has no specificity to it. Do you have a list of projects for this \$3 billion? Yes or no?

Hon. John Baird: I have identified three or four areas—

Ms. Martha Hall Findlay: No. I'm sorry, Minister, for interrupting, but my question was very specific. I'm not necessarily asking you to give me that right now, because you indicated a concern about some of the projects, but do you have a list of projects for this \$3 billion?

Hon. John Baird: We have a good number projects where support has been requested. What we have to do—

Ms. Martha Hall Findlay: Do you have a list of projects for it?

Hon. John Baird: If I could, in fairness—

Ms. Martha Hall Findlay: But you're asking to have this money spent right away, so I'm assuming that to be able to spend the money right away, there has to be some work already done to determine where that money is going to be spent. So do you have a list?

Hon. John Baird: I have a long list.

Ms. Martha Hall Findlay: You have a long list?

Hon. John Baird: Yes. I have an \$18 billion request from Metrolinx in the greater Toronto area. I have—

Ms. Martha Hall Findlay: No, no, I'm talking about the \$3 billion that we're—

Hon. John Baird: That's not all entirely within my department. I identified three new programs that are coming forward. If those proponents are able to move expeditiously and get shovels in the ground, and they need reimbursement and money up front to make those things happen, I don't want them to have to wait.

Ms. Martha Hall Findlay: Mr. Minister—

Hon. John Baird: I am not going to make a unilateral announcement with respect to those projects because we work in cooperation with the provinces. For example, in Quebec, I'm not going to simply say to Quebec, without consulting with the Quebec government, "Here are the projects we're going to fund". That will be done cooperatively with the province and with municipalities and other proponents.

• (1150)

Ms. Martha Hall Findlay: So is the answer, then, that you do not have a list?

Hon. John Baird: I have a list.

Ms. Martha Hall Findlay: You have a list.

Hon. John Baird: I have a list of a lot of projects that are ready to go.

Ms. Martha Hall Findlay: Good. Thank you.

Hon. John Baird: I get five or six things added to that list every day.

Ms. Martha Hall Findlay: So my next question is, if you have a list—as you've said, you have a long list of projects ready to go—will you show us that list?

Hon. John Baird: I'll be happy to table the Metrolinx proposal. It's \$18 billion—

Ms. Martha Hall Findlay: That was not what I asked. Will you share with us—

Hon. John Baird: I'll share with you that list.

Ms. Martha Hall Findlay: —that long list of projects that you have ready to go?

Hon. John Baird: I'll share with you the Metrolinx...the requests that I've been receiving.

Ms. Martha Hall Findlay: So are you saying no, that you will not share that list with us?

Hon. John Baird: I have just said that we received requests for funding. Under those new funds, decisions have to be made in cooperation with the provinces.

Ms. Martha Hall Findlay: But you want the money now. If the money is to—

Hon. John Baird: You either have confidence in the government or you don't. You voted confidence in the government 61 times.

Ms. Martha Hall Findlay: Mr. Minister—

Hon. John Baird: You can't be a little bit pregnant.

Ms. Martha Hall Findlay: Mr. Minister, we have asked you to be here today to answer our questions and I'm not actually getting clarity. You have now confirmed that you have a long list of projects ready to go. I hope so, in the sense that if you're asking for money to be spent right away, the homework will have been done to be able to spend that money right away. I'm reassured by the fact that you've now said you have a long list of projects ready to go.

Hon. John Baird: It gets longer every day.

Ms. Martha Hall Findlay: My second question is, will you share that list with the other members of the government being asked to approve this spending?

Hon. John Baird: With...?

Ms. Martha Hall Findlay: With the government. We are in opposition.

A voice: Parliamentarians.

Ms. Martha Hall Findlay: Will you share that list with parliamentarians?

Hon. John Baird: I'll be happy to share with you some of the requests I have received.

Ms. Martha Hall Findlay: So are you saying, no, you will not share that list with us?

Hon. John Baird: Every announcement that will be made will be made in public and will be completely open and transparent.

Ms. Martha Hall Findlay: No. Will you share with us that list?

Hon. John Baird: I'm not going to unilaterally—

Ms. Martha Hall Findlay: Before you were asking us to—

Hon. John Baird: I'm not going to unilaterally go—

Ms. Martha Hall Findlay: Why not? You're asking us to spend this money. You have the list. Why will you not share that list with parliamentarians when you are asking us to approve the spending?

Hon. John Baird: I have to work cooperatively with the provinces.

You have a decision to make.

Ms. Martha Hall Findlay: Are the provinces saying you can't tell the rest of the parliamentarians what that list is?

Hon. John Baird: No. We're going to work constructively with provinces and agree on a series of projects to support. I am not going to.... You have a big decision to make.

Ms. Martha Hall Findlay: Let me get this straight. The provinces are going to be beneficiaries of this, yes? We as a government are being asked to approve—

Hon. John Baird: You're not the government.

Ms. Martha Hall Findlay: —\$3 billion in spending, and you're saying we are being asked to approve it even though there is a list of projects that you have, and you will not share that list with the rest of Parliament.

Hon. John Baird: It sounds like you have a very big decision to make.

Ms. Martha Hall Findlay: No, we all collectively have a very big decision to make, and I would think that even the provinces that would like us to approve this would be willing to share the list of projects.

Is there something secret about this list? Is there something we should know? You've said you have a long list of projects. Will you share that with the rest of Parliament in order for us to approve the spending?

Hon. John Baird: Here's what we have to do. We have to work constructively with provinces, and we'll meet with municipalities. I don't think it is constructive, for example, in our case in Ontario, to put my provincial counterpart on the receiving line of a big list. We'll sit down and cooperatively work out arrangements with provinces and municipalities. That's the way it has always run, and that's the way we intend to move it this time.

The funding we have asked for to get these projects out the door has been requested. They are all specifically under the economic action plan. The moment decisions are made, they will be made public.

The Chair: Thank you.

Monsieur Laframboise.

[Translation]

Mr. Mario Laframboise: Thank you, Mr. Chairman.

Minister, you said on a few occasions that you wanted to encourage projects that are ready to go, and new projects. However, you are aware that for a city, setting up a project involves delays because of the need for drawings and specifications and all that. Will cities that have already anticipated these things and established a budget for them be the only ones who can carry out these projects? Explain to me how you want to proceed.

