



House of Commons
CANADA

Standing Committee on Public Accounts

PACP • NUMBER 032 • 3rd SESSION • 40th PARLIAMENT

EVIDENCE

Tuesday, November 16, 2010

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Chair

The Honourable Joseph Volpe

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• (1100)

[English]

The Chair (Hon. Joseph Volpe (Eglinton—Lawrence, Lib.)): A Good morning, ladies and gentlemen.

[Translation]

We are going to get our meeting started.

We have with us this morning, from the Office of the Auditor General of Canada, Mr. Ronnie Campbell, Assistant Auditor General; Mr. Gordon Stock, Principal; from the Treasury Board Secretariat, Mr. Alister Smith, Associate Secretary; from the Department of Transport, Ms. Yaprak Baltacioglu, Deputy Minister; Mr. John Forster, Associate Deputy Minister, Office of Infrastructure of Canada, and from the Privy Council Office, Mr. Bill Pentney, Deputy Secretary to the Cabinet, Plans and Consultations.

That's all, I think. Did I forget anyone? Oh yes, there is also Mr. Paul Rochon, Associate Deputy Minister and G7 Deputy for Canada. And whom do you have with you?

Mr. Paul Rochon (Associate Deputy Minister and G7 Deputy for Canada, Department of Finance): With me is Mr. Benoît Robidoux, Assistant Deputy Minister, Department of Finance.

The Chair: Welcome, Mr. Robidoux.

I understand that Mr. John Forster is with you, Ms. Baltacioglu?

Ms. Yaprak Baltacioglu (Deputy Minister, Department of Transport): You already mentioned his name, Mr. Chairman.

The Chair: Thank you. I hope I haven't forgotten anyone.

[English]

I want to thank the department for sending us an action plan this morning. I think I speak for all members in saying that I appreciate getting it before the committee meeting begins, but the expectation, I think, from all members, was that we would have gotten it considerably earlier so that we could actually have read it. I'm going to make a point on that a little later on, but I thought I would thank you for having provided us with it this morning.

As I understand it, I think there has been agreement among the various departments to have one response rather than to have all three respond separately, so I think what we'll do is immediately begin with the Office of the Auditor General.

Monsieur Ronnie Campbell, Assistant Auditor General.

Mr. Ronnie Campbell (Assistant Auditor General, Office of the Auditor General of Canada): Mr. Chair, thank you for the opportunity to discuss chapter 1 of our 2010 fall report on Canada's

economic action plan. With me today is Gordon Stock, the principal who is responsible for this audit.

This audit examined Canada's economic action plan as it was being launched. It focused on how programs were designed and what steps were taken to ensure that only eligible projects were approved.

The economic action plan is a significant undertaking in response to the global economic downturn in late 2008 and early 2009. The overall challenge for the government was to deliver, within a two-year timeframe, about \$47 billion in federal stimulus to areas in need.

Our audit examined 11 different programs being delivered by 12 departments and agencies, most of which were related to infrastructure. We examined whether the government designed and approved the programs and selected eligible recipients in a timely manner.

• (1105)

[Translation]

As the economic action plan is ongoing, it is too early to report on whether the programs and projects are achieving their intended results. We are currently in the planning stage of a second audit of this initiative, examining whether departments and agencies monitored and reported on the progress of selected programs including whether they were implemented as intended. We expect to report on the results of our second audit in the fall of 2011.

In our first audit, we found that the central agencies and departments had designed programs and streamlined processes to allow stimulus to flow quickly. In many cases they used existing program delivery frameworks and processes. They also found ways to accelerate policy approvals and funding authorizations from the approximately six months normally required to two months.

[English]

Mr. Chair, we also examined whether the projects met the eligibility criteria established by the terms and conditions for the programs we audited. As part of our audit work, we tested 410 projects across the different programs. We found that each of these projects met the eligibility criteria based on the information that departments had received from applicants.

Given the need for speedy delivery of stimulus programs, the government accepted attestations from applicants that their projects were construction ready. We noted that a number of the projects we examined started late, which increases the risk that completion deadlines will not be met. Department officials told us that they have increased their monitoring of projects that are behind schedule. In addition, due to insufficient information being gathered, it was unclear whether some approved projects needed an environmental assessment.

[*Translation*]

Internal audit groups in departments and agencies played an important role in helping to assess risks and determining whether proper controls were in place. The Office of the Comptroller General of Canada within the Treasury Board of Canada Secretariat provided advice and guidance to these internal audit groups. Risks were also addressed through regular monitoring by departmental audit committees and by senior officials. We found that internal audit groups provided management with timely information and adequate advisory services as well as assurance in the form of audits. We were able to rely on three internal audits and included their results in our audit.

The government met the requirement to provide Parliament with quarterly progress reports on the implementation of the economic action plan but found that it was not possible to present a complete picture of all jobs created as the project level data could not be aggregated. Instead, the Department of Finance Canada used a macro-economic estimate of jobs created or maintained as its overall measure.

[*English*]

The significance of \$47 billion in federal spending calls for transparent reporting to Parliament on results. As the Department of Finance Canada and the Privy Council Office shared the responsibility for preparing the quarterly reports, we recommended that they prepare a summary report at the conclusion of the economic action plan showing its impact on the economy. The committee may want to ask the Department of Finance Canada and the Privy Council Office to elaborate on their plan to report on the impact of the economic action plan.

We also made a recommendation to the central agencies to conduct a lessons learned exercise. We found a number of good practices during the course of our audit, which we included in our chapter. We believe that these should be considered in the design and delivery of current and future programs and initiatives. The lessons learned should be applied where appropriate, not only to large initiatives such as this. The central agencies agreed with the recommendation, but the committee may want to ask for an action plan on how they intend to address this recommendation.

Mr. Chair, that concludes my opening statement. We will be pleased to answer any questions your committee may have. Thank you.

• (1110)

The Chair: Thank you, Mr. Campbell.

I think we'll hear from Mr. Smith at Treasury Board, who is speaking for the other departments. Then we'll go to questions.

Mr. Alister Smith (Associate Secretary, Treasury Board Secretariat): Thank you, Mr. Chair.

[*Translation*]

Mr. Chair, thank you for your invitation to appear before the Committee on the Auditor General's Fall report on the implementation of Canada's economic action plan.

[*English*]

I'm joined today by my colleagues from the Privy Council Office, the Department of Finance, Transport Canada, and Infrastructure Canada. I will be providing some brief general comments on behalf of my colleagues. They may wish to add some specific comments as well.

We are gratified by the report's positive findings concerning the efforts of central agencies and departments. The success of the initial economic action plan rollout noted by the Auditor General is a result of much hard work by the government, including many officials.

The Auditor General's report highlights the work of departments and central agencies in developing and reviewing economic action plan initiatives.

She also singles out the important role played by internal audit groups in the departments involved.

The report commends central agencies for working together and in parallel to speed up policy and financial approvals.

[*Translation*]

In keeping with the commitments we have made to the committee, I am pleased to table the central agencies' action plan, which describes how we are following up on the report's recommendations.

[*English*]

There are three recommendations directed towards the central agencies.

The first of these recommendations concerns reporting to Parliament. As the Auditor General's report notes, Treasury Board Secretariat released guidance for departments to report on EAP initiatives in their 2009-10 departmental performance reports in May 2010 and will do so again for the 2010-11 DPRs. The 2009-10 reports were made public on November 3.

The second recommendation concerns final reporting on the EAP. Six reports have now been tabled on the EAP, in addition to the detailed information provided in budget 2010 on job impacts. With several months still left to go until EAP winds down, the Department of Finance continues to monitor the impact of the economic action plan. A final report will be prepared.

The Auditor General's third recommendation calls for central agencies to assess which practices used to implement the EAP could be implemented, where applicable, to provide more timely and efficient processes for the design and delivery of current and future programs and initiatives.

[*Translation*]

As we have indicated in our action plan, we are assessing which practices can be applied to other similar initiatives where applicable.

[*English*]

This concludes our opening remarks. My colleagues may have some points to add.

Thank you very much.

The Chair: Colleagues?

Madam Baltacioglu.

Ms. Yaprak Baltacioglu: Thank you very much, Mr. Chairman.

First of all, our congratulations to you, as our former transport critic, on your appointment to the chairmanship of this committee. While we will miss you on SCOTIC in having long discussions about automobile pedals, we're very pleased that you're here.

As well, we would like, on the record, to thank the Auditor General, and particularly Mr. Stock and Mr. Campbell, for the professionalism and the hard work done by the Auditor General. We very much appreciated that they came into a very complicated situation, but they actually took the time to look in detail at all the efforts that we have put into the departments to balance speed with accountability. We very much appreciate their report and are looking forward to working in their next set of audits that they will be doing.

Thank you.

The Chair: Thank you, Madam Baltacioglu. Thank you for the compliments as well. I can assure everybody here that this is the realization of my greatest ambition.

Mr. Pentney.

Mr. Bill Pentney (Deputy Secretary to the Cabinet, Plans and Consultations, Privy Council Office): Thank you, Mr. Chairman.

Let me add just a couple of brief opening remarks.

First, to echo what Yaprak said, our thanks go to the Auditor General and their team for the professionalism and for the care they took with the work.

Our congratulations to you.

Thank you for the opportunity to appear before the committee. I'd just like to underline three points that maybe go at this in a slightly different way.

• (1115)

[*Translation*]

In Canada, there is a lot of talk about the importance of innovation. We think innovation is important for the future of the country, and there is a very good example of innovation in Canadian public policy. It's also a demonstration of the complexity of innovation.

Here we have a government that is willing to adapt to the processes. We have a public service that is willing to do so, with the capacity to meet the requirements and take the necessary innovative steps. We also have partners, the provinces, municipalities and others, who are willing to join with us in a process of innovation, so that we can meet the dual demands of "delivering the goods" quickly and efficiently, and meeting the needs of transparency and accountability to Canadians.

