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# **Standing Committee on Government Operations and Estimates**

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**EVIDENCE**

**Monday, May 28, 2012**

—  
**Chair**

**Mr. Pat Martin**



## Standing Committee on Government Operations and Estimates

Monday, May 28, 2012

• (1530)

[English]

**The Chair (Mr. Pat Martin (Winnipeg Centre, NDP)):** Good afternoon, ladies and gentlemen.

I'm going to call the meeting to order. I see the clock says 3:30.

Welcome to the 47th meeting of the Standing Committee on Government Operations and Estimates. Today we're here to consider the main estimates for the Department of Canadian Heritage.

We're pleased to welcome as witnesses Mr. Daniel Jean, the deputy minister; Mr. René Bouchard, executive director, portfolio affairs; and Mr. Robert Hertzog, director general, financial management branch.

You know the routine. There's an opportunity for you to make an opening statement, and then we'll go to questions regarding the main estimates for the Department of Canadian Heritage.

Mr. Jean, you have the floor.

I see you, Ms. Duncan.

**Ms. Linda Duncan (Edmonton—Strathcona, NDP):** I'm wondering when you're going to let me deal with my procedural matter—maybe in between the two panels?

**The Chair:** I was hoping we would have 10 minutes at the end of the meeting to deal with two minor issues like that.

**Ms. Linda Duncan:** Sure, no problem.

**The Chair:** You have the floor, Monsieur Jean.

**Mr. Daniel Jean (Deputy Minister, Department of Canadian Heritage):** Thank you, Mr. Chair.

[Translation]

I am very pleased to meet with the members of the Standing Committee on Government Operations and Estimates.

With me today are Robert Hertzog, the Department's Chief Financial Officer, and René Bouchard, Executive Director of the Portfolio Affairs Secretariat.

[English]

Allow me to describe the work we do at Canadian Heritage and the portfolio. Our mandate is broad and covers a wide range of issues of importance to Canadians. We deliver policies and programs related to broadcasting and interactive media, arts and cultural industries, heritage objects and spaces, official languages, citizenship

participation and identity, human rights, youth and sport initiatives, as well as national ceremonies and symbols.

I have been invited here to speak about the 2012-13 main estimates of the Department of Canadian Heritage and the portfolio's organization. While with you today, I would also like to refer briefly to the impact of Budget 2012 on our work and to provide the members of the committee with information about the long-term financial strategy the department has adopted to ensure its financial stability.

I'll start with the main estimates. In the 2012-13 main estimates, the total budget for the Department of Canadian Heritage is \$1.28 billion. This consists of \$202.8 million in operating expenditures and \$1.078 billion in grants and contributions.

The 2011-12 main estimates totalled \$1.14 billion last year. Of this amount, \$209.7 million was for operating expenditures and \$933.6 million for grants and contributions.

The 2012-13 funding level shows a net increase of \$137.3 million over last year. This is made up of an increase of \$144.2 million in grants and contributions, less a \$6.9 million decrease in planned operating costs. The difference is largely due to the following increases that were made public through the 2011-12 supplementary estimates process.

First is \$100 million for the Canada Media Fund. Funding for this program was previously approved on a yearly basis through the supplementary estimates process.

Second is a net increase of \$29.9 million for the aboriginal peoples program related to the cultural connections for aboriginal youth program and the aboriginal languages initiative.

Third is \$15 million for the Canada Periodical Fund. This helps publishers adapt to the changing digital environment by allowing their flexibility to spend funds on a variety of activities, including online publishing.

[Translation]

As well, it should be noted that as of 2012-13, \$38.6 million was transferred from the Department of Canadian Heritage to Aboriginal Affairs and Northern Development Canada as part of a machinery of government transfer. This includes core funding for aboriginal friendship centres, and project funding for both cultural connections for aboriginal youth and young Canada works for aboriginal urban youth. This transfer was made to permit a better integration of certain aboriginal programs across the two departments. This is not reflected in the main estimates as it occurred in March 2012 after submission. I just wanted to tell you that, since some funding is provided in the main estimates.

There is also a net decrease of \$12.1 million for the transfer of funds to Shared Services Canada to consolidate and transform some information technology infrastructure across the government. As you may be aware, we are one of the 44 departments and agencies that have taken part in the consolidation of those email, data centre and network services.

The 18 organizations that are part of the Canadian Heritage portfolio will be receiving \$1.9 billion in appropriations in the 2012-13 main estimates. These organizations also plan to generate more than \$700 million in revenues, which means that total resources of \$2.6 billion will be available to them in 2012-2013.

I would like to remind the committee members that the figures in the 2012-2013 main estimates do not reflect the decisions announced in the budget for 2012 concerning the review of departmental and portfolio spending.

• (1535)

[English]

As you know, the Government of Canada's Budget 2012 was announced on March 29, 2012. Some of the reduction measures with regard to the Department of Canadian Heritage include elimination of the Katimavik program, the grants and contributions component of the human rights program, the cultural capitals of Canada component of the Canada Cultural Investment Fund, the Canada Interactive Fund, the arts, culture, and diversity program, and the creators' assistance component of the Canada Music Fund.

Portfolio organizations contributing to the Government of Canada's reduction deficit measures include CBC/Radio-Canada, Telefilm Canada, the National Film Board, Library and Archives Canada, the CRTC, the National Battlefields Commission, and the National Arts Centre. Each of these independent organizations will implement the measures they themselves have proposed.

While all portfolio organizations were asked to prepare deficit reduction plans, the government chose to protect funding for several Canadian cultural institutions and sport. For example, funding to the Canada Council for the Arts was not reduced. The government chose to maintain direct support for theatre, dance, music, publishing, and performing arts.

[Translation]

The national museums were also exempted from reductions. As well, Budget 2012 includes an increase in support to museums and galleries through the Canada travelling exhibitions indemnification

program. The indemnification limit will also be increased from \$1.5 billion to \$3 billion, which is a positive development for Canadian museums and galleries in their ability to attract major exhibits.

The decisions announced in Budget 2012 that affect the Department of Canadian Heritage and the portfolio stem from recommendations made as part of the Government of Canada's deficit reduction action plan. These decisions made were based on criteria such as effectiveness, efficiency, affordability and relevance to Canadians.

[English]

The supplementary estimates process will be used to decrease the authorities of the Department of Canadian Heritage and the affected portfolio organizations in accordance with Budget 2012 decisions. Quarterly financial reports will be provided to Parliament on a regular basis and in a timely fashion with respect to the implementation of these measures.

For the 2012-13 fiscal year, we've set the following four priorities for the Department of Canadian Heritage.

First, celebrate Canada's heritage and history. For example, we're currently working on a wide range of events to commemorate the War of 1812 and to celebrate Queen Elizabeth's second Diamond Jubilee.

Second, take full advantage of digital technology. This includes the modernization of the Copyright Act currently before Parliament.

Third, invest in our communities. For example, work is ongoing to implement the road map for Canada's linguistic duality, to renew the Canadian sport policy, and to support several high-profile sports events, including the London 2012 Olympic and Paralympic Games.

Fourth, efficiently manage the department's finances and operations. We are in the process of modernizing the management and delivery of Canadian Heritage grants and contributions programs.

[Translation]

Work is also ongoing to deal with financial challenges the Department of Canadian Heritage has encountered in recent years. Two years ago, the department potentially faced an ongoing structural deficit in its operating budget of more than \$60 million. The department no longer had the financial flexibility to manage the operating budget structural shortfall through reallocations within a given year. Restoring financial sustainability within the department became a key priority.

To achieve this goal, we adopted a series of measures effective fiscal year 2010-2011. To date, we have eliminated practically two thirds of this vote 1 operating budget structural deficit without significantly impacting any programs or services offered to Canadians.

We are addressing the remainder of this deficit through a long-term financial strategy, which will achieve further operating budget savings of approximately \$26 million by fiscal year 2014-2015. The idea is still to apply cuts internally while trying to protect programs and services offered to citizens. Once again these efforts are aimed at transforming how we do business internally with a continued effort to protect our capacity to deliver programs to Canadians.

[English]

To conclude my remarks, the Canadian heritage department and portfolio organizations are aware of the need of ongoing operational and productivity improvements and efficiencies across the Government of Canada. We are doing our part to achieve the goals that have been established with cost-saving measures that focus on core functions. The measures that we have adopted support modernizing the department and portfolio organizations by maximizing investments, delivering on results, and increasing the impacts of our programs and services.

We would now be pleased to respond to any questions you may have.

**The Chair:** Thank you very much, Mr. Jean. We appreciate that.

For the first round of questioning, from the official opposition, we welcome Mr. Pierre Nantel to the committee.

Welcome, Pierre. You have five minutes.

[Translation]

**Mr. Pierre Nantel (Longueuil—Pierre-Boucher, NDP):** Thank you, Mr. Chair.

Mr. Bouchard, Mr. Hertzog and Mr. Jean, first I would like to thank you for your presentation. I do not know which of you can answer my questions, which concern potential reinvestments in sectors such as youth. Everyone has roundly criticized the elimination of the Katimavik program. There were other programs as well. Are any reinvestments planned in the youth sector?

• (1540)

**Mr. Daniel Jean:** As you know, the Katimavik program had a budget of some \$15 million and involved approximately 600 youths per year.

The government has been able to protect programs costing more than \$80 million and involving 100,000 youths a year. They include programs such as the Exchanges Canada initiative, Young Canada Works, the Canadian studies program and programs related to official languages and arts training.

**Mr. Pierre Nantel:** How many young people are affected by that \$80 million in spending?

**Mr. Daniel Jean:** Approximately 100,000 young people benefit from those various programs.

**Mr. Pierre Nantel:** Thank you.

Let's move on to the Canada Interactive Fund. As far as I know, there were some good estimates. The figures were analyzed. I was told that \$55 million was estimated over a five-year period. Based on our analysis, only \$1 million has been spent to date. Is that true? And if so, is an allocation planned for the various groups concerned?

**Mr. Daniel Jean:** Did you mean the interactive media fund, Mr. Nantel?

**Mr. Pierre Nantel:** I am talking about the Canada Interactive Fund.

**Mr. Daniel Jean:** Can you repeat your question, please?

**Mr. Pierre Nantel:** As far as I remember, a budget of \$55 million was set aside for that fund. Based on the analyses I have, \$54 million has not been spent. Only \$1 million has apparently been spent to date. We know that the various target clientele included the official language minority communities, aboriginal people, ethnocultural organizations and not-for-profit organizations.

**Mr. Daniel Jean:** In the first two calls for applications, there were 327 applications. We awarded \$11 million to 52 individuals and organizations under the Canada Interactive Fund.