[English]

Hon. John Baird: I think what we're looking to identify, what we are identifying now, are projects that are ready to go or can be ready to go in a matter of weeks or months, that would not otherwise proceed. If a municipality wanted to build a new road or do sewer upgrades, and it's already intending to move forward with that this year, obviously we don't want simply to replace money that was already spent. We'd like this to be for projects they had envisaged doing in the future but didn't have the funding for. We want it to be incremental. We'll be flexible on the definition of incremental, but it has to be for projects that would not otherwise proceed.

I'll give you an example. The Premier of New Brunswick and the Minister of Finance for New Brunswick came forward with a

stimulus plan in early December for about \$1.2 billion of support. Obviously that's new money, and we'll be flexible in that.

What I don't want is, if there is a sewer project that's already scheduled to go forward, the municipality to pull their money out and us to put our money in, and then no new jobs will be created. What we want to do is stimulate the economy to get additional money into the system and additional employees. I think you all agree that would be constructive.

● (1155)

[Translation]

Mr. Mario Laframboise: You know that in Quebec, cities must prepare triennial plans for such projects. They submit these projects three years in advance. That does not mean they already have the money to carry them out, merely that they have chosen to move in a certain direction.

Are you trying to tell me that all the projects included in these triennial plans cannot be funded? It would be rather complicated.

[English]

Hon. John Baird: No. For example, if a city had ten projects identified that they wanted to move forward with in the next three to five years, but they were only able to move forward with two or three of them in the next two years, then if they wanted to move forward with items that are a little bit further down in their capital plan, those would be eligible.

[Translation]

Mr. Mario Laframboise: All right.

[English]

Hon. John Baird: We want a degree of flexibility. The fundamental idea is that we want to have new projects go forward that otherwise wouldn't go forward. I'm very happy to receive counsel and advice if there are some unique circumstances. We want a degree of flexibility. But one of the foundations is we'd like it to be something that wouldn't happen—

[Translation]

Mr. Mario Laframboise: So you have some leeway.

My second question is about community recreational facilities. The Minister of State Responsible for the Economic Development Agency of Canada for the Regions of Quebec, Mr. Lebel, announced that his department was prepared to receive applications, but no forms are available. Earlier you mentioned that Minister Paradis was also looking after this file. Will it be Minister Lebel or Minister Paradis who will manage programs for community recreational facilities in Quebec?

[English]

Hon. John Baird: I work constructively with all my cabinet colleagues. The political minister in each region is obviously one of the principal advisers whom I would turn to for advice and counsel. Mr. Lebel works for the Regional Economic Development Agency for the Regions of Quebec. Obviously that might be a delivery agent for one or more initiatives. We'll be coming forward in very short order with some specifics on that.

[Translation]

Mr. Mario Laframboise: Will forms be made available to the municipalities? Will they be able to apply using these forms?

[English]

Hon. John Baird: In the case of Quebec, we can't give federal forms to municipalities because that's not permissible. So we'll work constructively with Quebec on a process to follow through.

[Translation]

Mr. Mario Laframboise: Thank you.

[English]

Hon. John Baird: Because of that extra step in the province of Quebec—which I'm not critical of, I don't pass any judgment, that's legitimately the National Assembly, and the Government of Quebec is perfectly in their right. What I'm looking to the Government of Quebec for is what can we do to speed up a process so that decisions can be made and we can get people working. I think that the economy, the situation of the unemployed or underemployed, the uncertainty in the economy hopefully will lend itself for some good cooperation in an expeditious timeframe.

[Translation]

Mr. Mario Laframboise: Nevertheless, you have understood that for the projects you are asking for, you must give the municipalities some time to prepare the plans and specifications. I hope that you will give the municipalities enough time to submit their projects. As you know, this can take three to six months.

For example, the mayor of Terrebonne can say that he has a project, that it was included in his triennial plans, but we have to give him time to submit it. Sometimes, what happens is that you have money for two projects whereas you had planned for three or four. I hope that you will allow the municipalities sufficient time to prepare their projects.

[English]

Hon. John Baird: I'll have to seek the counsel of the government officials and ministers in the Government of Quebec on that. I do know that these new initiatives will be like every other government program, that they'll be oversubscribed, that there will always be more demand than there are funds; that won't be any different in this. What we want to do is challenge people for the need to identify projects expeditiously. We're accepting the challenge to make decisions expeditiously. If people want to take six months to review their projects and submit applications, that's probably not going to be a good candidate for the stimulus fund because we want to get projects going as quickly as possible.

In the case of Quebec, where municipalities have to work through the province, I am confident that we can identify a process that will move quickly. If you have any specific advice or counsel that would assist me, I would certainly welcome it.

I've served in a provincial cabinet. I served as a member of a provincial legislature. Our government doesn't have the edict that all the decisions are made in Ottawa. What works in P.E.I. won't work in Quebec and vice versa. We're certainly committed to do that. I try to respect that. It takes a little bit longer, but it's just the reality, which we don't have a problem with.

● (1200)

The Chair: Thank you.

Before I recognize Mr. Brown, I just want to say that the minister had agreed to be with us for an hour. We did start a few minutes late, and the minister did come on relatively short notice. We're continuing our consideration of this matter at our next meeting on Tuesday with the Treasury Board president, and there are officials from the minister's department here whom I'll introduce later who are staying. When the minister feels that it's time to go, we will accept his departure when that time comes.

Mr. Brown.

Mr. Patrick Brown (Barrie, CPC): Thank you, Mr. Lee.

I'm going to share my time with Mr. Jean so we can both get in a question to the minister.

I have three quick things, and perhaps you could comment on one.

As a former city councillor, I think the excitement with this record infrastructure investment is terrific. There seems to be a lot of interest, and I think you'll get more projects than anyone can handle. One thing that got a particularly pleasant reaction was the low-cost loan. Maybe you could expand upon that a little bit.

Also, from an historical perspective, is this the largest infrastructure investment in Canadian history?

Lastly, when you were in the provincial government and there were infrastructure agreements with the previously Liberal federal government, did they allow provincial input? What they're suggesting today is to announce a \$3 billion list and ignore an opportunity for input from your premier, Dalton McGuinty. Is that something that has ever occurred before, where we announced lists unilaterally and ignored the wishes of other levels of government?