[*English*]

The second point I would make is that in learning lessons about this, we absolutely take on board the importance of thinking about this in a systematic way, but it will be important for us, first of all, to get the job done. While we should start to learn lessons, we are—all of us—focused very much on the completion of the economic action plan measures, and I would note that this timeline is not yet finished.

Finally,

[*Translation*]

the clerk underlined the importance of renewing the public service. I am not involved in the implementation of that process. I am here on behalf of the Privy Council Office, and it may be easier for me than for the others to say that it's an example of an efficient public service,

[*English*]

with the right people, the right background, the right experience, and the right relationships to respond in supporting the needs of the government, and indeed, responding to the importance of this for Canadians. I'd say that this is an example of the importance of renewing the public service as an institution so that we can continue to provide that sort of service that Canadians rightly expect of us.

[*Translation*]

Thank you, Mr. Chairman.

[*English*]

The Chair: Thank you very much.

We'll go immediately into questions.

[*Translation*]

Mr. Bains, you are first.

[*English*]

Hon. Navdeep Bains (Mississauga—Brampton South, Lib.): Thank you very much, Chair.

Good morning, everyone. Thank you very much for coming to committee today.

My question is for the Department of Transport first. How many projects is the department aware of that might not meet the March 31 deadline?

Ms. Yaprak Baltacioglu: Sir, since the beginning of the economic action plan, we have approved 6,200 projects. We are getting updates. We have a number of projects that are reporting. Out of the reported projects, around 99% of them are either under way or complete.

There is a small number of projects that are delayed. Right now we are monitoring those projects, and we are in discussions with the provinces and the territories, because what they are doing is replacing some of the projects that may be delayed with others, so it's a process of evolution. That's what we're doing.

Hon. Navdeep Bains: Do you have a number?

Ms. Yaprak Baltacioglu: Do we have the exact number?

Mr. John Forster (Associate Deputy Minister, Office of Infrastructure of Canada, Department of Transport): Yes. What we're finding generally across the country is that the vast, vast majority of projects will finish on time for the deadline. The data does come in regularly, so right now we're looking at about 3% to 5% of the projects that we have put at risk of not being completed by the time—

Hon. Navdeep Bains: Okay. So the 3% to 5% translates to how many projects?

Mr. John Forster: It would be roughly a little over 100 projects, though I would caution that we just got some recent data from Quebec for the first time—sort of detailed project data that we're analyzing.

Hon. Navdeep Bains: Could you provide the committee with an updated list of those projects that are at risk, those 100 projects? I know that the number will change and evolve as new information becomes available, but up until this point in time, if you could provide us with a list of those projects that are at risk for not meeting the March 31 deadline it would be greatly appreciated.

Mr. John Forster: Can I just make two points on that? One, as I said, the data does change as we get new information—

Hon. Navdeep Bains: I understand.

Mr. John Forster: —and two, these are projects that we have flagged at risk for extra monitoring. It doesn't mean they won't finish; it means they're large or they were delayed enough. It also doesn't mean that the full federal share of those projects won't be spent. So the large portion could be spent—80%—but 20% might be at risk.

Hon. Navdeep Bains: Thank you.

My next question is for the Auditor General's office. How many of the 410 projects that you looked at do you believe will be at risk for not meeting the March 31 deadline? Of the 410 that you sampled... because you did indicate that in your opening remarks.

• (1120)

Mr. Ronnie Campbell: Mr. Chair, I'll ask Mr. Stock to answer that question, please.

The Chair: Mr. Stock.

Mr. Gordon Stock (Principal, Public Safety and Emergency Preparedness Canada, Justice, Office of the Auditor General of Canada): Out of the 410 we sampled, it ranged from program to

program, as far as those that started late were concerned. What we looked at was a comparison of the date that was in the application as to when they were supposed to start versus the date of when they actually started. It ranged anywhere from 5% to 40%, depending on the projects, and those delays could be for a number of different reasons.

Hon. Navdeep Bains: That's a fairly large discrepancy compared to the numbers we just heard from the Department of Transport. They're saying between a 3% to 5% risk and you're indicating between a 5% to 40% risk. Can you explain why the difference is so big?

Mr. Gordon Stock: Because they're at two different points of time, Mr. Chair. Basically, ours was looking at it early in the process when the projects were just starting, and they started late, as opposed to the point in time the department is speaking of now, which is much more recent.

Hon. Navdeep Bains: Thank you.

My question now is for the Department of Finance. In the 2009 budget, the Minister of Finance said, "Measures to support the economy must begin within the next 120 days to be most effective".

Yet we now see that the recently released performance report on Infrastructure Canada shows that the programs that were designed to provide stimulus did not meet the minister's own targets. For example, the government's own numbers show that in the first year only 25% of the infrastructure stimulus fund of \$2 billion was spent and only 3% of the green infrastructure fund was accessed.

Did these programs not meet their objectives? Or was the minister wrong in his analysis in the budget?

Mr. Paul Rochon: First of all, in terms of the first year amounts, the \$33 billion was actually spent on the economic action plan. That's a massive amount of money in 2009-10.

The government followed an expedited strategy, as you know, to get these programs in place, and the first pillar of that strategy was to ensure that all the authorities were in place by March 31 immediately following the January budget. That was achieved. By and large, although there have been some delays in start-ups, the infrastructure program has evolved more or less as planned.

Hon. Navdeep Bains: Maybe I could get the Department of Transport to elaborate on that, because that didn't necessarily answer the question I was asking.

Thank you.

Ms. Yaprak Baltacioglu: Absolutely. First of all, on the actual money spent, the expenditures, as we say in our departmental performance report—I believe on page 23—we identify that this is probably not the best measure of economic activity in all infrastructure programs, either current programs or past programs, because in infrastructure, project activity, like economic activity, starts the moment the project is announced. So contracts are given out, supplies are given, and construction happens, and the federal government pays only after we get bills from our partners. When the provinces send us the bills, we pay them.

You will find this interesting. Right now, in the infrastructure stimulus fund alone, we're sitting with 1,300 projects that either have been completed or are under way in a significant way, and we have not even one bill from our partners. So it's a bit of a delay issue.

Now what is very important—and the Auditor General may want to comment on this—is that this was a very deliberate action for us: we will pay the bills once they come in, and we pay them within 30 days, but this was part of our risk management framework. The Auditor General said that we had balanced our accountabilities, because we want to make sure the payments go to projects that are actually on the ground, and where nothing went wrong with them, etc.

So there is always a delay. We can give you historical data of all our programs between the start to when the payments are. Economic activity happens in between.

The Chair: I'm sure the committee will look forward to receiving that, Madam Baltacioglu.

I'm going to go to Madame Faille.

[Translation]

Ms. Meili Faille (Vaudreuil-Soulanges, BQ): Thank you, Mr. Chairman.

My first question is for Mr. Forster.

Earlier, in response to a question from my colleague on deadlines, you said that you had received a document from the Quebec government. Would it be possible to table that document here, with the committee? Also, could you tell us where things stand with the various projects in terms of the deadline?

Under the infrastructure program, part of the program has a deadline of 2015. How many of those projects have begun and what is your evaluation of the progress made with those projects for Quebec?

•(1125)

Mr. John Forster: Sorry, could you repeat the last part of the question?

Ms. Meili Faille: Part of the infrastructure program—some of those projects are in my riding—has a 2015 deadline. I would like to know how many of those projects are actually underway.

[English]

Mr. John Forster: For the first part of your question, the documents we've just recently received from the minister in Quebec give us an update on the status of their projects, so we're in the process of analyzing that information. We'd be happy to talk to the

Government of Quebec just to make sure they're okay that we share that information. We'll talk to them and get back to the committee as soon as possible.

For the second part, I assume you're referring to projects under Chantiers Canada, which ends in 2015?

[Translation]

Ms. Meili Faille: Actually, it's a sports facility development project that the Quebec government is involved in. The municipality and the federal government are also involved. The deadline is 2015. There are several of them across Canada. I would like to know how many of those projects are actually underway.

Mr. John Forster: I don't know right now. I don't have the detailed data for each project. However, there are two types of funds. There is the Infrastructure Stimulus Fund, with a deadline of March 2011, and there are regular programs, like the Building Canada Fund, which is a seven-year program, with a deadline of 2015.

I can check if you have any questions about specific projects. I can answer those questions.

Ms. Meili Faille: Perhaps you could give us the list of projects that have been approved in Quebec in connection with that.

When I read the Auditor General's report, I was surprised that it didn't cover investments in information technology infrastructure.

In January 2009, the then Minister of Transport attended a cocktail party with major IT firms. In his speech, he said that the government had earmarked \$12 billion for federal investment in information technology infrastructure projects. He also indicated in his speech that the government of Canada was spending around \$5 billion per year on IT. He also gave a list of programs, including \$225 million over three years for the development of a strategy around what is called

[English]

“extending broadband coverage”.

[Translation]

According to that list, there is \$1 billion over five years for the Green Infrastructure Fund, \$500 million over two years for infrastructure projects in small communities, another \$750 million for research through the Canada Foundation for Innovation, and finally, \$500 million for

[English]

Canada Health Infoway, “to encourage the greater use of electronic health records”.

[Translation]

In order to have the full picture of these initiatives, could you provide us with a table showing all of the various projects, how far along they are, and a rough idea of when they may be completed?

If the funds flow through more than one department, could you please indicate, if possible, which department is responsible for the project?

Mr. Benoît Robidoux (Senior Assistant Deputy Minister, Economic and Fiscal Policy Branch, Department of Finance): Thank you.

Everything you mentioned—broadband, Green Infrastructure Fund, small communities and CFI—is in the economic action plan. It is all underway. You will find it in the “Sixth Report to Canadians”. You won’t find all of the projects in the same place, but in the chapter entitled “Creating the Economy of Tomorrow” you will find a number of them. In the chapter on infrastructure, you will find others.

They are all listed there. There are the amounts spent for fiscal year 2009-2010 and the amounts committed for fiscal year 2010-2011. Several projects are spread over five years, like the Green Infrastructure Fund.