**Mr. Pierre Nantel:** So there are four years left, during which \$11 million will be spent each year.

**Mr. Daniel Jean:** That fund was eliminated under the 2012 budget. Funding for current programs will continue. However, there will be no new calls for applications. We have written to everyone who has received money from the fund to give them that news.

**Mr. Pierre Nantel:** Could you tell me how the \$11 million you just referred to is allocated?

**Mr. Daniel Jean:** What do you mean by "allocated"? Do you mean the number of individuals, which is 327?

**Mr. Pierre Nantel:** That's it.

**Mr. Daniel Jean:** There have been 327 applications, and the total sum of \$11 million has been shared among 52 individuals and organizations.

**Mr. Pierre Nantel:** Thank you.

I will continue. Could you tell me about the cultural diversity and arts program that was provided for under the same budget?

**Mr. Daniel Jean:** That program has been in existence for several years. In fact, two organizations have been supported. As you know, Canada is a major leader in adopting the UNESCO Cultural Diversity Convention. That convention has been ratified. Now we have decided to eliminate the program. The two organizations will receive money so that they can make the transition. As we have had a lot of success with those programs, we believe it is time to invest elsewhere.

**Mr. Pierre Nantel:** Do you think that will benefit the same type of organization?

**Mr. Daniel Jean:** The funding that was allocated to that has been eliminated.

We have had mixed success with cultural diversity and promotion outside Canada. We managed to have the convention adopted.

The other organization receiving money was the Canadian Conference of the Arts. In that case, the organization was striving to become financially self-sufficient. We are giving it money for a one-year transition period, and it will strive to become self-sufficient.

•(1545)

**Mr. Pierre Nantel:** If I am not mistaken, the Canadian Conference for the Arts is the organization that played a major role in rallying views on Bill C-11.

**Mr. Daniel Jean:** Yes, it is the Canadian Conference of the Arts.  
[English]

**The Chair:** That pretty well concludes your time, my friend. Thank you very much.

For the Conservatives, we have Mr. Scott Armstrong.

You have five minutes, Scott.

**Mr. Scott Armstrong (Cumberland—Colchester—Musquodoboit Valley, CPC):** Thank you, Mr. Chair.

I want to thank you for your presentation.

First of all, you mentioned that Katimavik cost \$15 million and supported 600 youth in total. Would you agree that the money was cut because it was very inefficient funding compared to other youth programs? The YMCA in metropolitan Toronto runs a youth exchange program. There are programs like that all across the country that get our youth up and moving across the country—exchanges from one province to another.

You said there was an investment there of \$80 million that supported 100,000 youth. The decision to cut Katimavik would be seen as.... It didn't support as many students as some of these other programs on a per capita basis.

[Translation]

**Mr. Daniel Jean:** Mr. Armstrong, the minister based his decision on the cost of the experience and the number of youth who could be helped by the Katimavik program. We helped 600 youth with \$15 million.

Our other programs help us extend our outreach much further. We are helping nearly 100,000 youth with \$83.8 million spent through various programs.

Does that answer your question?

[English]

**Mr. Scott Armstrong:** Yes, thank you very much.

The second question I have is on the Canada Council for the Arts. I see in the estimates that its funding has been maintained.

[Translation]

**Mr. Daniel Jean:** There have been no cuts to the operating budget of the Canada Council for the Arts. That is correct.

[English]

**Mr. Scott Armstrong:** That was done because of the value of that program. I think there was a lot of push from the Canada Council for the Arts across the country to continue to support that. It's a very effective council.

[Translation]

**Mr. Daniel Jean:** Before the budget was presented, a lot of artistic groups lobbied because they wanted that funding to be maintained.

[English]

**Mr. Scott Armstrong:** From what I have heard in the House of Commons and from reading, Canada is one of the few countries in the G-7 that has actually maintained funding for arts and these arts organizations.

Do you have any information on what other countries are doing with their arts funding?

[Translation]

**Mr. Daniel Jean:** I do not have that at my fingertips. However, it is true that Canada was one of the only countries that did not cut their arts and culture funding during the crisis, unlike, for example, Great Britain, the United States and most industrialized countries.

[English]

**Mr. Scott Armstrong:** In fact, that's a credit to the minister and his ability to continue to fund the arts, even in the middle of the largest recession since the Great Depression of the thirties.

Moving on, I want to talk a bit about the main estimates showing the net increase of \$137.3 million that you discussed. You talked a bit about the Canada Media Fund in relation to that. Can you expand on the funding for the Canada Media Fund and why it's important?

**Mr. Daniel Jean:** You will recall that in Budget 2011 the \$100 million to the Canada Media Fund was made permanent. You see it in the main estimates this year because what used to come year to year as funding has not been added to what we already had. I think we already had \$30-something million, so it makes it \$133 million.

Most of the Canadian content we watch on television is a result of some subsidization by the Canada Media Fund. It's very important.

**Mr. Scott Armstrong:** That fund is not just federal money; it also involves money from private industry.

**Mr. Daniel Jean:** Absolutely.

**Mr. Scott Armstrong:** Can you discuss how much our partners are contributing to the Canada Media Fund?

**Mr. Daniel Jean:** It leverages almost twice as much money from the broadcast units and the cable companies.

**Mr. Scott Armstrong:** There has been a push among Canadian private industry to have both the private contribution and the government contribution expanded at some point, because it's viewed as being very successful. Am I wrong in saying that?

**Mr. Daniel Jean:** You are correct. It's viewed as being successful. As a matter of fact, other countries see that very much as a model.

**The Chair:** You have about 30 seconds, Scott.

**Mr. Scott Armstrong:** Has funding been maintained for some of our youth and sport initiatives?

**Mr. Daniel Jean:** Absolutely. There was no cut to any sport funding.

• (1550)

**Mr. Scott Armstrong:** Thank you.

Thank you, Mr. Chair.

**The Chair:** Thank you, Mr. Armstrong.

Next, for the NDP, is Denis Blanchette for five minutes.

[*Translation*]

**Mr. Denis Blanchette (Louis-Hébert, NDP):** Thank you, Mr. Chair.

Thanks to our guests for being with us today.

I would like to talk about the media fund issue. That fund increased from \$34 million to \$134 million in one year.

How will this additional funding be spent?

**Mr. Daniel Jean:** First I would like to clarify one point. There was funding, but it was temporary. It became permanent in last year's budget, and that is what you see in the estimates.

As for the way that funding is invested, there is private business funding. That is a budget of more than \$300 million. There is a competition for that money. It is managed by an independent organization that receives applications. There are various categories and criteria.

**Mr. Denis Blanchette:** Is it strictly for television programs?

**Mr. Daniel Jean:** It is for television and interactive media. We are looking at all platforms now. Some criteria even require an audiovisual creation to be offered on more than one platform.

**Mr. Denis Blanchette:** You say there was temporary funding, but how much does the actual increase amount to?

**Mr. Daniel Jean:** To \$100 million for the permanent funding.

**Mr. Denis Blanchette:** You are adding \$15 million for the Canada Periodical Fund, but could you tell us more about digital? What are you supporting with this measure?

**Mr. Daniel Jean:** The Canada Periodical Fund operates somewhat like the Canada Media Fund. There are applications and criteria. We try to encourage conventional publications to go digital. We also try to urge people in the digital field to move more toward the conventional sector.

I do not have any more details to give you at this point, but I will definitely be pleased to provide you and committee members with more later.

**Mr. Denis Blanchette:** I would be grateful to you for that. Thank you.

You have a structural deficit at the department. Can you tell us more about that? How did it occur and what measures have you taken to contain it?

**Mr. Daniel Jean:** The department's structural deficit is really internal. It affects what we call our vote 1s. The origin of the deficit goes back as far as 2003. There have been reduction exercises in the past that were not implemented at the department. There were also other secondary measures. As a result of all that, the structural deficit

amounted to about \$60 million two years ago. In recent years, all departments and agencies have absorbed their payroll budgets, as a result of which the deficit has grown to approximately \$66 million.

Before the budget, we had cut the deficit by \$40 million by refocusing on our priorities. For example, we reduced our international spending, our programs and travel. We cut our spending on management of intergovernmental issues. We reviewed the operation of our internal services and established consolidated services. We transformed some aspects to make them simpler, less complicated and less costly. We consolidated our space.

Taking all that together, we had eliminated \$40 million of the \$66-million deficit before the 2012 budget. Over the next three years, we will eliminate the remaining \$26 million.

The minister has been very clear. He has said publicly that he is making an effort to eliminate his internal structural deficit in order to protect program funding.

**Mr. Denis Blanchette:** You have a structural deficit, but you are being asked to make budget cuts. Will that delay full elimination of your structural deficit?

**Mr. Daniel Jean:** Before the budget, we had already reduced our structural deficit by \$40 million, which represents two-thirds of the total deficit. We plan to reduce the remaining \$26 million over three years.

On April 10, when we announced the impact of our measures to our employees, we had already informed those who might potentially be affected by the next round of cuts.

In the first round of cuts, that is to say the first \$40 million, 360 permanent positions were eliminated. At the time, important events such as the Olympic Games and the Shanghai Expo, which had limited funding, were coming to an end. That represented 140 more positions. So we had already cut 500 positions before the budget.

Now with regard to the budget itself, the total deficit is 38 positions. The largest portion of our funding is allocated to programs. So the budget itself does not have a major impact. However, we must cut 245 more positions to eliminate the rest of the structural deficit, that is \$26 million. We have striven to cut all possible vacant positions at every stage. We put our employees back in positions that were going to be vacated for transitional reasons.

With regard to the first round of cuts, although we cut all those positions, we have thus far been able to reassign all but three of our employees. We will make the same effort to reassign as many employees as possible in the next round.

The budget affects 38 positions, and eliminating the remaining \$26 million of the structural deficit means another 245 positions. We are talking about approximately 280 positions. We have been able to limit the impact of those cuts to 175 employees, and that figure will continue to fall.

• (1555)

[*English*]

**The Chair:** Thank you, Mr. Blanchette, and thank you, Mr. Jean.

For the Conservatives, we have Bernard Trottier for five minutes.  
[*Translation*]

**Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC):** Thank you, Mr. Chair.

Thanks to our guests for being here today.

First I would like to talk to you about the Canada Media Fund. This is very important from an economic standpoint. As you know, there are a lot of jobs and economic activity related to film and television production in Toronto, the city I represent. In the riding of Etobicoke—Lakeshore, which I represent, there are three major studios: Cinespace Film Studios, William F. White International Inc. and Back Alley Film Productions Ltd.