Hon. John Baird: You've been a strong lobbyist for projects in Barrie. A few of your city councillors were in to present some projects that were shovel-ready about two weeks ago. I suspect your provincial colleague, Aileen Carroll, would be quite angry if you or I began to make announcements in Ottawa without them. They would think that was in bad faith and not constructive to federal-provincial relations.

George Smitherman has said to me that partnership is about working together, making decisions together, and making announcements together. It's not one side trying to get a communications or a PR advantage by scooping the other side. We are committed to working constructively.

I can tell you we announced 289 projects around the province. I think they went very smoothly in all but two of the cases. It was because you had people working and making announcements together, whether it's the federal and provincial governments and every region of the province working together.... We're not going to simply make unilateral announcements on the provinces. Those decisions are made collectively. That's what a partnership is all about. I suspect that if I started to make announcements unilaterally here, my BlackBerry would start to go off and it would be the provincial minister calling to give me heck.

I made an announcement with Premier McGuinty on Friday. I didn't announce it before I got there. We announced it together. That's what the province asked for and that's what I asked for. They honoured and respected that, and I think that's good news. One of the biggest accountability mechanisms in all of this funding is that you have to work with the provinces and territories. We want to work with municipalities. We'll work constructively, in the case of your riding, with the McGuinty government. I have absolutely no doubt that we will be able to come to an agreement expeditiously on funds from the stimulus fund with them, but it involves cooperation and partnership. That's how it was always done and that's how we intend to proceed at this time.

I have had a good number of members of Parliament present projects in their constituencies, whether those be on the government or opposition side of the House. I'm constantly having members of Parliament put proposals on my desk that we take back to the department and review. I don't think the McGuinty government is going to cooperate with anything that's untoward or isn't of high ethical standards; neither do I think that the Doer government, the MacDonald government, or the Campbell government would. That's the biggest accountability mechanism. We're only a one-third partner in these projects. We need to work with provinces and municipalities, and that's what I would call a great check and balance on the process.

We are making record investments in infrastructure with big and small projects. We can be proud of that. It will move quickly, but we'll never move as quickly as people would like. We are committed, though, to make things happen for the beginning of this construction season.

• (1205)

Mr. Patrick Brown: I think Brian Jean has a quick point.

Thank you for working with our premier.

The Chair: Half a minute might do the trick, Mr. Jean.

Mr. Brian Jean (Fort McMurray—Athabasca, CPC): Thank you very much.

I have two questions, Mr. Minister.

The first is, would you ever permit your department to issue a blank cheque of any kind in relation to funding that belongs to the taxpayers?

Hon. John Baird: I couldn't even if I wanted to. All the Treasury Board rules and guidelines would not allow that, even if I wanted to, which I don't.

Mr. Brian Jean: I did some research and found that the faster we as a government invest money in infrastructure in this country, the more quickly we actually stall and reverse the global economic downturn, the less expensive it is to build, the better the return on investment for taxpayers, the less time the unemployed stay unemployed in this country, and a better quality of life....

Are there any other advantages to getting this money out the door as quickly as humanly possible?

Hon. John Baird: We get Canadians working. The sooner we make these investments, the sooner we get the benefits of the investments. If it's public transit, we get cleaner air and less congestion sooner, in addition to getting people employed. If we invest in a new convention centre, we can up our tourism numbers. If we get the investment sooner, we get the benefits of the infrastructure more expeditiously. I think that's a positive thing. Clean water—the sooner we can get waste-water treatment plants, we can stop dumping secondary raw sewage into our lakes, rivers, and oceans. Many of these projects will last for decades and decades and decades. This is an opportunity to work constructively with partners, and we're committed to doing that.

Mr. Chair, I've enjoyed this hour, as have my officials. We were asked to come for an hour. We appreciate the opportunity on such short notice. I have no doubt you might have us back again, and you never know.

The Chair: It's likely we will, but I can't speak for the whole team on the committee.

I did want to introduce the three officials who were good enough to come with you this morning.

Hon. John Baird: They are also here for an hour.

The Chair: I know. I'm sorry, it was my error. Treasury Board officials will be up next today. Mr. Louis Ranger, deputy head; John Forster, ADM, policy; Carol Beal, ADM, program operations—thank you for coming.

We'll now suspend for about one minute while we reboot the witnesses.

• _____ (Pause) _____

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• (1210)

The Chair: I call the meeting back to order, colleagues.

Our witnesses now are from Treasury Board Secretariat. The subject matter is now more focused. We're looking at vote 35, which is the \$3 billion stimulus package. We're essentially in a formal way looking at the government estimates, keeping in mind we'll have at least one additional meeting next week that will continue with this.

I want to welcome the witnesses and thank them for coming. We're here for about an hour. We have Alister Smith, assistant secretary, expenditure management sector; Kelly Gillis, assistant secretary, corporate services sector; Brian Pagan, executive director, expenditure operations and estimates division; and Dan Danagher, executive director, labour relations and compensation operations. That sounds like a lot of expertise.

Do you have an opening statement?

Ms. Gillis, go ahead.

Mrs. Kelly Gillis (Assistant Secretary, Corporate Services Sector, Treasury Board Secretariat): Yes, we do.

[Translation]

Good afternoon, Mr. Chair. My name is Kelly Gillis, assistant secretary, Corporate Services Sector at the Treasury Board Secretariat. I have several department colleagues with me today who have already been introduced.

We are here today to answer any questions you may have on the main estimates 2009-2010 for the Treasury Board Secretariat and the Canada Public Service Agency, which is referred to in these Main Estimates by its old name, namely the Public Service Human Resources Management Agency of Canada.

As you are likely aware, effective March 2, 2009, the Canada Public Service Agency and the parts of the Treasury Board Secretariat that deal with pensions and benefits, labour relations and compensation were consolidated into a new Office of the Chief Human Resources Officer, with the mandate to make human resources management across the public service more effective and reduce overlap and duplication of roles. This office will be housed within the Treasury Board Secretariat.

[English]

The estimates that have been tabled in the House identify total budgetary requirements for the Treasury Board Secretariat of \$7.7 billion. It is important to note that \$5.5 billion of this relates to central government-wide votes. No TBS expenditures will be incurred against these votes. Instead, funding will be utilized to increase the votes of other departments in accordance with the wording approved by Parliament in the Appropriation Act.