● (1130)

Ms. Meili Faille: Do you have an idea of how far along these projects are?

Mr. Benoît Robidoux: As I said, in the report, you have the amounts spent for fiscal year 2009-2010. That gives you the starting point. You also have the amounts committed for the current year. There is no other information for the following years.

However, it is true that the amounts committed were spread over five years for some projects, like the Green Infrastructure Fund. So it was a bit slower getting started. The amounts spent and committed for this year are there as well as the funds committed over the entire five-year period.

Ms. Meili Faille: I understand that there are amounts committed for each year. That said, I would just like to have an idea in relation to the Auditor General’s report and to know what our expectations are with respect to those projects. Will there be any cost overruns? Will the projects be completed on schedule? That’s what I’m trying to find out, and it’s not in your report.

You can get back to us in writing. Just take the time to analyze the information and get back to us.

I would just like to give the floor to the representative of the Office of the Auditor General for him to explain why these departments weren’t targeted or why these initiatives weren’t analyzed.

The Chair: Mr. Campbell, a brief answer, please.

[English]

Mr. Ronnie Campbell: *Merci.*

Mr. Chairman, the economic action plan was a huge undertaking—\$47 billion—and to conduct an audit such as this.... We can’t audit everything. It’s the same in all of our audits, and in particular in one of this size. On page 28 of our report, we list the programs that we did focus on.

In every audit we do, we have to scope things out, and so those were the ones that were in; we had a heavy focus already on infrastructure, and we thought that the approach we took was sufficient to give a broad conclusion on the whole economic action plan program.

Thank you.

The Chair: Thank you, Mr. Campbell.

Mr. Allen.

Mr. Malcolm Allen (Welland, NDP): Thank you, Mr. Chair.

Thanks to all of you for being here.

As I read through the Auditor General’s report, a couple of things stood out for me as an ex-municipal councillor for a small municipality. One of the sections on page 10, section 1.18, talked about projects that needed to get under way and how the risk could be assumed by the municipality. Whoever happened to run that individual project could accept the risk, go ahead, and start, if the timeline warranted it. They were looking at a two year timeline plus a bit, if they needed it all. Because the assumption was that as of the 31st of 2011, the deal was done.

Knowing that at the time—not knowing what we hear now from the minister, which is that there may be flexibility—they obviously had a hard date to finish. I recognize that this is more of a comment, because I don’t think you have an answer. If you have an answer, it would be wonderful. How many...? There had to have been innumerable projects out there for municipalities that couldn’t accept the risk of financing without a signed contract from the federal and provincial governments to leverage the money, because as a past chair of corporate services for a small municipality, I can say that’s how we operate most of the time, nine times out of ten, especially if the project is large.

Did you get any feedback at all or am I just making a comment?

Mr. John Forster: That’s a very good observation. As for what we did as part of our streamlining to accelerate...normally for a contribution program you’d wait until you signed a contribution agreement. By and large for almost all the projects, our money flowed through the provinces, which then did their agreements with municipalities. We agreed with the provinces that approvals would be given to proponents on the day of the announcement, rather than waiting.

We sent out communiqués through the Federation of Canadian Municipalities, and in Ontario through the Association of Municipalities of Ontario. The minister sent letters to reassure municipalities that if their project was announced, they were good to go. I think that by and large the vast majority did that. There may have been some locally that chose to wait a bit to do that, but the majority went ahead and proceeded. If their schedule wasn’t quite as tight on a project, they may have waited for the certainty.

We tried to make sure that communication was clear: that when it was announced, they were good to go.

● (1135)

Mr. Malcolm Allen: This leads me to the next point, which is also talked about in the report. It talks about deadlines given to some of this and criteria being laid out around it. One of the criteria was said ad nauseam by all folks, in all areas, including parliamentarians, and that was “shovel ready”, which really became.... If somebody would have hit somebody with that shovel, it might have been more appropriate to stop those shovel ready comments.

But what the Auditor General is saying is that indeed some weren't, but then they got approvals. So you can imagine someone like me, who was sitting as the chair of corporate services of a small municipality that had a major project it wanted to do and, because of the timelines, needed to accept the risk, but couldn't. Then we find out later through an audit that programs that weren't ready got accepted after the fact. You can imagine how that municipal council must feel. They would be asking why they didn't just throw theirs back in the mix as well, because they weren't really ready either, and now we have approval processes after the fact.

Again, do you have any sense of how many happened...? I'd expect that it's only a few, but nonetheless, that wasn't the criteria that were laid out and communicated across the country when the program was rolled out.

Ms. Yaprak Baltacioglu: Again, those are good points. The criteria for the program were pretty simple. I appreciate that it had to be ready, and the other one was that a municipality or whoever was working on it could finish that in two years. We had all our partners attest that they would be able to do that. We took the attestation by our partners, by the municipalities, as the proof that the project was ready.

I believe the Auditor General—and they can elaborate on that—did say that there were numerous reasons for delays. Sometimes projects were ready, but they had a contract issue, or they had a conversation with another partner, or it could have been the discussions between a provincial government and the municipality and certain arrangements between them. It could have been something that went off...they assumed that it was ready, but something wasn't really ready. These are individual projects. There are sewer projects and water projects. Anything can go wrong in some of these things and that explains the reason for the delay.

But as much as we know—and the Canadian Federation of Municipalities has said this to us over and over again—they very much appreciated the work that at least our department has done with the municipalities and with the provincial governments, in partnership, in getting this off the ground. We actually have results that we are showing because a number of projects are already completed, and the majority are done, and we have a number of months to go. That's the best I can tell you.

If a municipality had attested that the project was ready but it turned out not to be, I don't have an example of that, but I would say that if there were cases like that, there would be fewer than five or 10 of them, because people took this seriously.

Mr. Malcolm Allen: I understand and I heard what the Auditor General said about how there were different reasons why things happened. But I was really concentrating on the fact that there were some that weren't—quote, unquote—shovel ready. Because, knowing that world—because I came out of it—if a project is not scoped out, it should never have been presented. So if it isn't shovel ready, it's not scoped out.

But Mr. Smith, if I may, when we talk about jobs reporting, we've heard numerous times about all these numbers being bandied about. The Auditor General was quite clear in saying...I'll quote from point 1.64: "In their reports to the Treasury Board of Canada Secretariat, we found that, for the infrastructure programs we audited,

departments used different units of measure and methodologies to estimate the number of jobs created...".

So I guess my question is, how trustworthy were the numbers? Because at one point the word "anecdotal" was used in the Auditor General's report, which is not a very firm number, I might add, for those who work in the numbers area. That's more a politician's jargon when it becomes anecdotal, rather than your firm numbers.

The subsequent question is—because I know my time is going to be up, Chair—are the numbers firmer now in the sense that the methodology is more precise?

The Chair: I want to give Mr. Smith an opportunity to give a very brief answer.

Mr. Malcolm Allen: Thank you, Mr. Chair, for your indulgence.

Mr. Alister Smith: Very briefly, I'll turn quickly to the Department of Finance on this. We did provide some early guidance to departments on collecting job information, and it was quickly pointed out by departments that it would be very difficult to collect the kind of precise information we would want in order to aggregate to good job impacts.

I'll just turn to my colleagues of the Department of Finance here. We decided fairly early on that a better method would be to use a modern econometric model to do this kind of assessment.

• (1140)

The Chair: He's going to have to elaborate, perhaps at the next question—

Mr. Alister Smith: Sure.

The Chair: —because we're well over. I thank you for that, though.

Mr. Saxton.

Mr. Andrew Saxton (North Vancouver, CPC): Thank you, Mr. Chair.

Thanks to our witnesses for being here today.

My first questions are for the Office of the Auditor General.

In the OAG news release on chapter 1, there is a quote that says: "The Economic Action Plan is a huge undertaking, involving some \$47 billion in federal money and a further \$14 billion from the provinces and territories, within a two-year time frame".

Now, is it fair to say that this is one of the largest—if not the largest—undertakings by the federal government on infrastructure spending?

Mr. Ronnie Campbell: Mr. Chairman, I am not aware of any undertaking that was of this magnitude.

Mr. Andrew Saxton: Thank you.

Now, timeliness, of course, was of the essence as well when it came to executing the action plan. On page 8, in exhibit 1.2, there is a comparison between the policy and financial approvals during the regular process versus during the expedited or accelerated process of EAP. Can you walk us through these processes and perhaps highlight the differences?

Maybe Mr. Stock...?

Mr. Gordon Stock: Thank you, Mr. Chair.

This process was something that was put in place for certain programs—not all programs, but where it made sense, where there was already knowledge of the background of the program. The policy approval process was done in a similar timeframe, as well as the Treasury Board financial approval. That allowed them to really reduce the amount of time considerably.

My colleagues from the central agencies may want to comment further on how that was done.

The Chair: Mr. Smith.

Mr. Alister Smith: Sure.

Well, I think the diagram on page 8 that Mr. Saxton is referring to and Mr. Stock discussed is quite revealing. A lot of the work had to go on in parallel between Treasury Board and PCO, and with a lot of coordination, in order to make this work in this way. Normally it's a linear process, where we require policy approvals before we take submissions into Treasury Board for funding approval, and we were able to work in a much more parallel fashion in these circumstances.

Mr. Andrew Saxton: Would you say that these processes were successful, that they achieved what they intended to achieve?

Mr. Alister Smith: Yes, I think they did. They shortened the timeframes for approvals quite dramatically—from six months to two months—without sacrificing the due diligence. So I think they were quite successful.

Mr. Andrew Saxton: Okay. Thank you.

My next question is regarding the new central vote 35, the Treasury Board vote 35, which was included in the 2009-10 main estimates. Can you explain the impact that this vote had on getting money out the door more quickly?

Perhaps Mr. Stock could start.

The Chair: Mr. Campbell or Mr. Stock?

Mr. Stock? Great.