I see a major difference. Here we're talking about an increase of more than \$99 million. Could you tell us about the effects of that investment, about the way things have changed in recent years?

**Mr. Daniel Jean:** As I said earlier, this has an enormous impact because it also has a leverage effect. A substantial portion of the funding comes from the private sector. That enables creators, producers and broadcasters to broadcast Canadian content created by people who are competing for that funding. This is what enables us to have highly original Canadian content.

You need only look at French-language television programs, on Radio-Canada, TVA or V. Since you ask me the question, I am giving you that example. This is what I monitor particularly to determine what quantity of Canadian content is subsidized and provided to us thanks to the Canada Media Fund.

**Mr. Bernard Trottier:** And then there are the Telefilm Canada investments. That is another production-related asset. Could you tell us about the difference between Telefilm Canada and the Canada Media Fund?

**Mr. Daniel Jean:** In the case of Telefilm Canada, we're talking about both feature films and certain documentaries. As you know, we have had enormous success in recent years with films made through funding from Telefilm Canada. *Incendies*, two years ago, and *Monsieur Lazhar*, last year, were in the running for the Oscar for best foreign film.

**Mr. Bernard Trottier:** In another connection, I would like you to tell us about the Canadian Museum for Human Rights. This is a subject of great interest to us in Toronto. We want to talk about all groups in the world that have suffered from a human rights standpoint.

Could you tell us about the consequences of this cut under the main estimates?

**Mr. Daniel Jean:** In fact, this concerns the construction cycle. The money the government was to allocate for construction has been advanced. Now, in a way, the issue is more about operating funding. That is why you see a sharply declining funding profile. A sum of \$100 million was advanced for construction. Those votes have been advanced.

**Mr. Bernard Trottier:** What is the forecast? Could you tell us whether it is promising for the museum's success?

**Mr. Daniel Jean:** At the moment, 80% of the museum has been built. I believe 95% of contracts have already gone to tender. As you

know, this is one of the two museums located outside the national capital. The other is in Halifax. That is Pier 21. Those people are trying to complete construction of the museum and to start working on exhibitions.

• (1600)

**Mr. Bernard Trottier:** Thank you.

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

[*English*]

**The Chair:** You have one minute, Bernard.

[*Translation*]

**Mr. Bernard Trottier:** All right.

Could we talk about museums generally? For example, are young people, who have access to a lot of data through the Internet and other media, still attracted to Canadian museums?

**Mr. Daniel Jean:** Canadian museums are still very popular. Like all museums, they have an impact on tourism during hard times.

One need only think of the Van Gogh exhibition at the National Gallery of Canada. Last week there was an incredible lineup. The gallery admitted 2,000 people on the first day. Our museums in the provinces and regions are generally doing well. Times are tough, of course, but they are tough for all organizations.

**Mr. Bernard Trottier:** That is all the time I have.

Thank you, sir.

[*English*]

**The Chair:** Thank you, Bernard.

John McCallum, you have five minutes.

**Hon. John McCallum (Markham—Unionville, Lib.):** Thank you.

Thank you all for being here with us this afternoon.

I'd like to focus a bit on the Library and Archives. There's a CBC story suggesting that I think 400 people have received notice that they will be losing their jobs—that 20% of the workforce is to be let go. Archival collections in various departments are going to be closed down altogether.

I wonder if you could confirm whether this is correct. What is the state of the cuts, in both dollar terms and jobs?

**Mr. Daniel Jean:** In the context of the deficit reduction action plan, the Library and Archives is affected, like many organizations. The head archivist is trying to both meet the need for all organizations to contribute to the deficit reduction action plan and at the same time modernize the way archives are done.

Library and Archives, like most of our portfolio organizations, is an independent organization. It would be very difficult for me to go into more details on the plans of the organization. I think it would be easier if you were to invite them.

If you want some high-level descriptions of where the changes are, I can ask René to describe them.

**Hon. John McCallum:** I'd like to know, first of all, what are the dollar cuts and the job cuts?



**Mr. Daniel Jean:** Go ahead, René.

**Mr. René Bouchard (Executive Director, Portfolio Affairs, Department of Canadian Heritage):** With respect to the dollar cuts in the context of the deficit reduction action plan, or DRAP, after three years it's a reduction of \$9.6 million for the organization.

Going back to your initial point about the number of positions that may be affected, the organization is also doing its modernization, so there are some changes within the organization that are not necessarily related to DRAP. The organization is making some changes that will affect about 435 positions, and 200 positions will be abolished, but that includes DRAP plus modernization. When we're looking at DRAP only, it's 83 positions that will be abolished.

**Hon. John McCallum:** Okay, so it's \$9.6 million and 435 positions.

What's the initial budget? What percentage cut is that?

**Mr. René Bouchard:** The initial budget of the organization in 2012-13 is \$114.2 million.

**Hon. John McCallum:** And the jobs?

**Mr. René Bouchard:** The number of jobs is 1,150, if I recall properly, and I can provide you with more precision on that.

**Hon. John McCallum:** So starting with 1,150 jobs, 435 of those will be cut.

**Mr. René Bouchard:** I'm saying that of 1,150, there will be a total of 200 positions cut, and 83 of these positions are related to DRAP.

**Hon. John McCallum:** Where does the 435 come in, then?

**Mr. René Bouchard:** The 435 is about the number of positions that may be affected. That doesn't mean the position will be abolished. The position is affected, and then you keep a certain number of positions and people apply for the position.

The number of positions that will be abolished will be 200.

**Hon. John McCallum:** That's close to a 20% cut in staff. I mean, part of the function of this group is to serve researchers to preserve our history. Do you think they'll still be able to do that with cuts of this magnitude?

**Mr. Daniel Jean:** I think it would be better if you were to ask that of Mr. Caron, the lead archivist.

The one thing I can say, from having discussed some of these reductions with him, is that one challenge he had a few years ago was that almost 90% to 95% of his budget was personnel. When you reach that level in an organization, and in modernization it needs to rely on technology, and there are other things—it has to pay for the roof and things like that—it becomes very difficult. Every time you hit a bump, you have to let people go.

That's one of the reasons he's had to look at some internal challenges on top of the deficit reduction action plan. But I think he would be in a better position to answer these questions.

• (1605)

**Hon. John McCallum:** Can you tell me how much money the government is spending to commemorate the War of 1812?

**Mr. Daniel Jean:** Yes. I think it's \$27 million. It's over three years.

**Hon. John McCallum:** Maybe this is a political question that you're not prepared to answer, but I find it a bit strange that we're spending \$27 million to commemorate the War of 1812, which has little impact on Canadians—or Canadians have little memory of it, that's for sure—and we're spending nothing on the 30th anniversary of the Canadian Charter of Rights and Freedoms.

Can you say anything about that choice?

**Mr. Daniel Jean:** I think that would definitely be a question for the minister.

**Voices:** Oh, oh!

**Hon. John McCallum:** That's what I thought.

**The Chair:** That's your last question too, I'm afraid, John. Thank you very much.

For the Conservatives, Mr. Jacques Gourde.

You have five minutes, Jacques.

[*Translation*]

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

Thanks to the witnesses for being with us this afternoon.

Earlier you said that our country compared well with the other G8 countries in arts and culture funding. Could you give us some examples of how it compares with the others and tell us to what extent it does so?

**Mr. Daniel Jean:** I do not have those figures to hand, Mr. Gourde, but I will be pleased to provide them to you.

It often occurs that counterparts from various countries come and visit us and we meet with them. Based on our demographics—we are talking about 30 million inhabitants—our arts and culture investments are very significant on a per capita basis. As I said earlier, Canada was one of the only industrialized countries that did not cut its arts and culture investments despite the crisis.

**Mr. Jacques Gourde:** Were other countries harder hit?

**Mr. Daniel Jean:** Funding for the arts was significantly hit in Great Britain and the United States. I believe the minister will address some of those aspects tomorrow in his address to the Standing Committee on Canadian Heritage.

**Mr. Jacques Gourde:** All right.

Is the government maintaining funding for the Canada Council for the Arts?

**Mr. Daniel Jean:** Yes, it is being maintained.

**Mr. Jacques Gourde:** In the main estimates 2012-2013, we note a net increase of \$137.3 million relative to 2011-2012. Could you give us more details on that increase?

**Mr. Daniel Jean:** As I told you, the fact that funding from the media fund, which was granted every year on a temporary basis, is now permanent—we are talking about \$100 million here—is an important factor. There is also the sum of \$29 million allocated to aboriginal people and \$15 million for periodicals. These are important milestones. As you know, the funding allocated to the media fund, to funding for aboriginal people and the periodical fund was made permanent in Budget 2011 last year.

**Mr. Jacques Gourde:** That's very good news.

Could you give us some details on the \$4.8-million increase that appears in the main estimates and is intended for Library and Archives Canada?

**Mr. Daniel Jean:** Yes. I believe that is related to storage capacity. René will tell you about that.

**Mr. René Bouchard:** That is exactly correct. We are talking about an amount of \$9 million earmarked to improve storage capacity at the Gatineau site.

**Mr. Jacques Gourde:** We also see that the main estimates show a \$4.6-million increase relative to last year for the Canadian Museum of Nature. Is there an explanation for that?

**Mr. Daniel Jean:** That increase concerns the museum's operating budget. I believe that those people were building a new wing, which is now operational, and that this concerns operating expenses for that wing.

Is that correct, René?

**Mr. René Bouchard:** Yes, it is for operations and infrastructure.

**Mr. Jacques Gourde:** Thank you very much.

I have finished, Mr. Chair.

[*English*]

**The Chair:** Thank you, Mr. Gourde.

There is a moment left, so I'm going to take the chair's prerogative and make one point of clarification and ask one brief question.

First, Mr. Deputy Minister, far from being a circus, the Canadian Museum for Human Rights in my riding of Winnipeg is a magnificent architectural triumph, and it's second to none in terms of the design, the skill, and the craftsmanship that have gone into it. The Canadian Museum for Human Rights will be to Winnipeg what the Sydney Opera House is to that city. It's an iconic addition to the landscape that we're very proud of.

Let me preface this by saying that there's been more private fundraising for that museum than for all other museums in the country combined in their total histories—\$130 million in private fundraising. In contrast, the Museum of Nature in downtown Ottawa had a 100% cost overrun and not one penny of private fundraising. The federal government cut them a cheque and they're increasing their budget this time.