A significant new vote for \$3 billion of this \$5.5 billion is vote 35, "Budget Implementation Initiatives". This vote is a one-time-only vote, which has been introduced to facilitate the timely implementation of Budget 2009 initiatives for which there are immediate cash requirements in advance of supplementary estimates. It will allow Treasury Board ministers to allocate funds for Budget 2009 initiatives between April 1 and June 30. Any funds that are not allocated from this vote by June 30 will lapse.

Apart from these central votes, a further \$2.1 billion relates to the administration and payments to various insurance, pension, and benefit programs that the secretariat administers on behalf of other government departments. Expenditures are incurred against this vote within the Treasury Board Secretariat, and anticipated expenditures have increased by \$242 million over last year's main estimates as a result of increased costs and volumes for the public service health care plan, the provincial payroll taxes, disability, and dental plans.

The remaining program expenditure vote of \$175 million represents the funding for organizations and employees who support the secretariat's central agency role of contributing to a government that is well managed and accountable and whose resources are allocated to achieve results. This vote has increased by approximately \$10 million since last year, primarily to fund costs for ongoing pay equity litigation, compensation adjustments for collective agreements, and the creation of enhanced corporate services support to the secretariat.

We would be pleased to address any questions the committee may have on these estimates today and to provide further detailed information to the committee that it may need to complete its review and analysis.

Thank you.

•(1215)

The Chair: Thank you very much.

I'll just point out, colleagues, that normally on estimates we would lead off with the minister. Treasury Board President Toews is attending on Tuesday. Committees don't usually seek political accountability from officials, but officials are usually a wonderful source of information, and I know that officials here will be a big help to us today on these issues.

I'll look to Mr. McTeague to lead off for eight minutes.

Hon. Dan McTeague: Madam Gillis, thank you very much.

It is Treasury Board, so as Treasury Board critic I guess I have a question in reference to your saying this is a significant new vote. How significant, from a precedent-setting point of view, in the history of our Parliament, is this allocation?

Mrs. Kelly Gillis: I'll ask Alister Smith to respond. Thank you.

Mr. Alister Smith (Assistant Secretary, Expenditure Management Sector, Treasury Board Secretariat): Thank you, Chair and committee.

This is a unique central vote. We, of course, use central votes for other purposes, including contingencies, carry-forward paylists, and other further purposes. But this is a one-time-only vote, which would be used for a very limited time and would expire at the end of June. So it is unique in that respect.

Hon. Dan McTeague: The Minister for Infrastructure and Transport just told us that whatever is proposed in the \$3 billion—and I'll get to the list in just a moment—will meet Treasury Board guidelines.

Can you tell us, since he doesn't know or won't tell and you don't know or cannot tell, how we know there's going to be implementation and proper procedure followed here under Treasury Board guidelines?

Mr. Alister Smith: There is actually no difference in the way we would treat an item charged to the central vote from supplementary estimates (A) items, for example. All these items would be required to pass all the due diligence tests at Treasury Board. They would require approval by Treasury Board ministers. They need to be in conformity with the Financial Administration Act, Treasury Board policies, and internal audit and evaluation. They will be audited. They will be reported. So all aspects of due diligence are followed.

Hon. Dan McTeague: They'll be audited after the fact. I'm talking about what you know in advance.

Mr. Alister Smith: Actually, we have been in discussion with the Auditor General and we now have internal audit committees with external members in all departments who will already have started to conduct due diligence.

Hon. Dan McTeague: We are looking for an idea of what is on the comprehensive list and where that \$3 billion is going to be spent. Can you, or anyone here, provide any light as to where that money is to be spent? I appreciate it is a central vote; it's a block chunk of money.

It's not an insignificant amount. Does anybody know where this is going?

Mr. Alister Smith: We can say this. When you look at the budget, you have the entire economic action plan in chapter 3. The Budget Implementation Act contains a number of specific measures, and the remainder will either be in the supplementary estimates (A) or the central vote.

The central vote is a bridge to supplementary estimates. It allows money to flow as of April 1, if you approve interim supply. Some items indeed may receive the first installment from the central vote and the next installment in the supplementary estimates.

Hon. Dan McTeague: Chair, if you would, I'd like Ms. Hall Findlay to take the rest.

Thank you.

•(1220)

The Chair: Sure.

Ms. Martha Hall Findlay: Thank you, Mr. Smith.

We continue to have some challenge with the speed of the flow of funding and a continued lack of understanding of the specifics of where that money will go. I appreciate that this is a bridge to spending, but the whole point is to spend right away. If the money is to be spent right away, I, for one, and I think a lot of other parliamentarians, expect that there would be some knowledge about where that money is going. We only have a few weeks to deal with it.

We asked the minister earlier today if he had a list. After some effort, finally we got acknowledgement that indeed he does have a long list of projects that are ready to go.

Is it your understanding as well that internally there is a list of items that will have this money very quickly?

Mr. Alister Smith: Could I address the two questions?

I hear one being about the speed, and I will start with that. In a normal year cash would not flow until December. Last year we made a change. We introduced supplementary estimates (A) in June, and cash can now flow. Assuming we have supplementary estimates (A) passed again in June, cash can flow in June.

In this particular case, with the passage of interim supply, cash can actually flow in April for those items that have gone through the due diligence procedure I just outlined and have Treasury Board approvals. There's no such list until Treasury Board actually approves these allocations, so funding could not apply. Money could not be allocated until April, in any case, with interim supply. There are eligible items, and those eligible items in chapter 3 are

those that are not in the BIA, Budget Implementation Act, but which are ready to go earlier than items in the rest of chapter 3.

I don't want to get any more specific than that, because any list that would be provided could only be indicative at very best. It still requires all the due diligence and approvals by Treasury Board ministers.

Ms. Martha Hall Findlay: If I may pursue this, I'm a bit confused. We're being told that no money will flow unless all the due diligence has been done on any particular project, but the purpose of this is to ask us to allow the money to flow very quickly.

You don't do due diligence on a project that quickly. We have the Building Canada fund, for example, which has been absolutely dismal in getting money out the door. We're only dealing with a few weeks now. Given that due diligence does take a little while and given that the request would suggest there is an opportunity to spend money starting right away, how could there not be a pretty good idea of what projects are in the works and, I would think, ready to go?

