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Chair

Mr. Pat Martin

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•(0845)

[English]

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

We'll call the meeting to order. This will be the 54th meeting of the Standing Committee on Government Operations and Estimates.

We're very pleased and very grateful to welcome today as our guests and witnesses representatives from the Department of Public Works and the Department of Natural Resources as we undertake an overview of where we are with the greening of the public buildings and the energy efficiency and energy retrofit study that we would like to undertake as a committee.

We thought it would be useful, of course, to find out what the lay of the land is currently and who is doing what. We understand that there's a great deal of work already under way in this regard throughout the federal government's holdings.

Therefore, we'd be very pleased to hear from, first of all, Mr. John McBain, the assistant deputy minister of the real property branch of Department of Public Works, and then I understand Mr. Geoff Munro will make a presentation on behalf of Natural Resources.

Mr. McBain, you have the floor for as long as you like.

Mr. John McBain (Assistant Deputy Minister, Real Property Branch, Department of Public Works and Government Services): Thank you, Mr. Chair and members of the committee.

On behalf of my colleague, I would like to thank you for inviting us here today. We are pleased to appear before you to discuss the role of Public Works and Government Services Canada in enhanced energy efficiency and potential cost reductions for federally owned or operated building structures in Public Works.

I am John McBain, assistant deputy minister responsible for the real property branch of the Department of Public Works and Government Services Canada. With me is Caroline Weber, assistant deputy minister, corporate services and strategic policy branch.

We welcome the opportunity to speak with you on the subject of the two major areas of responsibility of PWGSC that pertain to your area of study, namely, the functions of our real property branch and our Office of Greening Government Operations.

PWGSC plays an important role in the daily operations of the Government of Canada. As one of 29 major custodians for real property owners in the federal context, we are the principal owner of

office accommodation. We also manage a diverse real estate portfolio, including 1,475 leases and 20 major engineering assets.

While PWGSC's 335 crown-owned buildings represent less than 1% of the 39,670 federal buildings that currently show on Treasury Board's inventory, the floor space managed by Public Works represents 31% of the federal inventory. Our crown-owned inventory itself totals approximately 4 million square metres of building space throughout Canada. The magnitude of these holdings, which house some 269,000 public servants in 1,819 locations across Canada under our accountability, puts us in a position to demonstrate leadership for effective and efficient use of federal real property.

In addition to the real property function, the department created the Office of Greening Government Operations to serve as a focal point for efforts directed at managing federal operations in a more sustainable manner and to work with other government departments to accelerate the greening of government operations as a whole.

PWGSC's practices conform to Treasury Board's policy on the management of real property and the federal sustainable development strategy. This ensures that real property is managed in an environmentally responsible manner while providing best value to the taxpayer.

We have been actively engaged in reducing the energy consumption of assets through a number of means.

These include adopting leadership in environmental and energy design, or LEED, and Green Globe targets for new building and major renovations, and adopting the Building Owners and Managers Association's Go Green Plus or BOMA BEST practices for improving how we manage and operate our existing buildings in a sustainable way.

Third, we employ the federal buildings initiative, an innovative approach to involving private sector investment to reduce the consumption of energy and water in our buildings. Fourth, we have developed and implemented Workplace 2.0, an initiative to modernize the workplace environment, including shrinking the space allocation for offices and providing a greener office environment. Fifth, we established targets for our portfolio's performance on reductions of greenhouse gas emissions and energy consumption.

Last, but certainly not least, we undertake special initiatives, such as our low-carbon memorandum of understanding with our colleagues at NRCan, and pathfinder projects aimed at making our buildings more intelligent.

In specific terms, I can elaborate on these points as follows. We require that any new office building, crown-owned or long-term leased, be built to respond to and achieve the Canada Green Building Council's LEED gold certification. For all buildings under major renovations, a LEED silver certification is a requirement. PWGSC currently owns six buildings that have obtained a LEED gold or silver certification, and we have 14 buildings under construction or under certification consideration that are targeted to achieve LEED certification.

As an example, the Jean Canfield Building, located in Charlottetown, Prince Edward Island, received official LEED gold certification in 2011. It was the first Government of Canada building to achieve this certification in Atlantic Canada. It was built with a number of design features to reduce energy consumption, including heat recovery from exhaust air, as well as daylight harvesting and, at the time, Canada's largest photovoltaic solar panel array on the roof of the building to provide electricity directly to the building. Additionally, the building has no heating or cooling plant itself. We chose to connect to Charlottetown's district energy system.