Why are you cutting \$21 million out of the budget of our Canadian Museum for Human Rights when we have passed the hat and shaken every bush in the country to raise private money, and when you're giving more money to the Canadian Museum of Nature when they haven't lifted a finger to help themselves? It's a \$21 million cut. We're already digging out of the program budget to

finish the capital project because of an 8% cost overrun. You had a 100% cost overrun in the Museum of Nature and you didn't bat an eye to make them whole. How do you explain that?

• (1610)

**Mr. Daniel Jean:** Mr. Chair, first of all, I have had the chance to visit the museum during the construction, and I would echo what you've said. The location itself and the look of it are fantastic.

**The Chair:** Why do you call it a circus?

**Mr. Daniel Jean:** On your second point, I would say that we're talking about a funding profile. The reason the funding was higher is that construction was at full steam, and the \$100 million contribution of the Government of Canada was going in large installments.

Now we've reached our \$100 million contribution for construction. The museum is not open yet, so we've allowed a reallocation of \$10 million of their operating budget to this year to provide them with more flexibility.

We are definitely committed to the Canadian Museum for Human Rights. You are correct, as well, Mr. Chair, that this is the museum that has raised the most private money.

**The Chair:** Thank you.

We'll go to Linda Duncan for five minutes.

**Ms. Linda Duncan:** Thank you, Mr. Chair.

I want to follow up on the questions of Mr. McCallum.

The government, in its wisdom, made the decision to spend multi-millions of dollars on the War of 1812. Obviously, to do that, given the fact that the government is trying to pay down its massive deficit, there appear to be cuts across the board to a lot of programs that previously received support, including for the Canadian Museum for Human Rights and the Youth Take Charge program, which is being cut by \$300,000.

Was there a direction to you that we find money to supplement this program? Where's the direction to the department on where to seek the costs? What is less important now to the government?

**Mr. Daniel Jean:** First, I'll make a point of clarification. The fact that numbers go up and down through estimates does not necessarily mean that there has been a cut. It can be just a variation in when funding happens. That's the case for the Canadian Museum for Human Rights, as I explained in the previous question.

In this case, this is purely a funding profile. This is not a cut. It's the same thing in terms of the other one you mentioned. There is no cut there. This is a funding profile.

Now, on the issue of the War of 1812, this is one-time funding over a few years. It's not up to me to explain choices. I think, as I said to Mr. McCallum, that this is a question that is better addressed to the minister,

**Ms. Linda Duncan:** Oh, I'm not asking you, sir, to defend the decision to fund the War of 1812 events. My question is simply whether, because you had to find money for the War of 1812, there are cuts to other programs that historically you have supported.

**Mr. Daniel Jean:** No, the money we are spending on the War of 1812 came through Budget 2011. I think it was the year before. It came from a previous budget.

This is not money that has been reallocated. Now, when we do commemorations like this one, yes, sometimes we try to leverage some of our existing programs. But the \$28 million I referred to is money received through the budget.

**Ms. Linda Duncan:** I thought there was an additional allocation. I'm looking at the materials you tabled in the House.

I too share the concern about Library and Archives, particularly on the \$11 million cut to documentation of the Canadian experience. Even if this were a temporary cut, until the deficit is paid off, there's a whole time period during which information will not be gathered and recorded.

I have regularly contributed to the archives, and for over four years I have turned to the archives for information. I've had a lot of letters from constituents and from people across the country who are deeply concerned about the cuts to Library and Archives and to the libraries in the departments. That, of course, is not your responsibility.

Could you tell us if the intention is, over time, to keep cutting Library and Archives? Is this a one-time-only cut, or should we anticipate that there will be further cuts to the programs and staffing?

•(1615)

**Mr. Daniel Jean:** As we have said before, the cuts, the reductions that are referred to in the context of Library and Archives, come from the deficit reduction action plan, to which most federal organizations and departments have contributed. They have also come from some internal reorganization.

Of course, I'm sure that if you were to ask the archivist to come here, he would tell you that what he's trying to do is what I'm trying to do in my own department, which is to restore financial sustainability so that we can spend most of our time and energy focusing on our mission.

**Ms. Linda Duncan:** Would you like a minute, Pierre?

Go ahead.

[*Translation*]

**Mr. Pierre Nantel:** Good afternoon. I know I only have one minute, but I will take the time that remains in the next round of questions.

I would like to talk about the games hosting program, funding for which has been increased by approximately \$3 million. Is that related to preparations for the 2015 Pan American Games?

**Mr. Daniel Jean:** There is nothing in the 2012 main estimates concerning the Pan American Games, but there are votes in the supplementary estimates related to the fact that we are in the process of preparing for the Pan American Games. Sports funding remains the same. The deficit reduction action plan has had no impact on sports.

**Mr. Pierre Nantel:** What is the role of the games hosting program directorate in the holding of the Pan Am Games in Toronto?

**Mr. Daniel Jean:** It is not a directorate, but rather a hosting program. There are various types of hosting. There are the major events such as the Olympic Games and Pan American Games. As you know, we will be hosting the FIFA Women's World Cup in a few years. There are also intermediate and local events. The games hosting program enables us to support the communities that want to host these sports events.

**Mr. Pierre Nantel:** How many Sports Canada employees do you think will be working on preparations for the Pan Am Games?

**Mr. Daniel Jean:** We have formed a secretariat.

Mr. Hertzog, do you know the number of people?

**Mr. Robert Hertzog (Director General, Financial Management Branch, Department of Canadian Heritage):** The total cost is approximately \$1 million. There will be 16 positions in that secretariat.

[*English*]

**The Chair:** Your time has concluded. Thank you very much.

Ron Cannan is next for the Conservatives.

**Mr. Ron Cannan (Kelowna—Lake Country, CPC):** Thank you for your intervention and for updating our committee.

I just wanted to pick up on a question from my colleague, Mr. Armstrong, on Katimavik. I was city counsellor for nine years before being MP for Kelowna—Lake Country for the last six and a half years, and I worked with some of the groups that came through. I wrote a letter of support a few years ago to keep the program in existence, but my understanding is that the request was made to the organization to look at revamping their structure to see other ways of generating revenue, maybe possibly having some of the students participate, but there was no other proposal. It was basically 97% or 98% funded through the federal government. Is that correct?

**Mr. Daniel Jean:** Most of the funding was still coming from the government, yes.

**Mr. Ron Cannan:** And there were no other proposals presented?

**Mr. Daniel Jean:** No.

**Mr. Ron Cannan:** As far as the deficit reduction action plan is concerned, you said there were 83 positions specifically for archives as a result of that review?

**Mr. Daniel Jean:** For archives, yes.

**Mr. Ron Cannan:** Overall it was how many positions?

**Mr. René Bouchard:** I talked about 1,150, but it's actually 1,115 positions overall within the organization.

**Mr. Ron Cannan:** Okay, thanks for that clarification.

What do you see as the biggest challenge for the department moving forward through the next three years as we work towards a balanced budget?

**Mr. Daniel Jean:** You mean internally?

**Mr. Ron Cannan:** Meeting the needs of Canadians.

**Mr. Daniel Jean:** That's why modernization and transformation is so important. We would like to be able to give easier access online to our clients and be able to process grants and contributions much faster than we are right now. We are still operating what I would call a system from the previous generation.

• (1620)

**Mr. Ron Cannan:** My local art gallery, Kelowna Art Gallery, is working, like so many, in partnership with the community, with the city, and one of the areas the art gallery manager mentioned was the insurance aspect of transferring exhibits from one community or from the archives to the art gallery. Is that through the Canada Council for the Arts? Are there some programs for that, or is there anything you're aware of that can help the local art galleries?

**Mr. Daniel Jean:** Budget 2012 is basically proposing to double the contingent liability insurance for travelling exhibits, and it's in Bill C-38. This would allow the possibility to cover in a self-insurance way, like contingent liability, a lot more big and smaller exhibits throughout various museums, yes.

**Mr. Ron Cannan:** That's great news. I think another reason why it's important is creating jobs. Arts and culture is a big economic generator for communities across Canada.

We talk about sports and recreation and arts and culture as a big component. Kelowna and the smaller community of Lake Country were selected as one of the cultural capitals of Canada. It's very important for the museum and the history.

We're very fortunate. On the weekend we unveiled a life-sized statue, six feet, eight inches, of Father Pandosy, the first Oblate missionary, who 152 years ago settled in the Okanagan. Thanks to a \$49,000 grant from Heritage Canada, the community was spurred to raise over \$100,000 for it for the historical society.

Is there that ongoing emphasis to help collaborate, as the chair, Mr. Martin, alluded to, as far as balance from the community, from partnership? Is there any type of formula you looked at in terms of working on grants and applications to see if there's a community appetite to help come to the table, such that if they were to raise 50%, 60%, or 70%, there would be encouraging Heritage Canada opportunities in the background?

**Mr. Daniel Jean:** Absolutely, Mr. Cannan. I should probably have said, in answer to your earlier question, that the national museums also make a lot of effort to bring travelling exhibits to local museums, which is also a benefit for communities.

As you know, I mentioned in my opening remarks that third parties are investing in our communities. We have various programs that provide that kind of partnership with local communities—maybe for festivals, maybe for commemorations like the ones you've

described. We want to continue to work very closely with these communities across Canada. For us, it's very important.

There's more and more evidence that art, culture, and sport can promote the health of communities and can make them more vibrant. It also engages volunteers.

Through the efforts we make in sports, arts, and culture, yes, we're trying very much to promote vibrant communities.

**The Chair:** Thank you, Mr. Jean.

Thank you, Ron. That's your time.

**Mr. Ron Cannan:** Thank you very much.

**The Chair:** We have two speakers left on the list and about six minutes. I'm going to ask you to do three minutes each, please.

Please do three minutes, Pierre.

[*Translation*]

**Mr. Pierre Nantel:** I met people from the contemporary music community. This is music that has no market as such. Those people testified that they had had contact with some of your colleagues, including a certain Pierre Lalonde. He told them that \$1.3 million was normally allocated to the contemporary music budget and that, as a result of some changes, that amount had been awarded to Factor and Musicaction. I found no trace of that, but I am not very familiar with that kind of directory.

However, for that music category, an amount of \$1.3 million was apparently transferred and another amount of \$600 million was ultimately transferred back to the Canada Council. Does that transfer sound familiar to you?

**Mr. Daniel Jean:** That does not sound familiar to me, from the way you say it. As you know, I explained in my comments earlier that we have more than \$24 million worth of investments in music.

Music programs are affected by the deficit reduction action plan. The program related to the "creation" sub-component is being eliminated because a lot of other creative initiatives are already in existence both in the private sector and on the Internet. This is a \$1-million cut to the program envelope based on the formulae for the entrepreneur, the people who make records and who receive that money. In fact, it is the biggest producers who will be hit harder in the circumstances.