Mr. Gordon Stock: Thank you, Mr. Chair.

Vote 35 could be seen as something like a financing mechanism to be able to make the funding available to programs earlier than waiting for the supplementary estimates process. The ability to deliver that through a delegated authority sped the process again, in being able to make that available and make the authorities in place at an earlier time. Again, the representative from the Treasury Board Secretariat may want to comment further, as that was under their responsibility.

The Chair: Mr. Smith.

Mr. Alister Smith: Thank you, Chair.

I think that's accurate. I don't have anything to add.

The Chair: Mr. Saxton.

Mr. Andrew Saxton: This was a very controversial vote 35. I know, because I defended it many times on panels. Would you say that in hindsight it was a success and it did achieve what it intended to achieve?

The Chair: Mr. Campbell.

Mr. Ronnie Campbell: Yes, Mr. Chairman. It was put in place appropriately and it did help expedite the economic action plan.

Mr. Andrew Saxton: Thank you.

Now, the TBS, the Treasury Board Secretariat, conducted an internal audit on the management of this vote 35. Will you explain to the committee why you were able to accept the internal audit and what its findings indicated? That question would be for the Office of the Auditor General.

Gordon Stock.

• (1145)

Mr. Gordon Stock: Thank you, Mr. Chair.

This is one of three audits, internal audits, that we were able to rely on. Being able to rely on an internal audit is something that is under the provisions, under the standards, of the Canadian Institute of Chartered Accountants. We follow a very rigorous process in being able to make sure not only of the expertise of the individuals... the conduct of the work was done in such a way that we can include that work as part of our own. So this is an area where the internal audit community has greatly advanced in recent years.

Mr. Andrew Saxton: Is this the first time that the OAG has accepted an internal audit from a government department?

Mr. Gordon Stock: This would be the first time that we have been able to fully accept three audits in the same report.

Mr. Andrew Saxton: Thank you.

Mr. Chair, how's my time?

The Chair: You have about another minute and a half, together with responses.

Mr. Andrew Saxton: Thank you very much.

Paragraph 1.22 says, "We found that the programs we examined were designed in a manner to allow for timely implementation while maintaining suitable controls".

What are some of these controls that were put in place? Perhaps Mr. Stock can answer that.

Mr. Gordon Stock: Thank you, Mr. Chair.

The types of controls that were put in place are whether or not authorities are followed correctly, whether or not the applications are received and completed in a manner that meets all the criteria of the terms and conditions of the programs, and that before any funds are disbursed different requirements and authorities are met as well.

Mr. Andrew Saxton: Finally, would you say that there was a coordinated effort between departments and central agencies when it came to designing these programs?

Mr. Gordon Stock: Yes, there was.

Mr. Andrew Saxton: Thank you very much.

Thank you, Mr. Chair.

The Chair: Before we go to the second round, I want to give Mr. Rochon an opportunity to elaborate on the response Mr. Smith had been preparing for Mr. Allen. I think it was a question about the jobs and the macroeconomic model associated with them.

Perhaps you'd like to comment on where the number of 130,000 came from and how that's affected by the provincial contribution to the program.

Mr. Paul Rochon: Indeed, some of the issues you just raised are quite pertinent. I guess there's a series of issues.

First, we were looking in terms of infrastructure projects at a wide number of project proponents, each of which may have their own view as to what constitutes a job. Is a three-month job a job? Is it a third of a job, for example? We had no assurance that the job numbers reported would be at all consistent between one proponent and another, and to get consistent data would have taken considerable resources. That's one.

Two, many of the job impacts related to the action plan of course weren't directly related to projects per se, but involved things like tax reductions, increased EI benefits, and other benefits. Those were as equally important in job creation as some of the project-level data.

So we came to the view that in terms of both value for money and expediency, it was better to rely on a model-based macroeconomic approach that could provide a global overview of all the job impacts of the entire program, as well as the indirect impacts that are significant and of course will not be picked up by the reports one would get from individual proponents.

I think by and large our approach has been.... This is always clearly an area of judgment, but I think by and large it's fair to say that the approach we've taken has been, first, consistent with that taken by the U.S. administration. In fact, the Government Accountability Office in the United States has subsequently raised a lot of the issues that we identified with regard to getting project-level data.

I'd also point out that we submitted our overall macroeconomic assessments to a group of private sector forecasters and economists to get their sense of whether they thought what we had done was reasonable, and by and large they indicated that they did.

The Chair: Okay, Mr. Rochon.

Monsieur D'Amours, for the second round of five minutes each.

[*Translation*]

Mr. Jean-Claude D'Amours (Madawaska—Restigouche, Lib.): Thank you, Mr. Chairman.

My first question is for the people from the Office of the Auditor General. This first report looks at the work that has been done. Could it be said that your findings in this report don't necessarily apply directly to what will be in your next report to be released in the fall of 2011? Is that correct?

• (1150)

Mr. Ronnie Campbell: Thank you for the question.

[*English*]

Mr. Chair, I wouldn't say there was no relationship between them. In the first audit, this audit here, we audited the design, the delivery, the launching, and the paving the way to get the programs financed. In the second audit, we will be looking at how that played out and how that happened. But there certainly is a link between the two of them.

We hope that one of the benefits of auditing on the timely basis that we have done—i.e., now, rather than after the program is completed—has allowed us to identify what we think are risks that the government should pay attention to, namely, the risk of some projects not being completed. So we've identified that risk in this audit and we'll go back in the second audit and make a determination on just how many of those projects didn't get completed.

So yes, they're two different audits, but I think they're quite closely related.

[*Translation*]

Mr. Jean-Claude D'Amours: I understand that there may be some resemblance, but still, there is a difference between setting up programs and monitoring and enforcing the rules while the work is being carried out and the money is being spent, etc. There is still a line between the two. Do we agree on that?

Mr. Ronnie Campbell: Absolutely. I agree.

Mr. Jean-Claude D'Amours: Fine, thank you.

In connection with what you said earlier, Mr. Campbell, about jobs, we received an action plan from Treasury Board Secretariat, an action plan on the economic action plan. We got the email at 9:30 this morning. I wouldn't say this was done over coffee this morning and then sent to us. I wouldn't go that far. However, I have to say quite frankly that reading the responses is one thing and understanding what you are trying to do is quite another.

Take recommendation 1.69. The idea is to determine the impact, what the actual impact is. It's not about coming along and “chucking” money left and right and creating an economic stimulus package to put people to work. We also want to know what impact this will ultimately have.

Then it says in the “Actions and Timelines” column that “the Department of Finance continues to monitor the impact”. Let me tell you, that doesn't do much, nor does it give the impression that you know the actual figures and what this has done directly for the economy.

I would like to come back to what you said earlier, Mr. Rochon, about your macroeconomic analysis to determine the number of jobs that will have been created. You were aware of the recommendations of the Office of the Auditor General. But I don't know how you are going to be able to monitor the impact of the economic action plan since you have already decided to use macroeconomic analysis to determine how many jobs will have been created by the economic stimulus package.

To put it bluntly, coming up with an action plan on the economic action plan is a pretty weak response. I don't know what you were hoping to accomplish by writing these three responses for us and then sending them to us at the last minute. I wouldn't be surprised if some people were embarrassed about sending this to us, because there are no concrete results in it. There are things that are asked for, there are things that are...

Do I have any time left, Mr. Chairman?

• (1155)

The Chair: No.

I will give you 10 or 15 seconds to answer, Mr. Rochon.

Mr. Paul Rochon: In terms of assessing the impact of the economic action plan, when the government announced the plan in 2009, we attached our assessment of the anticipated impact to the budget document. Then, in Budget 2010, we published an update to that same assessment to say where things were at. Very recently, in the Sixth Report to Canadians, we included another economic impact assessment. The work being done and that will be done on economic impact, on the output or jobs, is fairly well established and has been published three times already.

Similarly, we will be updating that work, using as input all of the data from departments on actual spending. And as I said before, our approach was validated by private sector economists, who...

[*English*]

The Chair: Perhaps we can come back to it later, Mr. Rochon.

Mr. Paul Rochon: Sure.

The Chair: I said I was only going to give you about 10 or 15 seconds, and it was considerably more.

Mr. Kramp.

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Thank you, Mr. Chair.

I welcome our guests.

Most of my background has been in the private sector, where if you want something done you make a decision and get on with it. Generally, the government is viewed as moving at a snail's pace in most activities, but I absolutely have to eat those words at a time like this.

Quite frankly—and I say this to Transport in particular—you did an absolutely incredible job. It was incredible: the rate of implementation, the establishment of the parameters necessary, and the level of accountability. Quite frankly, I think a lot of us were sort of holding our breath, knowing it was an enormous task.

So here's what I would like to know: how did you particularly balance that need for speed with accountability? What best practices could we hear from you so we might be able to apply them in other domains?

Ms. Yaprak Baltacioglu: Thank you very much for the comments. I must say it's been an honour for me, Mr. Forster, and all of our team that we got to work on something very important for the Canadian economy. It has been an honour, and yes, it was hard work, but we're very happy that we had the opportunity to do this.

For some best practices, first of all, it was very important to involve our internal audit function early on in the process. They did readiness assessments of our programs. It's usually good to anticipate the problems you're going to have, assess your readiness, and fix your problems before you run into problems. It's pretty simple, but it's a very important best practice that we will employ for years to come.

The other issue is that we have a fully functioning external audit committee. They're external members and they ask us tough questions, but because they are from outside the government, they have a different view of things. They have been part of our control

framework and they have been asking us pretty challenging questions, which always results in improvements.

Another issue is, as the Auditor General mentions, that we used an information management system, so all our applications can come online, but also, the particular database flags the problems we're going to have. If, for example, a project was supposed to start at a certain date and suddenly it's slipping by six months—out of 6,000 projects, you can't do this by hand—it pops up to say that you should look at this project because there may be a problem. It gives us a control mechanism.