● (0850)

Regarding BOMA Go Green Plus, which is a sustainability assessment for standard buildings and operations and maintenance, 259 of our crown-owned buildings have been assessed. Of these 259 buildings, 66%, or 170, have been certified by BOMA Canada as green buildings in terms of how they're operated.

We have implemented 40 projects under the federal buildings initiative developed and administered by the NRCan Office of Energy Efficiency, all of which have led to a direct reduction in water and energy consumption.

On April 2, 2012, PWGSC launched the Government of Canada Workplace 2.0 fit-up standards. The standards provide direction to create effective and productive work environments for employees, accommodating individual work styles, alternative work strategies, and sustainable design principles, while also reducing the amount of space allocated for offices by two square metres per person.

Workplace 2.0 will encourage green, smart buildings, environmental controls, and more natural light along with a smaller footprint that will not only help save energy but also produce more efficient buildings. It will be applied to all new federal accommodation projects.

As standard practice, all buildings over 1,000 square metres are energy-audited on a five-year cycle. These audit reports identify opportunities for energy conservation that feed directly into our annual building management planning, or BMP, cycle. Our BMP cycle is the heart of our annual process that builds on inspections and condition ratings. It is the core of how we manage our portfolio, and special initiatives, such as the FBI project, are programmed and planned throughout this cycle.

From a policy perspective, Treasury Board's policy on the management of real property requires each deputy head to be

responsible for ensuring that the real property within their accountability is managed in an environmentally responsible manner consistent with the principle of sustainable development. The policy requires that we meet a number of objectives, which, as a department, we translate into specific standards, policies, and best practices.

PWGSC also works with policy leads in specific areas, such as the recently signed memorandum of understanding between PWGSC and NRCan to collaborate on and partner in a program to lower the carbon footprint in the PWGSC buildings that NRCan occupies. Together, we believe the two departments can aspire to a leadership position for this and all other custodians.

In the context of the federal sustainable development strategy, PWGSC is committed to reducing greenhouse gas emissions by 17% by the year 2020 from our 2005 consumption. Over the five years from 2005 to 2010, PWGSC has achieved a reduction of about 5%, equating to an estimated cumulative savings of \$17 million. Between 2001 and 2010, PWGSC achieved a 19% reduction in energy consumption at our crown-owned and lease-purchase assets.

There are numerous other initiatives within our department that will help us reduce our energy consumption in buildings. Notwithstanding, we continue to identify opportunities for improvement, and in many instances we are collaboratively engaging our colleagues with other federal departments on the common objective of energy sustainability. More can and will be done in the years to come.

Again, we thank the committee for the opportunity to attend here today. We will be pleased to respond to your questions.

Thank you, Mr. Chair.

● (0855)

The Chair: Thank you very much, Mr. McBain.

I should mention that Mr. Geoff Munro is both the chief scientist and the assistant deputy minister for the innovation and energy technology sector.

Mr. Munro, you have the floor.

Mr. Geoff Munro (Chief Scientist and Assistant Deputy Minister, Innovation and Energy Technology Sector, Department of Natural Resources): Thank you very much, Mr. Chairman.

I will also introduce my colleague, the director general of the Office of Energy Efficiency, Ms. Carol Buckley. Depending on exactly where the questions go and what you are interested in, Carol will certainly be able to add to anything I can provide the committee.

I, too, am pleased to be here to hopefully help scope the study you're going to undertake and to give you a perspective on what we're trying to do within Natural Resources Canada. In our context, it is driven largely by what we're calling NRCan's low carbon agenda, but there is a direct correlation between low carbon and reducing the carbon emissions of buildings and the energy savings associated with doing so.

Our department's real property portfolio consists of some 222 owned buildings, 39 leased, and 47 that we are the occupants of, with PWGSC in the management role. I should stress that this 222 sounds large, but that counts everything that has a footprint. There are a lot of rural-based and regional-based storage facilities and whatnot. Our major occupancy is either office space or laboratory, and it numbers in the 25 to 26 range, depending on exactly how you count. Of that, there are 17 sites that represent 94% of NRCan's GHG emissions. So it's those 17 sites that we are most focused on.