No, I do not know what you are referring to.

• (1625)

**Mr. Pierre Nantel:** This probably has a greater impact on the budget that comes specifically from the Canada Council because we are talking about a form of music that does not receive major industry support; it is not on the programs of industry sites.

With regard to the Canada Council, we note no request for a transfer of funding to the Canada Council to fund arts research in the 2012 or 2013 versions. Did I not clearly understand what you just told me, or is there indeed a shortfall this time?

**Mr. Daniel Jean:** Once again, it is often more a matter of profile than of recurring spending because we make transfers. For example, in the supplementary estimates, I believe you will see a transfer to the Humanities and Social Sciences Research Council of Canada because a one-time research project is being conducted there. You will not necessarily see that every year. When we have research partnerships, we make transfers through the estimates.

**Mr. Pierre Nantel:** Thank you.

[*English*]

**The Chair:** That concludes your three minutes. Thank you, Pierre.

Peter Braid, you have three or four minutes.

**Mr. Peter Braid (Kitchener—Waterloo, CPC):** Thank you very much, Mr. Chair, and thank you to the witnesses for being here this afternoon.

I just want to start by coming back to a discussion we had earlier about two museums, the Canadian Museum for Human Rights in Winnipeg, which our chair is very rightly proud of, and secondly, the Museum of Nature.

First of all, with respect to the Canadian Museum for Human Rights, were some of the challenges you referred to earlier with respect to the construction of the museum? I just wanted you to clarify what you meant by your earlier remarks.

**Mr. Daniel Jean:** I did not refer to challenges. I basically said this was not a cut. The chair suggested that the fact that there was less money this year was due to a cut. What I said is the remaining money that was attributed by the Government of Canada, the \$100 million, was done last year, which is why there's less money this year. It's an issue of profile. It's not an issue of cuts.

**Mr. Peter Braid:** In your earlier statements you made some reference to there being some challenge with respect to the establishment of the Canadian Museum for Human Rights or the construction. I think you used the word "circus". I'm not sure you necessarily meant to say that. Could you just clarify that?

**Mr. Daniel Jean:** I don't think I used that language, sir.

**Mr. Peter Braid:** Thank you. We didn't think we heard that properly either. In fact, all of us on this side are very proud of that museum in Winnipeg.

With respect to the Museum of Nature, again, just to clarify, an increase in \$4.6 million was largely for renovations. I believe you mentioned that before. Now again, this is a beautifully renovated and restored building, a building that's also of great significance to Canadian history. I think it was the location of Parliament as a result of the great fire here in 1916, and I believe it was also the location of the state funeral for Sir Wilfrid Laurier. Are all of those things correct?

**Mr. Daniel Jean:** I won't pretend to be a historian. What is important is that the renovations are completed. Once the renovations are completed, of course, they have more space for

exhibits and things like that. What you're seeing here is an adjustment that was made to the operating expenses of the museum.

**Mr. Peter Braid:** Excellent.

The Museum of Nature, I'm pretty certain, does a great job of raising and receiving private money to sponsor exhibits at the museum. Could you confirm that?

**Mr. Daniel Jean:** All our museums do. René can provide more details on that. We did a comparative analysis a few years ago on how they compare, let's say, to the Smithsonian and other museums around the world. Of course, the nominal sums are not the same, but in terms of percentage, our museums do a pretty good job of raising money.

René.

**Mr. René Bouchard:** In the case of the Museum of Nature, in 2011-12 it raised \$4 million to help provide exhibits and show new artifacts.

In the case of other museums, the amount is different. For instance, in the case of the Museum of Civilization, I think it amounts to \$16 million. It depends on what they have in terms of tools to raise money. As Mr. Jean indicated, they're all doing very well.

• (1630)

**Mr. Peter Braid:** Wonderful.

Just switching gears, speaking of celebrating Canadian history, with respect to the War of 1812, why do you think it's important for Canadians to celebrate and commemorate the 200th anniversary of the War of 1812?

**Mr. Daniel Jean:** It's interesting. We brought in a very famous American historian—Alan Taylor. He has studied that a lot, and he's actually been using the Library and Archives as a place for research. In his view, this is fundamental, because if the invasion had not been repelled there would probably be a different country. In the context of repelling the invasion itself, it was the French, the English, and the first nations getting together in terms of repelling the invaders. Of course, there can be different views on this, but some people think that's a pretty important moment in history.

**The Chair:** That concludes your time.

Thank you, Mr. Jean and your fellow witnesses.

I would perhaps give you one chance just to clarify the record, because I heard you say that the construction of the Canadian Museum for Human Rights was "a circus". Was that incorrect?

**Mr. Daniel Jean:** I never said that, sir.

**The Chair:** I see. Okay. That's why I intervened earlier and clarified how proud we are of that project. If no one heard you say that, then let the record show you didn't say it. Fair enough.

Thank you very much for being with us here today, gentlemen.

We're going to suspend briefly while we welcome our next panel.

• (1630) \_\_\_\_\_ (Pause) \_\_\_\_\_

• (1635)

**The Chair:** Good afternoon again, ladies and gentlemen. We'll reconvene our meeting, the study of the main estimates for the Department of Canadian Heritage.

The four Heritage votes that are referred to this committee are four agencies: the Public Service Commission of Canada, and we welcome Anne-Marie Robinson, president; the Public Service Staffing Tribunal, Guy Giguère, chairperson; the Public Servants Disclosure Protection Tribunal, Lianne Lacroix, registrar and deputy head; and the Public Service Labour Relations Board, Casper Bloom, chairperson.

Welcome to all of you and thank you for being with us today. We would welcome your opening remarks, and then I think we will just have time for one round of questioning, because we do have to do the votes on the estimates before the conclusion of our meeting today. We'll see how the questioning goes, but we'll begin with opening remarks, whoever would like to begin.

Ms. Robinson, welcome.

**Ms. Anne-Marie Robinson (President, Public Service Commission of Canada):** Thank you very much, Mr. Chair and honourable members.

I'd like to thank you for the opportunity to meet with you this afternoon to discuss our main estimates and our report on plans and priorities for this fiscal year. The Public Service Commission is accountable to Parliament for safeguarding the integrity of the public service staffing system and the political impartiality of public servants.

In our main estimates for 2012-13, the PSC is authorized to spend \$92.7 million and it has an authority to recover up to \$14 million of the costs of our counselling and assessment services and products provided to federal organizations.

Mr. Chair, the main estimates do not reflect the contributions that the PSC is making to Budget 2012. As a result, the PSC's budget will be reduced by \$8.9 million. This is a reduction of 10% of the review base, and it will be implemented over a period of three years.

[*Translation*]

In developing our proposals for reduction, the PSC was guided by several imperatives. Our priority was to protect our ability to carry out our mandate. We focused on ensuring that the PSC will continue to be able to inform and support Parliament as well as support departments, conduct effective oversight, and deliver innovative staffing and assessment services to departments. The PSC will achieve its reduction targets through a variety of means, including redesigning work processes; leveraging advancements in technologies; and benefiting from mature audit and investigation methodologies.

Mr. Chair, I wish to inform this committee that the PSC was able to contribute its share while maintaining its ability to carry out its mandate. As a result of our reductions, some 87 positions will be eliminated over the next three years. Through vacancy management and attrition, we have already achieved a reduction of 38 positions.

As a result, up to 49 PSC employees may be declared surplus. All PSC employees who are directly impacted have been personally informed. I am also pleased to inform the committee that seven of the employees declared surplus have since been placed in other jobs.

In order to minimize the number of involuntary departures from the PSC, staffing controls will remain in place at our Executive Management Committee for the foreseeable future. This period will be difficult for organizations and for employees. I can assure you that, at the PSC, all employees affected by these reductions will be treated with respect.

• (1640)

[*English*]

Now I'd like to turn to our strategic priorities for this year. They reflect the evolving context for the public service and set the course for our organization in responding effectively to those realities.

This brings me to the support that the PSC has provided and will continue to provide to the departments and agencies in responding to their staffing activities related to workforce adjustment. While Treasury Board Secretariat has the lead responsibility in managing workforce adjustment, the PSC has two specific roles with respect to workforce adjustment: first, by providing policy guidance and support to departments in selecting employees for retention or layoff; and second, in managing priority entitlements.

We recently updated our policy guidance tools to provide managers with more detailed and concrete guidance on how to run merit-based structured processes for selecting employees who will be retained or laid off. To date, the Public Service Commission has provided intensive training to some 3,700 managers and human resource advisers. Our approach has been to support departments to ensure that their decisions are based on merit and their processes are fair and transparent.

The PSC is also responsible for managing priority entitlements. Under our legislation and regulations, priority persons are eligible to be appointed ahead of all others to vacant positions in the public service, provided they meet the essential qualifications of the positions. Surplus employees and laid off individuals have entitlements to priority appointments. These entitlements help the public service retain and redeploy skilled and competent people and therefore avoid the cost of hiring new employees.

The PSC is responsible for ensuring that these entitlements are respected, and it does so through the priority administration program. During this time of transition, it is critical that this program functions well, as the priority system will become a key source of public service hiring over the next couple of years. Internally, we have reallocated resources to this important program and we continue to closely monitor its performance.

[Translation]

Now I would like to turn to our responsibility for conducting independent oversight on behalf of Parliament. We do this through our audits, investigations and ongoing monitoring. Our oversight findings also enable organizations to improve their staffing performance.

Mr. Chair, in a time of restraint and reduced hiring, our staffing values take on greater importance. We continue to work with stakeholders, particularly the Office of the Chief Human Resources Officer and bargaining agents.

We want to ensure that our policies, guides, tools and programs provide effective direction and support, and we will continue to adapt them to reflect changing needs. A more effective priority administration program will play a key role in hiring.

However, the public service may need to conduct recruitment for those occupational groups where there are shortages. We will also continue to conduct effective and enabling oversight and report to Parliament, all the while focusing especially on those higher-risk areas of activity.

Thank you. We will be happy to take your questions when it is convenient to do so.

[English]

**The Chair:** Thank you very much, Ms. Robinson.

Next we will hear from the Public Service Staffing Tribunal, Mr. Guy Giguère.

[Translation]

**Mr. Guy Giguère (Chairperson, Public Service Staffing Tribunal):** Mr. Chair, Vice-Chairs and honourable members, thank you for this opportunity to appear before you to explain the operations of the Public Service Staffing Tribunal, a first time visit for us.