Mr. Alister Smith: There are top-ups to existing programs where you have terms of reference—a functioning program that's been in place for some time—and it's quite easy to get the final approvals. That's quite different from new programs that may require longer.

The first allocations could start in April and may well continue to the end of June. You have to understand our internal process as well. For supplementary estimates (A) we shut the door on April 2. We need that much time to process them for supplementary estimates in June. So there are items that will not be ready for supplementary estimates—will not make that April 2 deadline. They may come in a little later in April or May. They will have gone through the full due diligence and will be ready for funding.

So the period from April 1 to June 30 is important for us—for money to flow in that period.

Ms. Martha Hall Findlay: But even if you're topping up a program or an existing project and you don't have to undergo a series of due diligence investigations and review, because we all know that takes a long time—I understand that and it makes sense—why would we not know what those are at this time if we expect that money to flow in a few weeks?

•(1225)

Mr. Alister Smith: We do know what's in chapter 3. There's a long list of items. I didn't have the benefit of hearing what Minister Baird said, but I'm sure he talked about infrastructure programs that will be available for the construction season. So there are some elements there that I think one could guess at. I just do not want to guess before ministers have made decisions.

The Chair: That's it for time.

[Translation]

Ms. Bourgeois.

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Thank you, Mr. Chairman.

Good afternoon, ladies and gentlemen.

First of all, can you explain the difference between vote 5 and vote 35 as listed in the documents we were given?

[English]

Mr. Alister Smith: I'd be happy to explain that.

Treasury Board vote 5 is a vote for contingency purposes. The vote wording deals with miscellaneous, urgent, or unforeseen items. There's a limit of \$750 million, and departments use it as a line of credit to borrow under approvals from Treasury Board. They have to repay the vote, so it's zero at the end of the year.

In the case of Treasury Board vote 35, charges to that vote would simply be allocations. They would not be repaid to the vote. We don't want to continue to maintain a \$3 billion fund. It's for a particular bridge financing purpose only to supplementary estimates.

Those are the essential differences.

[Translation]

Ms. Diane Bourgeois: If I understand this correctly, the two amounts, one of \$750 million and the other \$3 billion, are amounts that the minister or Treasury Board can now allocate in an arbitrary fashion. This is done arbitrarily and they don't have to provide reasons for the use of those funds.

Is that correct?

[English]

Mr. Alister Smith: I don't think that's correct. I'll ask my colleague Mr. Pagan to describe more of the Treasury Board vote 5 procedure.

For vote 35, the items must be budget initiatives. They must be in the January 27 budget, so they are already confined to that budget. We also make other requirements internally. They must satisfy a cashflow requirement. If they can wait until supplementary estimates, that's fine; it will be in supplementary estimates (A). If they're ready, pass the due diligence tests, and there is a cashflow requirement for the department to move forward, they can be charged to the central vote.

I'll add one more element of perspective here. There's a lot of funding in that budget. It would be unreasonable to expect departments to be able to essentially cash manage and deliver those initiatives this fiscal year without some initial funding. So there's a rationale for this.

If you compare it to the past, departments did not have the ability to receive cash through supplementary estimates until December. That's fine in a normal year when you are trying to bring in a normal budget. You can cash manage until December. But if you're bringing in a large budget like this—and of course there's a need for timeliness—it's unreasonable to expect that departments will be able to make headway on such an ambitious and important program without some upfront funding. That's why we have supplementary estimates (A) in June, but it's also why we need the central vote.

[Translation]

Ms. Diane Bourgeois: Fine.

The funds under the budget implementation vote can only be allocated between April 1 and June 30. What will happen to funds that have not been spent, after June 30?

[English]

Mr. Alister Smith: The allocations have to occur within the period of time from the passage of interim supply—therefore it can't be before the beginning of April—to the end of June. Then the allocations are provided to departments in the same way that supplementary estimates are provided to departments. They're able to spend once they receive the funds. So they could receive the funds any time from the beginning of April to the end of June, depending on whether they passed all the tests.

• (1230)

[Translation]

Ms. Diane Bourgeois: When he testified earlier, the minister seemed to be saying that with regard to infrastructure, a great deal of money was available. There even seems to be more than what is required by the number of projects submitted. We asked him if he could show some flexibility.

Let me use the example that my colleague used earlier. The mayor of one of the cities in my riding says that he waited before submitting his projects, because the city did not have the necessary funds. Before submitting a project, plans and specifications have to be prepared, and this city waited to do so.

With regard to cities that don't have the money and who cannot borrow from this fund that the minister is putting at their disposal, what will happen? Not all cities are interested in borrowing. Preparing plans and specifications and the time needed before a project is accepted can represent four to six months. What happens in a case like that? Do these cities have to give up their projects?

[English]

Mr. Alister Smith: I believe we are talking about a two-year plan here, and funding will indeed be provided throughout the two years to municipalities and provinces. It's a large plan that includes federal infrastructure spending by Public Works, Infrastructure Canada, and others, so there's a wide variety of different elements in this budget implementation plan.

In some cases I'm sure it will take time for municipalities and provinces to access the funds that are in the broad infrastructure plan. The Building Canada fund is a seven-year plan, in any case. I think the Minister of Finance was very clear in the budget that to the extent possible, for good economic reasons, we need to try to accelerate the spending early on as much as we can when the economy is at its weakest points. So there's good rationale for trying to move up that spending as much as we can.

[Translation]

Ms. Diane Bourgeois: We mustn't confuse the Building Canada Fund and that \$3 billion in additional funding that the Minister of Finance has just put in place.

[English]

Mr. Alister Smith: The minister has already spoken about this, so I don't want to add much more. But it's true that the Building Canada fund is a seven-year plan, and I think Infrastructure Canada and Transport Canada administer 14 different infrastructure funds. So there are different funds that can benefit from additional funding earlier, and there's still a good reason for accelerating that spending, as opposed to leaving it on the normal path, if I can put it that way.

[Translation]

Ms. Diane Bourgeois: Do I have a minute left?

The Chair: No, I'm sorry.

[English]

Mr. Warkentin is next for eight minutes.

Mr. Chris Warkentin (Peace River, CPC): Thank you, Mr. Chair.