A deck was distributed to the committee members. If you look at page 2, you will see the three themes of our NRCan low carbon initiative. Clearly, one is to reduce, using the same baseline of 2005-06 and driving to the 17% reduction by 2020. In truth, our math would take you to 19% because we recognize that weather variables and unknowns can sometimes take you down on a bit of a jagged curve, such as where you go back up in the occasional winter because of the costs associated with a cold winter. We had a steam pipe leak in one building and that cost us some energy. There are things like that, so we've targeted an additional 2% in our overall calculations.

Working with our colleagues at PWGSC, we believe that we can be a government leader in implementing state-of-the-art energy efficiency programs, and we also are using our laboratories primarily as living labs to understand and showcase the efficient practices and technologies.

Moving to slide 3, you can see how we intend to achieve the 5.7 kilotonnes that are associated with a 17% reduction. There are a number of components to that.

You've heard my colleague John McBain talk about building management plans. We use them as well, as you can imagine, and we figure that we will gain about 0.8 kilotonnes just by following the efficiency plans that are already in place in those building management plans.

There's another kilotonne associated with what we call "LoC". That's low carbon. There are minor retrofit projects, things that we can afford to do within our existing budgetary responsibilities as a custodian department.

As you can see, the accelerated infrastructure program is our own acronym and was in fact part of the modernizing federal laboratories initiative of two and three years ago. We figure that we've gained about another 0.32 kilotonnes there.

The FBI is the big one, and you'll hear us talk more and more about the federal buildings initiative. You can see that there are almost 3.2 kilotonnes in our plans associated with the federal building initiative.

Finally, we've already gained almost a kilotonne in savings that were part of the operational and equipment improvements.

If you go to slide 4, you'll get a bit of a quick flavour using the pictures of the different kinds of initiatives. These are everything from the low-cost, no-cost measures of making sure lights are turned off at the end of the day to operational and equipment improvements. Going around in a circle from that top right perspective, you have 13 sites across Canada where we figure there's as much as \$8 million worth of the federal building initiative's value that can be gained. We're not quite that far yet, but we're certainly starting down that track.

I explained the accelerated infrastructure. That deals with things like new boilers, new chillers, etc., that were built in during the modernization of federal labs.

There are some simple things that we were able to do. We found ourselves in a one-to-three ratio of printers to occupants of the building. The standard is one to eight. We are now at one to eight and, lo and behold, we've gained GHG reductions and lowered our costs. Also, we're hopefully going to get healthier people as they get up and walk.

As I said, we also have building management plans, including things like motor and pump replacements.

That kind of gives you a flavour of the different aspects that we're going after to achieve that reduction.

● (0900)

The whole plan is captured in that little house diagram on page 5. I won't read all of the bullet points. I think they're self-explanatory in large part. They deal with a number of components.

I'd like to highlight, too, under the second major bullet, the first check mark, "building optimization". I'll explain a little more about that in a moment. Then I'll highlight the program, under the third major bullet point, "external funding—FBI".

I'd like to unwrap those a little bit for the committee. I think they are opportunities that you might want to consider.

Turning to the FBI program first—I'm looking at slide 6—it's a program that was developed and administered by the Office of Energy Efficiency to improve energy performance in federal facilities. The intent is to use an energy performance contract with an energy services company. We get caught up in acronyms: EPC and ESCO are the two.

The EPC enables the private sector to finance and implement energy retrofit projects that are repaid then through the energy savings. The key here is that the EPC can actually provide the capital investment where major capital improvements are necessary to achieve the savings, as compared to that circle of activities, which I showed you a moment ago, that we can do within the department. Working together, we get the opportunity to achieve the overall savings. In a world of funding constraint, FBI provides an essential vehicle to fund capital investments for retrofits.

Moving to slide 7, I won't read it but I'll provide it as information. There's a series of FBI success stories. You can see it wanders across a number of departments and agencies within the government: RCMP, the Royal Canadian Mint, the Communications Research Centre of Industry Canada, the Canada Centre for Inland Waters down in Burlington, the National Research Council, and others.

I believe the speaking points that are associated with that slide will be made available to the committee members. You'll get more specifics of the actual numbers that are accrued in the way of savings, both in GHG reductions and dollars, in those examples.