As for other best practices, risk management was a real issue, because we had a lot of money going through and tight deadlines. You can make mistakes. We had accepted that we can make mistakes, but the fact we had a good sense of the risks and the mitigation strategies in the department was a huge, huge help to us. Another one was that before we submitted anything for approvals, we had internal control processes that went through and chaired by Mr. Forster. They approved every project in terms of the conditions and whether they met those. One by one, every one of them was reviewed by a panel.

The last thing is that without the partnership with the municipalities and the provinces, we could never have done this. Huge credit goes to them. We were the federal arm for the infrastructure programs, but they were the real winners.

• (1200)

Mr. Daryl Kramp: That's great. Thank you very much. Certainly the lesson is well learned. If we can just spread the good news in the way we go on, I think we can all benefit from that.

I take a look at the projects in my riding. We had 29. I can honestly say that 26 of them are either completed and/or in the final stages now. Two are just slightly behind. Only one is in jeopardy, but I think it's a small one, and it could be completed in a couple of months. Do you think it's fair to say that you can extrapolate that kind of ratio is across the country, or would this be...? As an example, every member here should know darn well exactly the status in their own ridings, so I'm assuming.... Have you found regional variances in that or is that just a personal knowledge one only...?

Mr. John Forster: No, I think that's a reasonably good assessment. But as I said, it varies across the country. Our general sense at the moment, depending on the data we get, is around 3% to 5%, so the vast majority of projects will come in by the program deadline. Each one has some different reasons why.... I know of a project where they were going to build a pedestrian bridge, for example, and when they did consultations with the community, the community didn't want it. That delayed the project, but we then help and replace projects that can't go through.

Mr. Daryl Kramp: Well, just one quick question—

The Chair: Thank you.

Monsieur Nadeau.

[*Translation*]

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

Good afternoon, everyone.

Just off the top of my head, the federal budget of Canada is around \$280 billion, and that includes some \$47 billion under the economic action plan. We're talking here about one sixth of the budget of Canada going to economic stimulus. I don't know whether you'll be able to answer my question, but I'm going to ask it anyway.

How much money is left in the economic action plan? My question is for the representatives of the Office of the Auditor General or of the Department of Finance.

The Chair: Mr. Rochon, can you answer that question?

Mr. Richard Nadeau: Is there any money left in the economic action plan's piggy bank?

Mr. Paul Rochon: In September, the government indicated that of the \$29 billion for fiscal year 2010-2011, \$28.6 billion had been committed, virtually all of the money.

Mr. Richard Nadeau: Apparently, there is around \$400 million left, a tiny portion of the fund.

I would like to know whether municipalities, provinces or stakeholders can still apply under this stimulus package.

Mr. Paul Rochon: [*Editor's Note: Inaudible*] for Infrastructure Canada.

[*English*]

Ms. Yaprak Baltacioglu: First of all, the program is ending. It was always meant to be timely and targeted, so the March 31 deadline is coming soon. If there is any money left, it would usually be because a province or a municipality wants to swap a project—for example, if a project is no longer a priority. It could be anything. They come to us and we have been swapping projects, the things that are not making progress, for something they need. Right now we're sitting on having committed all our money to these projects, so whenever flexibilities happen, we swap.

We're finding across the country, especially in a number of western provinces, that sometimes the estimates they have given us—and they had received—were larger than actual costs of the project. They're coming in under the costs. If they end up getting some flexibility, we're making sure that the province and the municipalities can fill that gap so they don't leave any money on the table. Because all of these projects are important to the communities and actually create work and jobs for Canadians. We're showing all the flexibility, but time is starting to run out.

If you need a specific number, I don't have it, but we can get it for you.

• (1205)

[*Translation*]

Mr. Richard Nadeau: In any case, I think that we have an idea of where we are headed.

My question is for the officials from the Auditor General's Office.

At the bottom of the column on the left in the table on page 28 of chapter 1 of your report, it says “Investing in Federal Buildings”. Beside that, you have number 21. I am a bit confused. There are 3,390 projects and 351 buildings. Are we talking about 21 samples

that were taken from the 351 buildings that account for close to 3,390 projects? Is that correct?

[*English*]

Mr. Gordon Stock: Thank you, Mr. Chair.

In this case, how we did our sampling was first of all by building. Then we picked a project within that building. Out of the 351 buildings, we looked at 21 buildings, and then picked a project in that building as our sample item.

[*Translation*]

Mr. Richard Nadeau: There are nearly 3,400 projects.

[*English*]

Mr. Gordon Stock: That's right.

[*Translation*]

Mr. Richard Nadeau: Very well.

Do those buildings cover all of Canada or a specific region? There must be some enormous buildings, given the ratio of 351 to 3,400.

[*English*]

Mr. Gordon Stock: Mr. Chair, it is across the country that we drew our sample from. Depending on the building, there can be 100 projects for one building, in some cases. Some of the projects are very small. Other projects are quite large.

[*Translation*]

The Chair: I must now give the floor to Mr. Dechert.

[*English*]

Mr. Bob Dechert (Mississauga—Erindale, CPC): Thank you, Mr. Chair.

Ladies and gentlemen, thank you for being here today and sharing this important information with us.

Also, through you, thanks to all the officials in the Canadian government who work with you. I want to thank you for all the hard work and the late hours you've all put in to make sure these projects proceed. They're very important for our country, and I think we can see the results in our economy today because of the very diligent work that you and your staff have done in getting these projects under way.

I come from the city of Mississauga, and I can tell you that I had many discussions with Mayor Hazel McCallion about the deadlines required under the projects and the eligibility of the projects that the City of Mississauga was putting forward. She and her city manager, Janice Baker, and the city council and all their staff took these criteria very seriously.

She said to me on a number of occasions in those conversations that she would not gamble with the money of the citizens of Mississauga. She runs the largest debt-free city in Canada and probably the world. She's very proud of that, and we're very proud of it, and she doesn't want to see the city going into any debt if projects aren't completed on time.

So she took it very seriously: they moved extremely quickly once these projects were approved. In fact, within weeks of the approvals in June of 2009, I attended some projects that were under way. One of the projects was rebuilding seriously deteriorated sound walls around neighbourhoods. In early July of 2009, the shovels were in the ground.

The contractor for that project, which I think was just under \$2 million for all of the sound walls across the city, mentioned to me that he had hired 33 employees to do that installation and that a number of other employees had been hired at the company that manufactures the materials for the sound walls that were being installed. I was able to see these things under way.

You mentioned, Ms. Baltacioglu, that there were over 6,200 projects approved across Canada. That's a staggering number. I believe you also said that 99% of those projects were under way and that one per cent or thereabouts might be at risk.

Could you tell us whether you have any status on the Mississauga projects? Are any of them at risk?

Ms. Yaprak Baltacioglu: I'm not sure if we have data down to the municipality level, but we definitely can get you the data. Just to recognize the mayor, yes, absolutely this mayor is very well known to us and greatly appreciated.

But that is just one example. Our experience has been phenomenal across the country. The mayors and the municipalities took this very seriously.

We will get you the Mississauga projects. We have province-by-province updates, but we don't have the municipalities.

• (1210)

Mr. Bob Dechert: That's very good. I appreciate that. I believe there were more than 138 projects approved in Mississauga. The vast majority of them are under way, and many are already completed. That's certainly my understanding. The mayor gives me a fairly regular update on these. That's very helpful.

This is a question for the Auditor General's office.

Having each project comply with the eligibility and legal requirements is obviously important, and I understand that in preparing your report you reviewed a sample of 410 projects from nine different programs and examined whether these approved projects met eligibility requirements. Could you tell us what you found in your sample, generally speaking, when these projects were reviewed?

The Chair: Mr. Campbell.

Mr. Ronnie Campbell: Thank you, Mr. Chair.

I'll ask Mr. Stock to give more detail, but I will just say that the projects we audited met the eligibility criteria.

Mr. Bob Dechert: You didn't find any that didn't meet the eligibility requirement? Did you find any at all among the ones you sampled that did not meet that requirement?

Mr. Ronnie Campbell: No, we did not.

Mr. Bob Dechert: Okay. Excellent.

I have another question for the Department of Transport. I understand that the internal and external audit committee helped you with getting management controls in place. Could you explain that process a little more?

Ms. Yaprak Baltacioglu: In terms of our internal audit shop, they did four things. One was the readiness assessment, which I mentioned earlier, which basically was, "Are you ready with your programs?"

The second thing they did is something called process mapping. It sounds technical, but basically it asks, from the application to the money going out, what process is followed and where the gates of control are. So when you chart it out, you look at the chart and you know that you have no controls at that particular moment, so therefore you have to fix that. This helps you. But it also helps you to remove the duplicative actions. Because sometimes when we're trying to be really, really careful with money, we put too many levels of control in, and then the system blocks. So it has helped our efficiency, but also the process.

The other thing they have done is something called continuous auditing. Basically, they're looking at the programs on a continuous basis, which is a best practice, because with an audit that comes after the fact, the program is gone, and what are you going to fix? Yes, it's a good lesson for the future, but in this case, we had the auditors watching the program design and delivery as it was happening.

In some ways, it's the same thing with the Auditor General. The moment they were there, it actually focused our minds further on the controls.

Mr. Bob Dechert: Would you say—

The Chair: Thank you, Mr. Dechert and Ms. Baltacioglu.

Mr. Allen.

Mr. Malcolm Allen: Thank you, Mr. Chair.

I appreciate, Chair, that you asked Mr. Rochon to finish off the piece about the macro job numbers, although I have to be candid: I'm not overly pleased, in a sense, that we're looking at the macro. I understand the difficulties of a macro look at what five weeks of additional unemployment means to an economy. It gives you a macro number, but I can tell you that in my riding of Welland, five weeks did mean a heck of a lot.

It meant something to those individuals, but that economy is still almost stagnant, and it has been for 13 years, though, so I can't blame it on this past 18 months. We have seen manufacturing malaise there for the last 13 years. It has simply accelerated over the last 18 months. It is simply a different indicator.