Thank you for coming this morning, or is it the afternoon now? I appreciate your coming to bring testimony.

I think there has been a lot of misunderstanding, and there's been a lot of discussion surrounding this \$3 billion vote 35. I think we are getting a little closer to some clarification today, but we certainly want to ensure there's no misunderstanding in leaving this meeting.

My understanding is that this \$3 billion vote is being brought forward so that money can be spent on items in the budget. Can you assure us that no money in this vote can be spent outside the parameters of the vote that has already been accepted by Parliament?

Mr. Alister Smith: That's correct. The budget initiative is vote-worthy. This says very clearly that it is for budget initiatives only, for Budget 2009 initiatives specifically.

Mr. Chris Warkentin: So in regard to the notion out there that this is somehow a blank cheque, I guess it's only as blank as the budget is.

•(1235)

Mr. Alister Smith: It's not a blank cheque. As I understand it, the budget has been approved—in principle, at least. So it is for those initiatives that are in the budget.

Mr. Chris Warkentin: So no minister could decide unilaterally that he was now going to build a new program to print golf balls for different members of Parliament, with their names and pictures on them, and distribute them to different members of Parliament, and say he was now going to use a portion of the money for that. Is my understanding correct? There's no way something like that could happen because there is no initiative within the budget to do something like that.

Mr. Alister Smith: It would only apply to initiatives that were in the budget and nothing less.

Mr. Chris Warkentin: Is there any amount of due diligence that would be lost by spending the money now rather than later?

Mr. Alister Smith: We do not believe so. In fact, we're treating these items the same as we would treat the supplementary estimates (A) items, which would go in June. It's the same due diligence that's being applied.

Mr. Chris Warkentin: As you have pointed out and as the minister before you pointed out, the intent is that the moneys included in this budget be spent now, or as soon as possible, so that we might be able to stimulate the economy, as you have spoken about. If the \$3 billion were not included in this vote, would the government have the same ability to expedite the spending initiatives within the budget in the short term?

Mr. Alister Smith: Definitely not.

Mr. Chris Warkentin: So, essentially, the idea of getting shovels in the ground and hammers in the hands of folks and projects initiated is dependent on the inclusion of this \$3 billion.

Mr. Alister Smith: Certainly to have funds flowing from April, yes, it is. Otherwise, it would be the latter half of June at the very best, maybe into July, before the funding would flow.

Mr. Chris Warkentin: So ministers cannot make up programs that are outside the parameters of the budget and utilize the \$3 billion for them.

Mr. Alister Smith: No.

Mr. Chris Warkentin: Full due diligence will continue to be taken care of.

I think this brings a lot of clarification. Most importantly, without this money, initiatives from the budget won't be able to move as quickly as they would if the money were available.

Mr. Alister Smith: That's correct.

Mr. Chris Warkentin: Well, I certainly think this answers many of the misunderstandings. Possibly, my colleague from the Liberal side is now assured that in fact this money is not going to be spent in areas she did not vote in favour of. It'll be interesting to see if in fact that is the case.

I'm going to change topics, simply because I think we have now come to full clarity on this particular issue.

When Madame Barrados was before our committee, she brought to our attention.... Certainly this is outside the scope of the estimates discussion, but maybe I'll just ask it and see if it's on your radar screen. I think we'll have a discussion on this at some point down the road. There was a concern on her part about what she called "classification creep" within the different departments.

I'm not sure if there's anybody here today who would be able to speak about that particular issue and her concern surrounding it.

Mrs. Kelly Gillis: I would refer that to the Public Service Commission and have them respond with some information on that.

Mr. Chris Warkentin: Perfect. I appreciate that.

Thank you very much.

The Chair: Good. Thank you, Mr. Warkentin.

Now we'll go to Mr. Martin for an eight-minute round.

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

Thank you, witnesses.

Both the Prime Minister, in answers to questions in question period, and Treasury Board officials have invoked the Auditor General in their response as a way to assure Canadians that...I think her office is the most trusted office in the country, maybe second to the Treasury Board Secretariat. I'm not clear what specific approval or validation the Auditor General has given to this process. In our reading, we find previous auditors general, and perhaps even this one, being quite critical of the vote 5 process in the pre-approval of spending that's not specific.

What specifically did this Auditor General say that approved of this vote 35, this extraordinary vote?

• (1240)

Mr. Alister Smith: Mr. Martin, I can't say what specifically the Auditor General has said on this. The Auditor General has been consulted. We expect that the Auditor General will continue to audit the entire budget implementation process. All the documents that she and her colleagues need for those audits will be provided to them. We can assure you there will be full cooperation in that respect with the Auditor General.

On Treasury Board vote 5, we have had, in the past, discussions with the Auditor General on the use of the vote. We have responded to the views of the Auditor General, and indeed the views of parliamentary committees, through guidelines that we put in place and changes in the wording for Treasury Board vote 5 and the way we use the vote. I don't think the two things should be linked.

Mr. Pat Martin: Also, we don't know what the Auditor General said. Maybe we have to call the Auditor General as a witness. There's a big difference between having consulted with the Auditor General and having the Auditor General approve of this whole process. If you read the answers in question period from the Prime Minister, they would have the country believe that Sheila Fraser thinks this is A-okay. She may have said in that consultation that she has grave concerns about this particular vote.

Mr. Alister Smith: Mr. Martin, I do not want to try to speak for the Auditor General on this. That's the nature of my response. I don't think it would be appropriate for me to comment on what she would say.

Mr. Pat Martin: No. I wouldn't ask you to, but I also don't think it's really proper for anyone to let the public believe that this has the Auditor General's Good Housekeeping seal of approval, because we don't know that. A previous Auditor General said about a vote 5:

...the basic principle at the root of our concerns is simple: spending by departments must have the prior sanction of Parliament.

And this is not the case. You're saying that everything in a vote 5 has the prior sanction of Parliament. In 2002 the Auditor General had grave concerns about the process.

Mr. Alister Smith: Mr. Martin, with respect, we've had a contingency vote, Treasury Board vote 5, for I believe well over 100 years.

Mr. Pat Martin: Yes, but since 1968, every year the Auditor General has found fault with the process. We went that far back.

Mr. Alister Smith: Perhaps I'll allow my colleague, Mr. Pagan, who is more expert on this vote than I am, to comment.