This year marks our seventh year as the Public Service Staffing Tribunal. The tribunal was established in 2005 under the Public Service Employment Act, as an independent, quasi-judicial body to address complaints related to internal appointments and lay-offs in the federal public service, in other words, staffing matters.

Our legislated mandate is to provide adjudication and mediation of complaints. We are also called upon to interpret and apply the Canadian Human Rights Act in certain situations. In fulfilling our mandate, we conduct hearings, mediations and settlement conferences. The outcome we seek is the fair and impartial resolution of these disputes.

The unpredictable number and complexity of our caseload represent a constant challenge. We have seen an increase in the number of complaints, from 400 in 2006 to nearly 1,900 in the last fiscal year, for an annual average of almost 1,000 complaints over the last five years.

Our vision, from the outset, was to put in place a complaint resolution process that promotes the settlement of complaints. That is why over 90% of complaints are either resolved or withdrawn at

some point during the process. Generally, we close 70% to 80% of files within nine months of receiving the complaint.

In 2011-2012, we held over 40 hearings, 227 mediations, and 38 settlement conferences. In addition to the decisions on our web site, we also issued 1,159 unpublished decisions with respect to motions filed by the parties. These decisions were usually issued within a matter of days.

Settlement conferences have recently been added to the tribunal's "tool kit" to assist with case load and to provide another mechanism for parties to resolving their dispute.

Of note, 82% of mediations result in a withdrawal of the complaint while 74% of cases scheduled for a settlement conference also result in a withdrawal.

Since its inception, the tribunal has managed its ever growing case load and the increasing complexity of complaints through innovation, increased efficiencies and case management processes. This has allowed us to deliver our mandate within our allocated budget and to maintain our operating costs to a reasonable level. Some of these include: settlement conferences; telephone/video conferencing for mediations and settlement conferences; an expedited hearing pilot project for 2012-2013, which limits the hearing to one day with reasons provided in a shorter time frame for less complex cases; part-time mediators in the regions; early case management and consolidation of cases for hearing whenever possible.

While these on-going improvements aim to reduce time and cost required for both the parties and the tribunal, they also simplify the complaint process, improve its timeliness and help ensure that parties to a complaint achieve more satisfactory results and make good use of dispute resolution mechanisms available.

In closing, I wish to emphasize that our objective is to provide parties with opportunities to resolve complaints effectively and to deliver decisions that are fair, consistent and well-reasoned.

•(1645)

[English]

In closing, I would like to thank you for your invitation and the opportunity to meet with you and answer your questions.

**The Chair:** Thank you very much, Mr. Giguère.

Next, from the Public Servants Disclosure Protection Tribunal, we have Lisanne Lacroix.

**Ms. Lisanne Lacroix (Registrar and Deputy Head, Public Servants Disclosure Protection Tribunal):** Thank you, Mr. Chair, for this opportunity to meet with you today.

I have with me Ms. Virginia Adamson, the registry's senior counsel, should there be questions of a legal nature.

I'm happy to answer any questions the honourable committee members may have, but first, with your indulgence, I would like to make a few brief introductory remarks.

The registry of the Public Servants Disclosure Protection Tribunal was established in 2007 to support a new tribunal charged with the duty of protecting public servants who report wrongdoing in the federal public sector. The tribunal hears complaints of reprisal referred by the Public Sector Integrity Commissioner. It has the power to order remedies in favour of complainants and disciplinary sanctions against public servants who take reprisals. The tribunal consists of Federal Court judges who free themselves when necessary to hear cases.

• (1650)

[Translation]

The tribunal got off to a rocky start for reasons that we all know. However, the tribunal has everything it requires, at the present time, to fulfill its mandate under the Public Servants Disclosure Protection Act. The chairperson, the Honourable Luc Martineau, was appointed by the Governor in Council in June 2010 for a four-year term. The members of the tribunal, the Honourable Sean Harrington and the Honourable Marie-Josée Bédard, were appointed in March 2011, for a four-year and five-year term, respectively. The tribunal has adopted rules of procedure, which were published in the *Canada Gazette*, and the registry has posted, on its website, a procedural guide to help parties understand tribunal proceedings. It has also set up a consultation committee, made up of the tribunal's clients, to ensure the efficiency and effectiveness of proceedings.

The tribunal received its first application for a hearing from the Office of the Public Sector Integrity Commissioner in May 2011. Since then, two other applications have been sent to the tribunal. The tribunal has rendered five interlocutory decisions on jurisdiction and procedure, decisions which clarify the scope of the act and the role of the tribunal. The future decisions of the tribunal will bring greater clarity and will allow Canadians to assess the effectiveness of the act.

[English]

Since its establishment in 2007, the registry has never spent its full budget. Although it is very difficult to predict the number of cases the tribunal will hear this year, and consequently to assess the human and financial resource requirements to continue to support the tribunal in carrying out its mandate, the registry expects to spend its entire funding allocation this year. According to the latest information, there are about 20 reprisal complaints being investigated by the Office of the Public Sector Integrity Commissioner.

That said, the registry will continue to ensure that public funds are managed with prudence and probity and that resources are used effectively, efficiently, and economically to achieve objectives.

Thank you.

**The Chair:** Thank you very much, Ms. Lacroix.

Finally, we'll have the Public Service Labour Relations Board representative.

**Mr. Casper Bloom (Chairperson, Public Service Labour Relations Board):** Thank you, Mr. Chair, for the opportunity to speak with the committee today about the Public Service Labour

Relations Board. I'm accompanied by Mr. Guy Lalonde, the executive director of the board.

I'd like to begin by describing who we are and what we do. The board is an independent, quasi-judicial tribunal. We are mandated by the Public Service Labour Relations Act to administer the collective bargaining and grievance adjudication systems in the federal public service. We are also mandated by the Parliamentary Employment and Staff Relations Act to perform the same role for the institutions of Parliament.

[Translation]

Established on April 1, 2005, the board replaced the Public Service Staff Relations Board, which had existed since 1967, when collective bargaining was first introduced in the federal public service.

[English]

We provide three main services: adjudication, mediation, and compensation analysis and research services.

Our adjudication function sets us apart from other labour relations boards in this country. We are unique. We are one of the few bodies in Canada that combine both adjudication services—that is, we hear and decide grievances—and impartial third-party services in the collective bargaining process. That is, we certify bargaining agents, manage complaints, and deal with the conciliation or arbitration of labour disputes.

Through our mediation services, we offer timely, impartial services that help the parties reach mutually acceptable solutions to their issues. What I would like to mention that's not in my notes is that the jurisdiction we cover is from one end of the country to the other. Some 350,000 public servants fall under our jurisdiction.

Our compensation analysis and research service, or what we commonly refer to as our CARS program, responds to the government's need for an accurate, impartial comparison of federal government employee compensation and that of other employers across the country, both public and private. To date, we have put in place the necessary tools, processes, and systems to ensure that we are in a state of readiness to conduct surveys and studies.

The government itself recognizes the importance of this service in supporting the collective bargaining and compensation decisions in the public service and the future requirements of the Public Sector Equitable Compensation Act. We will be able to provide these impartial compensation comparative analyses when the board receives appropriate funding for the data collection.



•(1655)

[*Translation*]

The government further expanded our mandate under the Budget Implementation Act of 2009, which transferred the responsibility for public-sector pay equity complaints from the Canadian Human Rights Commission to our board. As a result, we deal not only with complaints that were, or could be, filed with the Human Rights Commission, but also with those that may arise under the Public Sector Equitable Compensation Act when it comes into force. We are awaiting rulings in those matters.

[*English*]

We accept our various mandates, and indeed we have successfully confronted the challenges they have presented to us. The five-year review of the Public Service Modernization Act supports our position. The report describes the current regime as adequate, and that it provides an appropriate framework for people management in the federal public service.

[*Translation*]

I can also point to our 2010 Client Satisfaction Survey results, which demonstrate that our board has consistently met both its mandated responsibilities and its clients' needs—be it the Treasury Board, the Canada Revenue Agency or Parks Canada—or the various bargaining agents such as the Public Service Alliance of Canada, the Professional Institute of the Public Service of Canada, the Canadian Association of Professional Employees, or the Union of Canadian Correctional Officers.

Our survey revealed that clients were satisfied with our ability to improve labour relations, not only in terms of the everyday work that we do but also with the quality of assistance, reports and tools that we provide. Specifically, about 80% of the respondents said they are satisfied or very satisfied with the PSLRB's services overall.

[*English*]

While we are progressing well in terms of meeting our mandate in clients' needs, we continue to find innovative ways to help us manage our robust and increasingly complex caseload. Since the beginning of my tenure in 2007, I have witnessed a steady increase in the volume of cases that are referred to the board. More than a decade ago, there were about 1,200 cases in our registry. Today, that number has grown to nearly 6,000. Rest assured, however, on average we are able to close about 1,500 cases per year, which is an excellent effort, but we need to go further and use analytics and strong case management tools to cater more specifically and efficiently to the needs of certain parties.

[*Translation*]

For example, I note that, of all the grievances currently before the Board, 55% have been filed by employees of the same occupational group. In other words, this equates to one grievance being referred for every three employees in that bargaining unit. Since over one-half of the board's workload has been filed by a single group, our board has established a special task force to address the particular needs of those parties. This includes grouping the grievances together, dealing with policy issues by priority—the latter of which provides a benchmark for dealing with similar grievances—and

consistently appointing arbitrators or mediators who have experience with the parties.

[*English*]

As well, we are investing in a more robust and thorough case management system that will enable us to cross-reference cases and deal with similar cases in a similar fashion.

But we must do more than focus on closing case files. We continue to review, analyze, and streamline our adjudication and mediation processes to optimize our resources and enhance our efficiency. From the moment we receive a grievance, we move into proactive case management mode. Often this means we aim to resolve matters brought before us through mediation. There are three-quarters of our cases in collective bargaining disputes referred to mediation that are resolved through our mediation interventions. That's almost 85% that we resolve through mediation.

This success of our mediation program and the calibre of our mediators are also supported by our client satisfaction survey results.

We also seek to make our hearings as productive and efficient as possible, through the use of pre-hearing conferences in which procedural matters are dealt with, and by dealing with hearings through written submissions or early analysis of the underlying issues.

It goes without saying that our ongoing efforts are particularly important in the current economic environment. Although we weren't asked to identify specific reductions in the government's strategic operational review, we nevertheless took it upon ourselves to thoroughly examine our operations, identify efficiencies, and look for cost-saving measures where possible.