In the Auditor General's report, Mr. Campbell, you actually talked about the sense that you did get some decent hard numbers from certain projects, and then you got unreliable stuff from other projects. I guess my question is, would it not seem appropriate, since you can do it in some projects, specifically when you're counting the numbers of jobs...? A lot of it would come out of infrastructure, to be quite frank.

If you decide, as in one of my municipalities, to redo the streets, including sidewalks, sewers, curbing, and all the rest of it, you hire a contractor. The report from the contractor can be that they put x number of hours on the street, and that breaks down to the great FTE, which I find really difficult to explain to real people in regard to what that means in the sense of how it impacts upon them.

I guess this question is for you, Mr. Campbell. Is this not hard data that we really should get in the sense of making it a real number rather than the sort of big picture from 10,000 feet?

• (1215)

Mr. Ronnie Campbell: Thank you, Mr. Chair.

I'll start off with a disclaimer. I'm not an economist and I won't ever be one—

Voices: Oh, oh!

Mr. Ronnie Campbell: —and I understand that this stuff is frightfully complex and difficult.

Your question is a good one. There were some hard numbers that the government was able to get from some programs in some departments. As to why they didn't go further with this, I think one of the witnesses already answered that, or answered part of that in terms of the complexity and timing that was needed.

There are economists who think that the macroeconomic approach can yield some good information. There may be other types of information that can be put together with it. Our recommendation is that the government do an assessment of the impact of the economic action plan. I think it's up to the government to decide how they're going to go about doing it.

Mr. Malcolm Allen: I appreciate the comment.

Let me go quickly, because I know time is limited. Part of the criteria, and perhaps infrastructure, or Transport, wants to sort of take on this piece. The federal environmental assessment piece was suspended, if you will, if I can use that term, in the sense that it wasn't required on these projects. Environmental assessments were relied upon if they were done municipally, or on a project level, or a provincial level, or whatever the case may be. That information was relied upon.

The auditor's report has suggested that in some cases.... They actually said that of their "sample of 52 approved projects", they found that for the assessments under the new regulations, 35 "lacked sufficient information". The department's response was to go back out and say that they talked to those 35 folks, that they didn't do site visits, but they talked to them and relied upon them saying they were compliant.

So I guess the question is, did we get any follow-up hard information that says they were compliant, so that we actually know? Because that's a significant number for a sample size: 35 of 52. That's very, very large and it's actually beyond what it should be. For the sample size, it should be less than 10%. Of the sample size, it should have been 5.2%, to be honest, where the information was lacking. To have 35 of 52, we're talking about a magnitude of over 70-odd per cent. That's a huge number.

Did that not raise an alarm bell and close one of your gates in that timeline process, where folks maybe should have gone out—at least of a sample of 35—and should have said that they ought to site visit at least 10% of them? That would have meant 3.5—let's call it 4. I wonder if you have any sense of that.

Ms. Yaprak Baltacioglu: First, I just want to make a comment. The Environmental Assessment Act was not suspended. Let me just park that, because you didn't ask that, but with that comment I had to clarify.

First of all, I think for the sample size, yes, it looks like a big number. The Auditor General pointed to the fact that in the application form we asked if a project was near a federal environmentally sensitive area. What we didn't ask was if it was near a provincially designated or a municipally designated environmentally sensitive area. That is what they were pointing to.

So when we did the assessment—and our colleague who did the assessment is in this room—they basically had to look at the location of the project and whether it was 250 metres away from a park or an environmentally sensitive location. This is easily determinable in terms of where the location is, so when we confirmed that, all that sample came out that no, they did not need an environmental assessment, and our colleagues from the Auditor General's office found our analysis and our reaction to that to be satisfactory.

That being said—

The Chair: I'm sorry. I was about to signal.

Mr. Payne.

Mr. LaVar Payne (Medicine Hat, CPC): Thank you, Mr. Chair.

I'd like to thank the witnesses for coming today.

Canada's economic action plan was huge for my riding. I had the opportunity to talk to all the mayors and the reeves throughout our riding. Medicine Hat is a fairly large riding in the southeast corner of Alberta and is about the same size as the island of Taiwan. I can tell you that throughout the whole riding we saw numerous projects, whether it was roads or work on bridges, infrastructure, the RInC program, community adjustment funding, or knowledge infrastructure, there was money there.

What I saw was the huge acceptance by the municipalities, as well as our other partner, the province, to fund these projects. As a result of that, we have numerous projects that were approved and are well under way. In fact, I have been able to attend a number of the projects that have been completed.

I have never seen so many happy mayors and reeves throughout our riding. The individuals and community members were totally supportive of all of these projects. We had small RInC programs in very small communities. People were just delighted to get their baseball diamond fixed up and repaired and to get new diamonds. From that standpoint, it was absolutely great.

I understand that there may be one project within our group, by the City of Medicine Hat, on water treatment, and they're saying that it may be delayed slightly. It could still come in on time, but part of that was because of the massive floods throughout southeast Alberta this last June. From that standpoint, there was a bit of an impact.

I didn't go around and count the number of people who were working, but I talked to people on most of projects and they told me that they were hiring local contractors. A number of organizations were hiring local people to get these jobs done, and the communities said these projects needed to be done. From that standpoint, I was absolutely delighted that in fact the program has been so successful.

One of the things we did talk about was the accountability. One of the questions I would have for the Transport Canada folks is, in terms of the accountability and the speed, how do you balance being able to get that done?

I have to appreciate all the civil servants who worked on these projects, all the hours and everything. I think they did an absolutely fabulous job.

• (1220)

Ms. Yaprak Baltacioglu: I see a number of things. I think that Infrastructure Canada very much appreciated the fact that all of the approvals by the central agencies were expedited. They may want to comment on that. There were policy approvals and approvals through Treasury Board.

The Auditor General has that chart that shows what the normal process was and what the expedited process was. That definitely was a big deal for us. It allowed us to really push for the right timelines in terms of delivery.

The other issue is being very aware of the fact that you're under a crunch timeline and being aware of the risks involved. We put in the absolute and necessary accountability elements, stayed true to the Financial Administration Act, and made sure all the rules were followed.

It took a lot of hard work, but we had Infrastructure Canada. We worked quickly with our minister and his office in terms of making sure that the political interface with our officials was carried out effectively so that paper moved back and forth effectively, and people worked really hard.

Our minister was respectful in terms of all of our concerns around accountability. We put all of our controls in, which included me as the accounting officer and my colleague as the associate deputy. That was actually a big success factor.

The Chair: I have to go on to Monsieur D'Amours.

[*Translation*]

Mr. Jean-Claude D'Amours: Thank you, Mr. Chair.

I would like to come back to Mr. Rochon.

If you are unable to answer, please let me know so that I can question someone else.

Earlier you said that a first analysis had been done, which was then followed by a second. Based on the latter, are you able to state how many jobs would be created by the economic action plan? I do not know if your data represent full-time jobs, but I would appreciate your giving me that information.

• (1225)

Mr. Paul Rochon: Up until September 2010, it was estimated that the plan created or preserved some 200,000 jobs.

The Chair: I am sorry, Mr. Rochon, did you say 100,000?

Mr. Paul Rochon: Two hundred thousand.

Mr. Jean-Claude D'Amours: I would like to get some clarity in that regard. I would like to know how many jobs were maintained.

You have conducted a comprehensive analysis, with comprehensive figures on the number of jobs that were maintained and created. What is important or what would be interesting to know is how many jobs were maintained and how many were actually created.

We all want taxpayers to get their money's worth. I would like to return to what Mr. Nadeau touched on earlier. Approximately one sixth of the Canadian budget has been allocated to the economic stimulus plan: we would therefore expect to get our money's worth.

Are we talking about jobs that were maintained? Are there actually people who lost their jobs and for whom new ones were created, or are these people who were already in the construction industry and who, from one year to the next, worked on one project or another? Do you have such figures?

Mr. Paul Rochon: Clearly, it is very difficult to make such an accurate distinction in times of recession. However, we can give you a very general estimate of the number of jobs related to employment insurance measures, which were jobs that were maintained rather than created, and the number of jobs related to the infrastructure program, which would be a mix of the two types of jobs. However, I would say that...

Mr. Jean-Claude D'Amours: Mr. Rochon, you understand the important issue raised by my question. We want to make sure that Canadian taxpayers get their money's worth, both now and in the future. We need to know how many unemployed workers benefited from jobs created as a result of the economic action plan.

We can talk about EI, but that is not what I am getting at. We need to know the number of people who had left the labour force and were able to return thanks to that program.

Mr. Paul Rochon: I would respond by saying that there would be an additional 200,000 unemployed workers in Canada today if the government had not implemented the economic action plan.

Mr. Jean-Claude D'Amours: Mr. Rochon, what you are telling me is that everyone working in the construction industry would not have had jobs during the two years of the economic action plan. That is what you are suggesting.

Mr. Paul Rochon: No, not at all.

Mr. Jean-Claude D'Amours: Some 200,000 workers did not become newly unemployed. Some people were already working in construction and continued to do so during those two years.

I want to know how many jobs were really created as result of the economic action plan.

Mr. Benoît Robidoux: We cannot give you a direct answer to your question; no one can.

Coming back to the construction sector, and in order to give you some more information on the number of jobs created and maintained, I would say that the decrease in employment in the construction sector was quite marked during the last recession in the 1990s. At the time, the number of unemployed in that sector increased considerably, and it took quite a while before things recovered. This time around, we had a relatively significant decrease, albeit less so than during the recession in the 1990s, and the recovery has set in much faster.

There is a distinction to be made. Are we talking about jobs that were created or jobs that were not lost? It is a bit of both. The same person might have experienced the two, i.e., he might have changed jobs during that time, maintained his job during the first year and found a new one in the same construction sector the following year—a job he would probably not have found were it not for the economic action plan.

We simply cannot give you a direct answer to that question. Things will have been different for each individual. When comparing the periods, we see that...