We've worked very hard with committees and with the Auditor General to meet both the need for the flexibility of a contingency vote to deal with urgent situations or unforeseen circumstances that face Canadians and the needs of the committees for clear rules and guidance on how this vote is used. I'm not aware of any additional criticism by the Auditor General of the wording of the vote in recent years.

Perhaps I could ask my colleague, Mr. Pagan—

Mr. Pat Martin: Maybe I can do that on my own after the fact, Mr. Pagan. I could see you personally.

Another concern I have is the sheer volume of activity that you're going to be asked to undertake in the coming months. If it normally takes two to three months to have a proposal approved by Treasury Board, and this volume of activity is going to be squeezed in above and beyond all the normal activity at Treasury Board, from April 1 to June 30. Don't you have a huge logistical human resources problem if nothing else? If you're going to apply the same due diligence, how in God's name are you going to cope with that volume of activity?

Mr. Alister Smith: Well, Mr. Martin, there's no question that the entire civil service and all the departments that are involved in budget implementation are working extremely hard to bring this budget to fruition. So without question, there's a tremendous burden on all public servants who are charged with these responsibilities.

But, again, this period from April to June is a start-up period. This is not the end of the process by any stretch—

• (1245)

Mr. Pat Martin: No, but that's when the approvals will take place. Business cases will have to be put to Treasury Board personnel, who have to assess those business cases—

Mr. Alister Smith: But we're talking about a \$40 billion program over two years, and this is the \$3 billion start-up part of it. So there's a huge amount of more work to be done after that.

Mr. Pat Martin: I understand. With my last moment, can you explain the difference: three-twelfths is the normal request; we're asking for eleventh-twelfths. Please run it by me again so I understand the significance of that difference.

Mr. Alister Smith: Yes. Normally in interim supply we ask for three-twelfths to start up. In fact, Parliament typically does approve something in the order of \$25 billion of spending before committees go into detail on the plans.

Every year we do ask for some increases beyond three-twelfths for certain departments, for certain needs, up to eleven-twelfths. In this particular case we're asking for eleven-twelfths, which is the maximum we can ask for, to allow for a fund of about \$2.7 billion of that \$3 billion to be available in April and the remainder on full supply in June.

Mr. Pat Martin: You see, what worries people in my party is that when it was three-twelfths there was a leap of faith, and we'd approve that and go ahead and get rolling with that three-twelfths. You still had nine-twelfths that would be under better scrutiny. Now you're asking for eleven-twelfths, a leap of faith on the eleven-twelfths, and that's where the term "blank cheque", etc., comes from that my Liberal colleagues are using. We share those concerns.

Mr. Alister Smith: Well, these are for items that are in the budget that has been approved, so—

Mr. Pat Martin: But not just chapter 3. We were told in the briefing it would be only section 3 of the budget. Now we learn it can be anywhere in the budget. Is that true?

Mr. Alister Smith: I think the vast majority is in the economic action plan, which is really in chapter 3. It's a very large chapter.

Mr. Pat Martin: But is that eleven-twelfths spending limited to chapter 3, or could it find itself anywhere in the budget?

Mr. Alister Smith: That's the guidance that we have provided departments, that it will be chapter 3.

Mr. Pat Martin: Thank you.

The Chair: Thank you.

Now, colleagues, we have to be out of here just before the top of the hour and we have two other individuals who want to ask questions. I'm going to arbitrarily cut the time to two and a half minutes each. I'll be very strict. I have two questions myself and we have a routine motion to pass.

Ms. Hall Findlay, two and a half minutes to you.

Ms. Martha Hall Findlay: Thank you.

I wanted to clarify just a couple of things. I understand that the \$3 billion applies to buckets already in the budget. We understand this isn't an additional \$3 billion blank cheque. The request in vote 35 is to have \$3 billion of that large amount budgeted not subject to the normal process of the mains and estimates, the normal oversight process that one would go through.

Mr. Alister Smith: I'm sorry, if I may correct you there, it is subject to the normal process we follow in approving items for, say, supplementary estimates. There's no difference. Indeed, we may see some items where we would draw on the central vote for the first installment and then into supps A or supps B for remaining funding. So it's the same process.

Ms. Martha Hall Findlay: All right.

Then if that process is gone through, once the due diligence is done internally there will be a knowledge of whether a project will actually be approved or not, yes? And therefore the money would start to flow?

Mr. Alister Smith: That's correct.

Ms. Martha Hall Findlay: Right. At that point, then, that information should be made available to parliamentarians, yes?

Mr. Alister Smith: That's correct, and all allocations from this vote will be communicated to Parliament.

Ms. Martha Hall Findlay: Okay. So we will repeat that the desire here is to have information and knowledge of what those projects are once that due diligence is done.

To the extent that any of this \$3 billion would go to infrastructure projects... Our information of the \$4.6 billion that was allocated to infrastructure projects for 2008-09 is that at best \$1 billion of that has been spent, which would leave a good \$3 billion left that has already been approved for infrastructure spending. How does that relate to this additional request for the blank approval of the \$3 billion?

• (1250)

Mr. Alister Smith: Our figures are not the same as yours, I don't think—

Ms. Martha Hall Findlay: I would love to have more information, because we're not getting the information that we've been requesting.

Mr. Alister Smith: I think the point you're making is that if there's funding left over in any one year, let's say fiscal year 2008-09, the one we're just ending, can that money be used in 2009-10? The argument in general is no.

Money lapses each year. There are possibilities of re-profiling, but those require Department of Finance approval because they do affect the fiscal plan and our deficit numbers, so—

The Chair: That's time.

Just save up your other question. We may have additional time later.

Monsieur Laframboise, two and a half minutes only.

[*Translation*]

Mr. Mario Laframboise: Thank you, Mr. Chairman. The Minister of Finance has stated that mistakes would surely be made. I'm trying to see where these mistakes could occur. Three billion dollars are advanced. There will be \$3 billion available earlier than anticipated in order to start up these expenditures. Let me give you an example. In the part entitled "Transport, Office of Infrastructure" there's an item entitled "Targeted Project-Based Infrastructure Funding". A sum of \$1.8 billion is already provided for. This means that thanks to the \$3 billion, you'll be able to allocate \$500 million right away? Is that right?