The other area I'd like to unwrap for a moment or two is the NRCan expertise that we have in building optimization. The simplest analogy here would be the gains that you get when you take your car in and get it tuned up. Building optimization is tuning up the building.

There are a number of small, often quite small...I won't call them errors, but operational problems—the different components of the HVAC system aren't talking to each other, the lights are on, something's being heated or cooled when it turns out it's a storage room and doesn't need the same level—linking the activities of the building to the various components of the energy efficiency infrastructure.

What we've done is we've developed a diagnostic tool. You can see it named under the third bullet point, "DABO", the diagnostic agent for building operation. That software diagnoses all of the preset conditions of all of the components of any building with a central control system on a 24-7 cycle. It works ahead of time—i.e., saying that something is going out of the zone, and you can adjust now. If you actually get yourself into a problem, it can give you advice on how to fix the problem. Then, after the fact, it can also say, in a retroactive sense, here's what happened, and here's how you can prevent it from happening again. Part of our plan as we move forward with the NRCan buildings is to install DABO in all of the buildings that have that central control system.

I should stress right at the beginning of this whole discussion around DABO that just by itself it's not sufficient. It's a great tool, but as in all cases, using a tool properly is the key. There's a training component associated with the building management itself that links with DABO, and the combination of the two can be very effective.

We figure as much as 10% to 20%, depending on the building age, the building condition, etc., can be gained. It costs about a dollar a square foot, with somewhere in the neighbourhood of a three- to five-year payback.

Our low carbon accomplishments to date have been focused largely on the creation of eight site energy teams. Energy management plans have begun for each of the 17 facilities.

Governance, we find, is an interesting challenge. If you're working in a scientific laboratory, the person running the lab, the director general or the director on site, tends to be a science-oriented person and is driving programs. Then you have a support mechanism in engineers and people who are running the building.

● (0905)

Getting those two to work together in terms of the overall operation of the building, so that the use of the building and the correlation to how the building's heating and cooling systems are managed, etc., is a key objective, and it has proved very successful. We've implemented a number of minor energy retrofits that we figure will give us an equivalent of about 325 tonnes of CO₂ per year in our custodial buildings. That's without the FBI program.

We're also benchmarking all our buildings. You heard my colleague from PWGSC talking about the BOMA BEST system. There are four levels to BOMA BEST. We are working to upgrade all of the buildings through that system. As you can see on the slide, we've completed 9 out of 21 certifications.

John also talked about our collaboration with PWGSC to accelerate carbon reductions. That memorandum of understanding is highlighted on page 10, which indicates that we're collaborating in three primary areas.

They include the actual increased awareness of energy efficiency, engaging senior leadership, and increasing the knowledge of carbon reduction opportunities through an education and training program, etc. Benchmarking is also included in that first area because that's critical: if you can't measure it, you don't know whether you're winning or not. Also included is reducing financial and policy barriers: trying to figure out exactly what barriers are impeding the suggested actions and how we can go about solving that dilemma, and working with key federal departments on the next round of the FSDS targets. Then, finally, we have implementing specific initiatives: the building operation I was talking about, and optimization, the Workplace 2.0 that John was talking about, etc.

Our final role in Natural Resources Canada is also to move outside the federal family, so I bring to your attention on slide 11 the point that we are working to make the overall stock of buildings in the country more efficient as well. We work on the development of codes. We've led the development of a model building code, which is 25% more stringent than the previous code. Eleven provinces and territories are now adopting this code—part of a robust intergovernmental relationship—and ministers of 14 jurisdictions jointly released an energy efficiency progress report in Charlottetown in early September.

We're also very active in standards and labels. We have over 40 standards in place. We've set a minimum level of performance for motors, lights, computers, and audio equipment. It's part of the reason why you can't buy a fridge with poor energy efficiency when you go to the furniture store—because the standards are in place to prevent that.

Training is the third component: trying to make operations more efficient. Some 25,000 Canadians have taken our energy management training since 1997, with estimated savings of over \$175 million across the country. Two thousand of those participants were public servants, including 400 from National Defence—the air force bases, which are putting special emphasis on training their employees.

Let me echo my colleague's statement in thanking you for the opportunity to talk about building energy efficiency. We look forward to the committee's questions.