● (1230)

Mr. Jean-Claude D'Amours: Mr. Robidoux, that is exactly why it is important to know the impact the economic action plan has had.

The Chair: Mr. D'Amours, I am afraid your time is up.

[English]

Mr. Richards.

Mr. Blake Richards (Wild Rose, CPC): Thank you.

Thanks to all of you for being here today.

At the risk of sounding like a broken record, I suppose, I do think this needs to be said. Certainly I offer my thanks as well to the department for the great work you did in getting this stimulus money implemented and out quickly.

By all accounts, certainly, it has been an unprecedented undertaking, one that has been lauded all over the place as a very important aspect of the action plan that our government came out with, one that has been very helpful in bringing our country through a very tough time, and one that has provided an enormous amount of benefit to municipalities all across the country. Certainly I offer my congratulations to you on a very great job in getting this done.

Now, I think it also needs to be said that the willingness on the part of the department and the officials to work with various municipal partners in terms of being able to help them, in supporting them and providing advice and support, has been invaluable. I can speak to just one example from my riding, and there have been a number of them, because I've heard from a number of my municipalities as I've kept in touch with them to find out how their projects are coming along. Over and over, I've heard from them great things about the work they've had in terms of dealing with the department. They've been very pleasantly surprised by how open the department has been in working with the municipalities. I just wanted to pass that along to you, because I've heard it time and time again.

I think there were really two aspects to the infrastructure funding that were key in terms of how quickly we were able to deliver this funding, and how quickly we were able to see results for the country and for municipalities and deal with the infrastructure challenges that many municipalities have. I know that in my riding, Wild Rose, which is near Calgary, Alberta, we certainly have had a number of challenges that we've had to deal with, and this has been very, very helpful to a lot of municipalities. They've been very thankful for what we've been able to do and how quickly it has been done.

I think there are two aspects. The first one is how quickly we were able to work with our provincial and municipal partners in order to get projects started. I only have to look back to the previous Liberal government's infrastructure plan that they put forward in 2003, which was called the municipal rural infrastructure fund, to see an example that certainly didn't happen nearly as quickly. That was announced in budget 2003 by the Liberal government and it took three years to negotiate and sign agreements with all the provinces and territories. It's a very big contrast to what we've been able to do.

Then you look at the spending that happened under that program. In the first year of the program, 2003-04, zero dollars were spent. In the second year of the program, 2004-05, again zero dollars were spent. The third year of the program, 2005-06, had nearly the same result: \$418,000 out of a fund of \$1 billion fund, or less than four one-hundredths of a per cent, was spent in that third year.

So obviously there was some unprecedented and very quick work by the department and our government to deliver this funding.

The second aspect was, I believe, being able to be clear with our partners in the provincial and municipal governments in terms of their understanding of the commitments that needed to be made to ensure that this happened quickly, in making sure they understood there was a deadline to the completion of the projects, and in working with them to try to find ways to help them complete the projects in time. I've certainly heard many examples from my municipalities about the department doing just that: being very clear with them about the deadline and making sure projects could be completed in time.

I'd like to hear from the departmental officials. How important do you feel that aspect was in terms of being able to get these projects completed quickly?

Ms. Yaprak Baltacioglu: Defined timelines definitely helped, but also, the country—well, the whole world—was in serious recession, and the anxiety around that actually brought about a lot of concrete action.

● (1235)

Mr. Blake Richards: Thank you.

Do I have some time left?

The Chair: You have five seconds.

Mr. Blake Richards: Okay. Well, I guess we're done there, then.

The Chair: Thank you very much.

Madam Baltacioglu, I just wanted to go over something, if you don't mind. You gave us an indication that your department had received some 6,300 projects that it approved. You didn't say how many were not approved. That works out to about 20 projects per riding around the country. I just want to give an indication of the dissemination; I don't know whether it was that. It's immaterial.

But that would suggest that the department had struck a strategic view of what needed to be approved or not. Since you approved I guess about 99%, I'm wondering what that strategic view might have been.

Ms. Yaprak Baltacioglu: Well, the program funding was allocated per province on a per capita basis, so the strategic view was basically the reality of where the population is and where the needs are.

So the rest of it was.... We have an application process. The provinces kept on applying. We already had some applications, so we showed flexibility across the country because we had to expedite the program and the intake. We had some projects under the Building Canada Fund's communities component; they were already there, ready to go. So we used those and worked with the provinces to see if they were the priorities.

I don't think we had a particular "this is how many we will fund in such an area".... It was basically that priorities were set between us and the provinces—and municipalities in some cases. I don't have an average per riding. I don't have that kind of information.

The Chair: I really wasn't going there.

Ms. Yaprak Baltacioglu: Basically it was an allocation across the country on a per capita basis. That's what we did.

The Chair: Mr. Rochon, if I could go back to some of the numbers that Mr. Allen tried to get you down on, I think several said that the basic rationale was "shovel ready". It was a word that I think several of you used. A shovel-ready project would indicate typically that the financing was in place, would it not?

Mr. Rochon, you're the guy in Finance, so I'm just wondering from a Finance point of view....

Mr. Paul Rochon: It depends on what you mean by financing. I would say that a shovel-ready project means that the project is well scoped out and most of the approval processes have been gone through, but I would have thought the financing was the last thing, actually, that would take place. But I'd leave it to my colleague in Infrastructure to follow up.

The Chair: Well, maybe he could, but I just want to come back down to that for a second, because I think all of us are interested in making sure we get value for money.

So if the projects are shovel ready and all the programs are scoped up, and all that's required is an application by the provinces, as we gathered today, to come to the federal government to engage in a program whereby the financing flows to a program that had already been scoped out prior to being stimulated, was the process checked out for whether it would fit the general intentions as put out in the action plan in terms of stimulating additional numbers or actually saving some numbers that would have to be very specific? I didn't get the specificity from you.

Mr. Paul Rochon: Oh. Well, prior to the action plan being put in place, we gave some thought to how best to design such an action plan. Even with shovel-ready projects, there clearly are certain delays that one will encounter in getting these things under way.

So the formulation of the plan was to have a mix, basically, of tax measures that could be put in place right away and increases to employment insurance benefits that would have an immediate impact, combined with a whole series of infrastructure and construction types of projects that ran the gamut from, as you know, social housing to municipal infrastructure.

And yes, a main criteria was that these projects be shovel ready or something close to it, and we spent a lot of time with departments prior to the budget ensuring that we had a reasonable menu across all the elements of the action plan.

● (1240)

The Chair: Thank you, Mr. Rochon.

I'll finish off with this one. I will go back to chapter 1 and page 8, your two processes and the delineation thereof, because you said "prior to the budget". I think this is fairly easy to get, but I don't see, for example, on the bottom part of that chart, an arrow going back and forth between "Memoranda to Cabinet" and "Treasury Board submission", nor one from "Policy approval" to "Financial approval".

It would suggest that there needed to be some coordination between that first step, "Memoranda to cabinet" and "Treasury Board submission"; they're concurrent. Does that mean the same application went to both levels here at the same time? And was there a secretariat that monitored what the decision process was between the two?

Mr. Alister Smith: Perhaps I can try to address this. The memorandum to cabinet is intended to get the policy authority and the submission to the Treasury Board is eventually to give the financial authority. The two have to work together.

Essentially, the TBS submission is the implementation of the policy authority. We have to know on the Treasury Board side exactly what's coming through in the memorandum to cabinet—what's in the design and what's in the policy—in order to write that submission, that précis for submission, and prepare ministers to make a decision on the funding.

So we do work closely together. It does require intense coordination, I would say, between the Privy Council Office and Treasury Board to make that happen.

Mr. Bill Pentney: Mr. Chair, if I can add to that, there was a deputy ministers steering committee and a series of specific SWAT teams, if you like, of subcommittees of deputies to ensure that coordination. So among the central agencies, with the key departments, and, frankly, with the engagement of ministers as well, it certainly was an intense period in terms of ensuring that this was well coordinated. But there was a deputy ministers steering committee to try to ensure that kind of coordination.

The Chair: Thank you.

We're about at the end, but I'm going to give Madame Faillie an opportunity.

[Translation]

Ms. Meili Faile: In fact, I would like to give the floor to Mr. Campbell, from the Office of the Auditor General.

You have heard what the departments have said regarding the report. Are there any points you would like to clarify?

A little earlier, the chair said that he would have liked to hear about such issues as the level of project preparedness in terms of their financing. In conducting the audit, you addressed the issue of insuring timeliness, complying with eligibility and legal requirements, assessing and responding to risks and reporting to Parliament.

Our researcher has sent us a letter from the Auditor General to Treasury Board. In that letter, your office sets out more specifically its expectations with regard to the upcoming audit. It would have been interesting to include that in the report in order to better appreciate the next stage, more particularly with regard to the weightier elements such as accountability, the management framework and compliance with financial legislation, namely the level of compliance with sections 32, 33 and 34 of the Financial Administration Act.

In drafting your final report, you normally would negotiate with departments. It seems to me that the answers that we heard today contained certain contradictions. I would like to know whether some of the elements in the interim reports were changed, in essence, before the final report stage.

[English]

Mr. Ronnie Campbell: *Merci.*

Thank you, Mr. Chair.

Let me just be as clear as I can that we don't negotiate our audit reports with the departments that we audit. We go through a rigorous process and an appropriate process and a professional process to show the facts upon which we're basing our conclusions and make sure that the department in question has the opportunity to engage us in a discussion on those facts.

If there are facts that they have that we have overlooked in any way, then we clarify it, and we amend our report appropriately based on the facts. But these are our reports and we stand behind every word in them. I just want to say that on the question of negotiation.

I'm not sure what the contradiction might have been that the member is referring to. I think it's probably important to re-emphasize that very often we audit something after it's done, and what we've done in this case, Mr. Chair, is audit something while it's in motion. So we're not in a position to say that projects were not completed in time.