Of note, over the past few years we have engaged in partnerships with other independent federal tribunals. The board currently provides certain corporate services—IT, web, finance, compensation, and HR services, and use of its library—to the Public Service Staffing Tribunal, from whom you've just heard, and other similar smaller tribunals under formal shared services agreements.

• (1700)

[Translation]

I am pleased to report that we continue to enhance our efficiency in the daily management of our hearings. Only one adjudicator hears a case, without the support of staff, and he or she travels to a location near the workplace, which limits the need for the grievor and witnesses to travel. Other tribunals use three-person panels, but we rely on a single member. We also use the hearing rooms of the Federal Court, and other administrative tribunals, whenever possible to minimize our costs.

[English]

Throughout the years we have demonstrated a proven record of success that has resulted in an enviable reputation in the labour relations world. What sets us apart, I believe, is our unique role and mandate of independent adjudication, mediation, and compensation analysis and research that we uphold. To do so, we work closely with federal workplace parties and support their efforts. In fact, just this morning we met with our client consultation committee, composed of employer and bargaining agent representatives, to discuss among other things hearing postponements and their regulation, which are an unproductive use of the board's resources.

In conclusion, we have the necessary experience, dedication, and commitment to continue our work and to meet the challenges before us. Our ability to resolve labour relations issues in an impartial and efficient manner will ensure that the delivery of programs and services to Canadians is not compromised.

That concludes my remarks. I will be pleased to respond to any questions you may have.

Thank you.

**The Chair:** Thank you very much, Mr. Bloom, and thank you to all of our witnesses.

While we hear from the Public Service Commission relatively frequently, I don't believe we've ever had some of these agencies and tribunals appear before our committee. Given that we're the oversight committee, I think getting some insight as to what you do was time well spent.

We only have time for one round of questioning for each party. If that's acceptable to everyone, it will be five minutes per party.

We do need to conclude at about quarter after or 20 after, to do some votes regarding the main estimates.

We'll begin then with the NDP. Linda Duncan, for five minutes, please.

**Ms. Linda Duncan:** Thank you, Mr. Chair.

Obviously there's a lot to deal with and we needed you here for two hours.

I will try to be precise and share with my colleagues, given our limited time to question.

My questions are to do with the Public Servants Disclosure Protection Tribunal. To go straight to the point, based on the speaking notes it was reported in the last year that only half of the

money was spent. We have an indication that there are very few cases coming forward, and yet the registry is reporting that they intend to spend all of the money despite there being no clarity on a number of cases.

I have two questions related to that. How can you determine that you will spend all the money when there's no certainty there will be any cases at all? Second, what happens if all of a sudden you finally have a flood of cases?

• (1705)

**Ms. Lianne Lacroix:** Thank you for the question.

First, it is extremely difficult, if not impossible, to predict exactly how much money we're going to spend this year. However, I'm going out on a limb, saying that I think we're going to spend our full budget for the first time in our history. I'll tell you why.

Last fiscal year was the first time we received cases from the Public Sector Integrity Commissioner. As I mentioned earlier, my understanding is that the office of the commissioner is actively investigating about 20 reprisal complaints at the moment, which means that the tribunal can expect to receive a much larger number of cases.

The other thing is that in his remarks before the Senate Committee on National Finance in January, the commissioner, Mario Dion, said that he was seeing a significant increase in the number of disclosures of wrongdoing that were being made to his office, as well as a number of reprisal complaints. So I have to say that, again, a number of factors will have an impact on cost—not just the number of cases, but where the cases are going to be heard, whether they're going to be here in Ottawa or outside the national capital region, which entails travel, etc. There is also the complexity of cases, because in cases where the matter is considered complex, the three tribunal members will preside, instead of just one. That's already happened in one case.

There's also the question of how long the hearings will take. It's very difficult to tell because we don't have any experience.

**Ms. Linda Duncan:** If you end up with a complex case and it can go on for several days, I notice that the statute provides that legal advice can be provided to the complainant. This is a quasi-judicial process, but a maximum of \$1,500 is set. Reputable labour lawyers charge that an hour.

How is this a fair process if government lawyers are well paid? We've got Federal Court judges sitting on this. It is a quasi-judicial process. How do you defend this process as fair? Does your budget include the potential for at least upping to the maximum of \$3,000 per complaint?

**Ms. Lisanne Lacroix:** The short answer to that question is that we don't have any flexibility because the legislation was designed the way it is. The tribunal is there to interpret the legislation and nothing else. However, you're probably aware of the fact that the act does call for a review of the legislation five years after its coming into force, which means that this review should take place in 2012. It will be up to the President of the Treasury Board to launch that process. In that context, if the committee members or any other party feels that changes should be made to the legislation, that would be the appropriate venue to raise the respective issues.

**Ms. Linda Duncan:** Thank you very much.

I'll give the rest of my time.... That's it?

**The Chair:** This concludes our time. Time goes very quickly.

Mike Wallace, you have five minutes.

**Mr. Mike Wallace (Burlington, CPC):** Thank you, Mr. Chair.

And thank you to our guests today. It was very interesting.

I'm going to try to go quickly.

First, since you were last to speak, the integrity commissioner has to refer the case to the tribunal before you look at it. Is that correct?

**Ms. Lisanne Lacroix:** That's correct.

**Mr. Mike Wallace:** That is set out in legislation. The complainant, the whistle-blower—let's say what it is—goes to the integrity commissioner and says this needs to go to the tribunal. That's the concept, don't touch it, and they'll do it for you?

• (1710)

**Ms. Lisanne Lacroix:** That's the concept, except a refinement needs to be made.

The whistle-blowers can come forward to the Public Sector Integrity Commissioner; however, the tribunal only deals with complaints of reprisal. So if a whistle-blower feels that he or she has been the subject or the victim of reprisals, the commissioner does his investigation first, and then refers cases to the tribunal.

**Mr. Mike Wallace:** I have a question for you all, other than the president of the Public Service Commission. I don't need to hear from her.

You can run down the line. I want to know about the back office.

I understand that you all do important work. I'm a little bit confused about the difference between a labour issue and a contract issue. I know that you do research also. The other board looks after the staffing tribunal. Those are obviously non-labour agreement issues, I'm assuming. You can tell me if I'm wrong.

I want to know if you all have your own financial officer. Do you all have your own accounting department? Who looks after all the back-office stuff? If it is all done by one organization, TB or whoever it is, I would like know that. Just tell me about the back-office operation and support, not about the actual commission itself.

**Mr. Guy Giguère:** I could answer your question. My colleague, Casper Bloom, alluded to that.

When we established the tribunal back in 2005—I was the former deputy chair at the PSLRB—we entered into an agreement so that

we could share the back office. Most of our services—financial, IT, and all that—are provided by the PSLRB.

We already have some form of sharing of our back office, which is what you're asking about.

**Mr. Mike Wallace:** Do you have a chief of staff of sorts, somebody who heads the organization?

**Mr. Guy Giguère:** One important thing I forgot to mention is that I'm accompanied today by Josée Dubois, who is our executive director and general counsel. She's the person who is doing that job.

We have different organizations. But our focus at the tribunal is our mandate. Our mandate is to hear complaints and address them. In that—

**Mr. Mike Wallace:** Explain to me the difference between what they hear and what you hear.

**Mr. Guy Giguère:** We hear staffing complaints. That doesn't come under a collective agreement. That's established by the Public Service Employment Act, which created the tribunal, and also the Public Service Commission, the staffing authority. That's not under a collective agreement.

Mr. Bloom could explain more. They deal with grievances. Those are contract interpretations and disciplinary measures, such as if somebody is terminated for a disciplinary reason. We do layoffs and notices.

**Mr. Mike Wallace:** I'm an employee. Let's say that I'm a unionized employee with the public service. I have an issue. I have a problem. I'm being laid off. How do I know who to go to? How does that work? How do I know whether I should go to the labour board or the labour commission or to you?

**Mr. Guy Giguère:** If you're a union employee, you would be looking for advice from your union representative, for one thing, who might direct you to what recourse you might have under our act. When there's an appointment, the notice is provided to the employee who did or didn't get whatever. It will tell them that they have a right to recourse, and that would be through the tribunal. They're directed to the tribunal. If it's a disciplinary measure, they would go to the PSLRB.

**Mr. Mike Wallace:** What did employees do before you existed?

**Mr. Guy Giguère:** They went to the Public Service Commission. There was a different regime. My colleague from the Public Service Commission could answer that better than I can. In 2005, the regime changed. Instead of having the Public Service Commission, which has a broad mandate in the public service, address appeals, an independent tribunal was created.

Anne-Marie could answer this also.

• (1715)

**Ms. Anne-Marie Robinson:** I think Mr. Giguère has said it correctly. We used to have what we called an appeals function. Individuals could bring forward complaints related to staffing transactions. That role was transferred to the new tribunal.

**Mr. Mike Wallace:** Why?

**Ms. Anne-Marie Robinson:** I'm not sure. At the time, I think it was partly the restructuring of the commission's mandate overall. We put in place a delegated model of staffing in the commission's role. We put more emphasis on broader oversight of the system and on setting policy for the system. We do investigations in certain limited circumstances. Then it was also deemed necessary by Parliament at the time to have an independent tribunal look at specific staffing complaints.

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

**The Chair:** Thank you, Ms. Robinson, and thank you, Mr. Wallace.

We're well over time on that one, and the last round will be to John McCallum for the Liberals, five minutes.

**Hon. John McCallum:** Thank you, and thank you all for being here.

I have two questions for Ms. Robinson. I understand the budget implementation act will no longer require Treasury Board to publish annual employment statistics on the demographics of the public service, but that your group does. My understanding is you only publish for people who come under your act. Will valuable information be lost as a result of this decision?

**Ms. Anne-Marie Robinson:** Thank you for the question, Mr. Chair.

I'm not aware of that decision, but I can communicate that the PSC will continue to report to Parliament annually and will continue to publish all the information under our jurisdiction, which represents around 220,000 public servants.

**Hon. John McCallum:** Assuming what I said is correct, would the disappearance of this information from Treasury Board pose problems of incompleteness of the data?

**Ms. Anne-Marie Robinson:** It's hard for me to comment on that. Given that I haven't seen that provision, I'm not sure which data you're referring to specifically.

**Hon. John McCallum:** Okay. Another thing I've been told is that the Canada School of Public Service, which currently has a board, will no longer have a board but will report directly to a minister. If that is the case, will that pose problems in terms of arm's-length behaviour of the school? Do you think that's okay?

**Ms. Anne-Marie Robinson:** Again, it's hard for me to comment because I don't have any specifics. I'm not aware of that type of decision nor do I have any specifics around it. But I would say it's important to have a good planning process in place so that the school can work with departments and understand what the needs of departments are so that it can carry out its training for the public service in a way that's relevant and cost-effective.