[*English*]

Mr. Alister Smith: If you're focusing on one individual program and saying that a certain portion of that programming would be up front, if indeed it's approved, that's roughly correct. This is really the first instalment on some of the programs we would be bringing out. The program would have to be ready and would have to meet all the tests that we described earlier.

On the general point about mistakes, I don't want to add further to what Mr. Flaherty or other ministers have said.

[Translation]

Mr. Mario Laframboise: I want to understand. I'm not saying you're the ones making mistakes. Just tell me whether I'm correct, on the whole. For instance, if the targeted infrastructure funding program is already set to go, \$500 billion can be spent. The expenditure is authorized by cabinet, isn't it?

[English]

Mr. Alister Smith: You're talking about an existing program on which there has already been some funding provided, and therefore an additional instalment of funding would be available through the central vote. Am I correct?

[Translation]

Mr. Mario Laframboise: If it is an old program that's fine for you, it's already approved. However, if it's a new program, once you've approved it, there will be an amount of money deposited in the program budget.

[English]

Mr. Alister Smith: With a new program, of course, there will be terms and conditions for that program. There will be a Treasury Board approval of that program. That's less likely to be ready early than a program that's already currently being used, so it may not work that the funding from April 1 to June 30 would be available for that particular program. It's more likely for those programs that are ready to go than for those that still require work to be defined.

The Chair: Thank you.

I'm sorry, Mr. Laframboise, that's two and a half minutes now. I have to be strict here.

I'm going to let Ms. Hall Findlay ask a question, with no preamble, and then I will ask a question at the same time, without an immediate answer, so you can answer both.

Ms. Hall Findlay, do you have a question? We're running out of time.

Ms. Martha Hall Findlay: I go back to the potential lapsing of what may be an amount of \$3 billion in infrastructure spending. You can answer this, but is it possible that the \$3 billion will not have been spent on infrastructure projects, possibly to help the bottom line for the 2008-09 year? But then we're now being asked to rush \$3 billion, which could very easily have been invested in infrastructure over the past year, with money allocated even the year before. That money has not been spent. Is it possible that now, if it does not get spent, that will show a better bottom line for 2008-09, but then we're now being asked to approve a blank for another \$3 billion?

•(1255)

The Chair: There's one question.

Second question: please tell us in relation to vote 25, the \$3 billion, how and when Parliament will be formally notified or shown, project by project, how that money is spent. Is there something filed in Parliament? Does the minister make a statement in Parliament? Is there a financial document tabled in Parliament? Tell us how that will happen, if you can.

Mr. Alister Smith: On the first question, I can't confirm that expected lapse number that you were using for Infrastructure Canada.

Could the money have been better spent in 2008-09 or 2009-10? I think that's a good question indeed. The economic situation has certainly deteriorated, and that's since...from the fourth quarter on. There's more of an imperative, I think, to use the money in fiscal 2009-10 than there might have been in 2008-09. That's certainly a factor to bear in mind. We can't simply roll the money over into 2009-10.

On the reporting, we certainly will, as a normal matter, report on all allocations from central votes in supplementary estimates. To the extent that we have information at that point in time, we will be reporting in supplementary estimates (A). We will certainly be reporting in supplementary estimates (B).

As you know, there are quarterly reports being tabled in March, in June, in September, and in December. In addition, we're looking at the logistics of more frequent reporting on these allocations.

The Chair: Thank you very much for those concise answers.

I know that colleagues have more questions. We will have Treasury Board with us on Tuesday.

To the witnesses, thank you very much. You may withdraw at this time.

Colleagues, continuing with committee business, I have a routine motion. I'm going to read it. Then I'll ask for a member to move it.

Your subcommittee met this morning, on Thursday, March 5, to consider the business of the committee, and agreed to make the following recommendation:

That the Standing Committee on Government Operations and Estimates meet March 12, 2009 to study the Main Estimates 2009-2010 under PRIVY COUNCIL and the appointment of Patricia J. Hassard.

Do I have a mover? It's moved by Mr. Martin.

Are we agreed, members?

This is our future business, colleagues.

Mr. Rob Anders (Calgary West, CPC): Mr. Chairman, are you suggesting that it was discussed this morning? Because I don't remember it being discussed this morning.

The Chair: No, this was discussed at a previous meeting and agreed to. The clerk has asked us to pass the motion so that the witnesses who are attending have that record of our order of reference. We agreed to this previously.

Colleagues, if you don't pass this, we're not going to meet for this meeting.

I have a mover, and I'll put the question.

(Motion agreed to)

The Chair: Thank you.

Is there any other business we have to transact today?

Mr. McTeague, other business today?

Hon. Dan McTeague: In the interest of the motion you just passed, again, I would ask the committee to at least advise a Liberal member, other than the chair, of these meetings. It leaves us in an awful situation.

The Chair: You mean the steering committee meetings.

Hon. Dan McTeague: Correct.

The Chair: Good point. We'll see if we can rectify that.

Mr. Anders.

Mr. Rob Anders: I just want to state something for the record, Mr. Chairman.

This morning we were missing a Liberal member and we were missing an NDP member. I do not appreciate having extra meetings in my life. I would prefer to have steering business dealt with here at the committee, as a group.

So I'm not in favour of having extra meetings in my life, especially if we're going to have other members not attend.

Hon. Dan McTeague: Mr. Chair, I would—

The Chair: This is not a debate. I'm going to cut it off—

Hon. Dan McTeague: Mr. Chair, I—

The Chair: No, I'm sorry, Mr. McTeague.

I just want to point out to Mr. Anders that they were not missing a Liberal member; I was there, and I am the member on the subcommittee. There may have been one party who wasn't able to be there, but...that was concluded.

If you have something, Mr. McTeague, that you feel you must put on the record, go ahead.

Hon. Dan McTeague: Mr. Chair, simply in response to Mr. Anders, I think no reasonable person would expect that you could attend a meeting that you weren't informed of.

We did ask, Chair, as you'll recall, that...through your discretion, it was understood that there would be at least an informal invitation given to Liberal members, recognizing, of course, the unique nature of the composition of this meeting.

I have no difficulty with attending meetings as long as I'm told about them.

The Chair: We'll take up this discussion among ourselves to get this business sorted out. But I do appreciate the efforts of members to work collegially.

We can adjourn now.

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