An audit of this nature identifies risks. Given some of the things that we've seen, we think there are risks in place, particularly in relation to completion. Government departments are clearly on top of that and they're trying to monitor it. As for how that pans out, we'll see when we report in our next chapter. But we're very comfortable with the process we've been through in this audit and we think we've reflected our findings appropriately in the audit report.

Thank you.

● (1245)

The Chair: Very briefly? Okay. *Merci.*

All right. Thank you very much, lady and gentlemen, for your visit with us and for your responses.

I'm going to suspend the meeting for just a couple of minutes and then we'll continue with some business of the committee.

Thank you once again.

● _____ (Pause) _____
●

The Chair: Colleagues, thank you very much.

I have just a couple of very brief items. I think one of them has already been handed out to you, or is being handed out to you. You can have a quick look at it. The reason we did it is that we have a meeting on November 23. The auditors looked at Citizenship and Immigration, HRSDC, and the Canada Revenue Agency, as you will see from the list of potential witnesses, but virtually all of the recommendations were addressed to Citizenship and Immigration.

So could we have just a very quick indication from the members around the table as to whether you'd like to focus just on Citizenship and Immigration or whether you'd like to have all of the witnesses that are listed there present? Just an indication of your preference....

Okay. Seeing no preference, we'll see how we can work that out with the agencies that are available.

● (1250)

Mr. Daryl Kramp: There's no preference.

The Chair: You have none? Okay. Thank you.

That's okay. I just wanted to make sure everybody knew what was going on.

This is just a look ahead for everybody. On November 30, on "Managing Conflict of Interest", from the 2010 AG report, the auditors, as you know, looked at Treasury Board and several departments, including Agriculture, Canadian Heritage, HRSDC, Natural Resources, and Public Works. They're all listed here.

Given the large numbers of departments, the OAG was consulted and suggested that perhaps what we could do is focus on Treasury Board as the essential witness to give us an overall view of the responsibilities, especially from the perspective of a central agency. The OAG did not recommend any departments as witnesses, but of course we can make a decision on our own. But at least, they said, get Treasury Board. It's a central agency and can give us an overview.

We can take one of two approaches: one, just bring in Treasury Board, and after that think about other departments, or we could bring them all in, or we can just have Treasury Board, period.

Those who would go for option one, which is to bring in Treasury Board and then make a decision later on...?

Mr. Daryl Kramp: We could see what flies with that, and if it warrants further witnesses, so be it.

The Chair: Is everybody in agreement? Marvellous. Thank you very much.

Now, on the third item, it's with respect to some of the documentation. I think some of you are familiar with documentation the committee requested from Public Works and Government Services concerning the West Block restoration project, pursuant to a motion adopted on October 21 and November 2.

A quantity of material has been delivered, which cannot be yet distributed because it is not yet translated. The documents were accompanied by e-mails dated November 9 and 15 and these have been distributed to members.

I know that some people are probably wondering how come we don't get these earlier. Well, if we don't get them, we can't distribute them.

Mr. Bains, you had something to say on this?

Hon. Navdeep Bains: Yes, I did.

When I brought this to your attention, I thought we would be dealing with this motion at the beginning, but I'm glad we're doing it now after the committee has heard from the various departments. So far, I'm extremely disappointed and frustrated with the way the response has been coming along with respect to this request, because this motion was passed in committee, and the committee's very clear on the timeline it set out.

I think we discussed last time that we're more than willing to be flexible and then we showed that flexibility when the department asked for an extension of time, saying that it needed additional time, up to the 19th, which is understandable.

But I don't see why this information is not becoming readily available and why they can't bring it forward. Did they provide any additional explanation as to when they'll get this information to us and what's causing the delay?

The Chair: Yes, we did.... I have to confess to my colleagues around the table that we have a little bit of a difficulty. We've received a couple of letters, one of them saying that they would comply with some elements of the motion, and secondly, that there were some 10,000 to 12,000 pages available, and then another letter that said there'd be a time lag of eight to twelve weeks between their getting the information and having it translated, at a cost that approximates something like \$900,000 to \$1.8 million.

So they're reviewing our request, but I think they gave us some material earlier on in the day. A lot of it is redacted. I've had an opportunity to take a look at some of the material. I'm not sure that it's material that many of us can use.

I think there's a couple of issues that we might address on this. I think we can refer this to the steering committee—and I'm just alerting here you to what's going to happen—and consider some of the options that are going to be available to us and maybe after that have the full committee take a look at what the recommendations of the steering committee might be. But clearly, it does not appear that we're going to be able to get the material that the motion the committee approved to be received by the 19th is going to happen....

I have Mr. Saxton, and then Madame Faille, Mr. Kramp, and Mr. Bains, keeping in mind that we have about five minutes.

• (1255)

Mr. Andrew Saxton: Thank you, Mr. Chair.

I'd like to refer to the issue of the translation: \$900,000 to \$1.8 million to translate documents that arguably should not even be coming to this place in the first place.

I think the fact that we're coming out of a global economic recession where Canadian families have had to tighten their belts and make tough decisions.... For us to spend—or waste, as some people might allude to it—\$1.8 million translating documents that shouldn't even be coming to this committee in the first place is absolutely outrageous.

The Chair: Thank you.

I think that language has never been thought of as an impediment.

Madame Faille.

[*Translation*]

Ms. Meili Faille: In fact, Mr. Kramp and I often come to a common solution.

As you have suggested that the committee deal with that issue tomorrow, I was wondering whether we could ask Public Works Canada officials to give us an idea of what they planned on sending us. That way we could examine that information and determine what we would actually need.

The request was made last June. It seemed that the information was quite simple to provide. Tomorrow, we might agree to simplify our request. However, before directing them to those 900,000 pages, would it be possible to get an idea of what they intend to present to us?

The Chair: I should be able to get that for you tomorrow.

Mr. Kramp.

[*English*]

Mr. Daryl Kramp: Chair, I just read the part where it says that on November 9, PWGSC did provide the committee with the documents requested in the motion. Now, they are not translated, granted, but the documents have been provided to this committee.

Now, whether the chair or someone else wants to do a summation of those documents—and certainly I understand Madame Faille—my concern is...and sure, everything has a legitimate right, and it's a privilege of Parliament, to be translated. I certainly concur with that, but I also ask, is this expenditure worth the issue? I don't know, I really don't, but for me to go out and justify and validate spending a couple of million dollars, when, as Mr. Saxton says, it's not even before this committee, really.... This whole issue is being decided and/or discussed at the government operations committee, and we're just going to go ahead and indebt the Canadian taxpayer by another couple of million dollars on a potential wild goose chase?

I would like to have something more definitive to go forward on. If Madame Faille and/or the committee chair is able to come up with some summation of the information now before committee, and if there is that—quote—smoking gun, then by all means I think we could go ahead with that. But to make a commitment now and force the government into spending that kind of money when we really don't know exactly what we're asking for and have nothing specific to go on, I think is really, really an error in judgment on our part and it certainly wouldn't be accountable to the taxpayers.

The Chair: No judgment has been exercised, Mr. Kramp. I take your observation with all the merit it deserves and I'll give you an indication that some of this will be discussed. It's for all of us to discuss at the steering committee tomorrow where all the options will be in play. But I'd be cautious about making any reflections on translation as being a cost of government; we are a bilingual institution, so it's mandated.

Monsieur D'Amours, very quickly.

[Translation]

Mr. Jean-Claude D'Amours: I appreciate the comment you have just made, Mr. Chair. We must always remind ourselves that there are two official languages in Canada, French and English. I do not understand why translation is becoming an issue all of a sudden, when we are trying to obtain information. It is easy to argue that translation costs money in order to prevent people from accessing information. I think that such issues do not warrant discussion. Such thoughts should not even cross our minds. I still have a simple question. This is the third time.

Mr. Saxton, you may well laugh at what I am saying, but it is the truth.

For the third time, I will make the same comment. If the government keeps on saying that the request was presented to the Standing Committee on Government Operations and Estimates, then I do not understand why it is so complicated. If the request was already presented to that committee, that means that the documents have already been translated. Therefore, we cannot talk about a doubling of costs. If the same request was made to both, then we should simply be provided with the information, and the information given to the committee will have been translated.

• (1300)

The Chair: Thank you.

Ms. Faille, I will allow you to speak one last time.

Ms. Meili Faille: Yes, I would like to help settle the problem.

I know that the French language issue is important, and that is why we are trying to find a way to receive that information in French. That is not a privilege, it is a right.

I know that Public Works and Government Services Canada has reports. I have often made requests to receive contracts and charts. I know that their officials have systems that allow them to provide us with certain reports, and translation would not be an issue. Some of the figures or pieces of information that we need to ensure that projects are operating correctly might already be available thanks to the systems in place at Public Works and Government Services Canada. That is something we might want to look at in greater detail tomorrow.

The last time we broached the language issue, both sides had come to a compromise, but we were disadvantaged for having accepted that compromise. We have the right to obtain that information in French.

[English]

The Chair: I'm sorry, but we need to wrap up. All of this will come up in tomorrow's steering committee, Mr. Kramp, Mr. Allen, Monsieur Nadeau—*un moment, s'il vous plaît*—Madame Faille, and Monsieur D'Amours.

We were going to start a little later tomorrow, but I guess we're going to have to go at one o'clock as we normally do at our steering committee meetings. It will be one o'clock, so there's no confusion about the starting time. This will be the number one item.

Monsieur Nadeau, 20 seconds.

[Translation]

Mr. Richard Nadeau: I will be very brief.

When I was a member of the Standing Committee on Government Operations and Estimates, Mr. Chair, I was one of those who agreed to limit the number of translated documents. The following day, in the House of Commons, Jacques Gourde on the government side attacked me because I had not fought to have the documents in both French and English. That said, you will understand why we want the documents in both languages. We will not compromise on that, sir.

The Chair: That is not how we will do things here in this committee.

Thank you, dear colleagues. To the members of the steering committee, we will see each other tomorrow.

The meeting is adjourned.

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