I apologize, I'm not familiar with the governance mechanisms for doing....

**Hon. John McCallum:** I have one more question, which is for three people, perhaps not the disclosure protection group, but for the other three. It's my feeling that in this environment of lots of job losses and cuts and downsizing, that might cause an increased workload for all of you. Given the budget you have, do you think you're well placed to deal adequately and professionally with, I would suggest, this impending increase in your workload in the next

year or two? Perhaps the three here who are affected by that could answer.

**Mr. Guy Giguère:** We didn't know this was coming, but we always try to be as efficient as possible at the tribunal and to implement new processes that would simplify and accelerate the hearings, so we did the settlement conference project, which was new. We have volunteer mediation, but if somebody declines mediation, a few weeks or a month before the hearing we'll call a settlement conference to give the parties the opportunity to settle their differences, and it's by a member.

Also, another project that we have starting this year is expedited hearings. So instead of taking three days of hearings, we could have a hearing in half a day or a full day—

**Hon. John McCallum:** You're saying you'll be in good shape.

**Mr. Guy Giguère:** We're doing our best to be in good shape. As I mentioned, it's hard to predict our caseload, but we're doing our best.

**Hon. John McCallum:** Ms. Robinson.

● (1720)

**Ms. Anne-Marie Robinson:** Yes, certainly resources are tighter now, so we're watching the situation very closely. The one area that we're really watching closely is the priority administration system. It will take some time. I think members are aware that when persons are declared surplus or affected, there's a period of four months or so where individuals will make decisions about whether or not to remain in the public service and go into the priority system, or take one of the departure options. All of those individual decisions will take four months or so, and then we'll start to see persons entering the priority system in the fall. We're watching that volume very closely. It's critical that the commission is able to manage that program really well through this, so we have had some discussions with Treasury Board, and we may need resources, depending on what those volumes are.

**Hon. John McCallum:** Thank you.

Finally, Mr. Bloom.

**Mr. Casper Bloom:** Ultimately, they all come down to our board, because the cases that aren't resolved in their boards or their commissions finally come to us. We feel very comfortable in handling them because we're in the process of trying to render our board as effective and as efficient as possible. To do this, and I mentioned it in my notes earlier, we're working with the parties. We have created a client consultation committee and we work together for that very purpose, to make not only the board but the parties more efficient and effective as well, so we can handle more cases and handle those cases efficiently, and it's working.

Although we are expecting more cases to come to our board, we're not too concerned. We can handle it.

**Hon. John McCallum:** Thank you all. That's it.

**The Chair:** Thank you, Mr. McCallum.

That's just about it for time. I apologize that we don't have more time to spend with you today, but thank you very much for your presentations. Your briefs were very useful to us, and we appreciate your taking the time.

We're going to have to ask you to now adjourn from the table.

We will continue with the votes on the main estimates in these categories we've just heard about.

First of all, we have to deal with these votes that have been presented to our committee. We need the unanimous consent of the committee to cluster the votes into groupings so that we can expedite the voting process. Do we have consent to deal with these votes in clusters?

**Some hon. members:** Agreed.

**The Chair:** Denis, do you have a question?

[*Translation*]

**Mr. Denis Blanchette:** I would like to know why all the votes appear at the very end of the agenda. We did not see them before the meeting started.

[*English*]

**The Chair:** Actually, it is quite common practice, but I'll allow the clerk to answer your question if you like.

This is the way we've done it at this committee. As a rule, we interview as many people associated with the votes as we can, and then we put the votes to the committee. There are only three choices. You can either adopt, reduce, or negative each vote. You cannot increase the value of the vote.

**Mr. Mike Wallace:** This is the normal practice.

**The Chair:** Anyway, we have the unanimous consent of the committee, I understand, to deal with them in groupings. I think we should proceed right away. You have the votes in front of you.

Shall votes 95, 100, 105, and 110 under Canadian Heritage carry?

CANADIAN HERITAGE	
Public Service Commission	
Vote 95—Program expenditures.....	\$79,092,000
Public Service Labour Relations Board	
Vote 100—Program expenditures.....	\$12,421,000
Public Service Staffing Tribunal	
Vote 105—Program expenditures.....	\$4,812,000
Registry of the Public Servants Disclosure Protection Tribunal	
Vote 110—Program expenditures.....	\$1,644,000
(Votes 95, 100, 105, and 110 agreed to on division.)	

**The Chair:** Shall vote 1 under the Governor General, less the amount voted in interim supply, carry?

GOVERNOR GENERAL	
Governor General	
Vote 1—Program expenditures.....	\$17,016,000
(Vote 1 agreed to on division)	

**The Chair:** Shall vote 1 under Parliament, less the amount voted in interim supply, carry?

PARLIAMENT	
The Senate	
Vote 1—Program expenditures.....	\$57,933,000
(Vote 1 agreed to on division)	

**The Chair:** The next cluster will be under Privy Council.

Shall votes 1, 5, 10, and 25 under Privy Council, less the amount voted in interim supply, carry?

PRIVY COUNCIL	
Privy Council	
Vote 1—Program expenditures.....	\$111,793,000
Canadian Intergovernmental Conference Secretariat	
Vote 5—Program expenditures.....	\$6,144,000
Canadian Transportation Accident Investigation and Safety Board	
Vote 10—Program expenditures.....	\$26,479,000
Public Appointments Commission Secretariat	
Vote 25—Program expenditures.....	\$945,000
(Votes 1, 5, 10, and 25 agreed to on division)	

**The Chair:** Under Public Works and Government Services, shall votes 1, 5, 10, 15, 20, and 25, less the amount voted in interim supply, carry?

PUBLIC WORKS AND GOVERNMENT SERVICES	
Public Works and Government Services	
Vote 1—Operating expenditures.....	\$1,959,722,000
Vote 5—Capital expenditures.....	\$288,879,000
Vote 10—Contributions.....	\$5,497,000
Old Port of Montreal Corporation Inc.	
Vote 15—Payments to the Old Port of Montreal Corporation Inc. for operating and capital expenditures.....	\$25,173,000
Shared Services Canada	
Vote 20—Operating expenditures.....	\$1,305,070,000
Vote 25—Capital expenditures.....	\$67,526,000
(Votes 1, 5, 10, 15, 20, and 25 agreed to on division)	

**The Chair:** Under Treasury Board, shall votes 1, 5, 10, 20, 25, 30, 33, 40, and 50, less the amount voted in interim supply, carry?

TREASURY BOARD	
Treasury Board Secretariat	
Vote 1—Program expenditures.....	\$224,183,000
Vote 5—Government Contingencies.....	\$750,000,000
Vote 10—Government-Wide Initiatives.....	\$3,193,000
Vote 20—Public Service Insurance.....	\$2,277,220,000
Vote 25—Operating Budget Carry Forward.....	\$1,200,000,000
Vote 30—Paylist Requirements.....	\$600,000,000
Vote 33—Capital Budget Carry Forward.....	\$600,000,000
Canada School of Public Service	
Vote 40—Program expenditures.....	\$44,650,000
Public Sector Integrity Commission	
Vote 50—Program expenditures.....	\$5,133,000
(Votes 1, 5, 10, 20, 25, 30, 33, 40, and 50 agreed to on division)	

**The Chair:** Finally, shall the chair report the main estimates 2012-13, less the amount voted in interim supply, to the House?

**Some hon. members:** Agreed.

**Some hon. members:** On division.

**The Chair:** That's excellent. Thank you.

We have two items of information, if I can just have everybody's attention.

Linda Duncan would like to serve a notice of motion. Would you like to do that first, Linda?

• (1725)

**Ms. Linda Duncan:** Yes, thank you, Mr. Chair.

The notice of motion has been sent to the clerk, and it is in the process of being translated. I understand that everybody, by the end of the day, will receive it.

The matter of supplementary estimates (A) has already been referred to our committee. The motion is simply that we have the Ministers of Public Works and Treasury Board Secretariat appear before us to speak to the supplementary estimates (A).

**The Chair:** You have served notice. It's non-debatable. Thank you for that, Linda.

The item of information I have also deals with supplementary estimates (A). We would like to deal with the supplementary estimates (A) on June 6.

Is there agreement on that?

**Some hon. members:** Agreed.

**Mr. Mike Wallace:** That's agreed.

Just as clarification, our next two meetings will be to deal with the report on the process and the discussion we've been having. Then next Wednesday we will deal with supplementary estimates (A). Is that correct?

**The Chair:** Exactly. The idea is to use May 30, our next meeting, and June 4, the following meeting, to deal with what we have heard and to give direction to the drafters of the report on estimates.

**Mr. Mike Wallace:** That's good.

I have just one point of clarification on the notice of motion. I know it's not debatable, but we are talking about the motion. We're happy to deal with supplementary estimates (A) next Wednesday. But ministers never come on supplementary estimates. They come only on mains. You can ask the ministers, but that will never happen.

**The Chair:** We're only serving notice of motion. It's non-debatable at this time, so we don't really need any clarification.

John, are you—

**Ms. Linda Duncan:** I'd like clarification. Is that only this committee? It certainly isn't my experience on my other committees.

**Mr. Mike Wallace:** I think it is, Linda, if you check your minutes. Check your minutes on supplementary (A)s to see if your ministers have come.

**The Chair:** We don't even know if the motion will pass when it's moved, so it's kind of moot.

I want to check with the Liberals.

John, are you okay with dealing with the supplementary estimates (A) on June 6?

**Hon. John McCallum:** Yes.

**The Chair:** We've just explained the procedure. We've decided that May 30 and June 4 are set aside for continuing the analysis of our draft report, etc.

**The Clerk of the Committee (Mr. Marc-Olivier Girard):** The first date for consideration of the draft report would be June 11?

**The Chair:** That's right. Ideally, on June 4 we will have finished giving our direction to the analysts. They need one full week to compile that and have it translated, so on June 11 we will probably have the draft report.

If we're serious about expediting this and getting it reported to the House by the summer recess, we're going to have to be really disciplined.

**Mr. Mike Wallace:** But do you think we can have it by June 11? We've set aside the meeting on June 11 for that, and that would be great.

**The Chair:** What the analysts tell me today is that if we're finished giving them directions on June 4, by June 11 they will have circulated a translated draft report. Agreed?

**Some hon. members:** Agreed.

**The Chair:** All is hunky-dory?

**Mr. Mike Wallace:** Yes.

**The Chair:** Okay. Thank you, everyone.

The meeting is adjourned.









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