Thank you very much.

• (0910)

The Chair: Thank you very much, Mr. Munro.

That's a very interesting overview. I'm sure my colleagues do have a great number of questions.

Just prior to going on, for the federal buildings initiative, can you give us an idea of how many buildings have availed themselves over the years of that particular program, just to give us a sense of it?

Mr. Geoff Munro: I'll ask my colleague to speak to that, because that is run through the Office of Energy Efficiency.

The Chair: You're on.

Ms. Carol Buckley (Director General, Office of Energy Efficiency, Department of Natural Resources): Thank you for the question, Chair.

We have served 16 departments since the program started in 1991. I'm just checking my notes here so I don't misspeak. I believe we've covered over 80 buildings in that time.

But let me put it in a way that may be easier to understand. Of all of the federal buildings initiative projects that have happened since the program's inception, we have addressed one third of the crown-owned space. So at one time or another, as much as one third of the space that the crown manages has been addressed in an energy-saving retrofit under the federal buildings initiative since 1991. Some departments, in fact, have come back twice. They've done a project early enough that they were able to come back and get more savings over time.

The Chair: Thank you very much, Ms. Buckley.

We'll begin with our rounds of questioning.

First, for the New Democratic Party, Linda Duncan.

Ms. Linda Duncan (Edmonton—Strathcona, NDP): Thank you.

Thank you for appearing and for your information.

The first thing I'd like to do is make a request. I've been through the website of Public Works and I've noticed that there are three reports that have been commissioned by Public Works: one by Bronson Consulting in 2006, one by Marbek Resource Consultants in October 2000, and one by Caneta Research Inc. in August 2001. I've prepared a list of those reports, and I would like to request that those be provided to us. I'll give the list to the clerk because I've typed out the names.

One of the things that I'm left confused by when I go through all the documents is that both Public Works and NRCan claim to have the mandate to be improving building efficiency, and overseeing, and focal points, yet when you drill down, it appears that neither entity is taking responsibility for the 40,000 federally owned buildings. That's one thing that I would appreciate some clarification on.

Connected to that, I appreciate the update on the FBI, and I understand it a bit more now. It seems to be the approach being taken in the private sector to an extent, where money is loaned, the retrofit is done, and then over time you pay it back in reduced energy costs. But there's a question I have. Both of the agencies could respond to this.

Public Works has only a little over 300 buildings and NRCan 222. That's out of 40,000 buildings. How is anyone to keep track of where the overall actions are being taken? Who actually is responsible for making sure that energy use is reduced? My target is.... I'm good that the target is the sustainable development act, to reduce greenhouse gases, but frankly, my interest is in reducing the federal government expenditures contributing to the deficit.

I'm interested in a response. There doesn't seem to be any central mandate for anybody to have the responsibility to be costing and making sure that the money is set aside in some way, short term or long term, to actually reduce energy costs by the federal government.

Mr. John McBain: I'll start.

Thank you for the questions.

In response, first of all, as one of the parts of our presentation, we attached a slide with a pie chart of ownership to demonstrate where the custodians are in the federal government. One aspect of our presentation is to indicate that PWGSC—although the title suggests in some ways a broader role—is the custodian for our own assets. We do not have a central function within the government to provide direction, other than that which we aspire to do with colleagues. The policy centre for federal real property management is the Treasury Board of Canada. They set the federal policies that each custodian then is accountable to adhere to and to succeed at.

Deputy head accountability in the delivery of a program or the programs that we're responsible for is, to me, the essence of the leadership we provide. The deputy heads are accountable to balance the priorities and deal with restraint with regard to budget requirements and the condition of our assets in order to deliver our programs. For us, to achieve both environmentally sustainable practices and savings is core to our mandate, and we will do that for our particular portfolio. We strive to do that and enhance that over time.

As for the other custodians, I can't speak for them.

As Geoff mentioned, the inventory sounds daunting at just under 40,000 buildings, but anything with a footprint is included in that inventory, so there are some very small buildings that end up being a count. In my inventory, Place du Portage, phase IV, is 80,000 square metres, so that's close to 900,000 square feet. It's a very large building and makes up a big part of the inventory.

•(0915)

Ms. Linda Duncan: Can I just get some clarification? I understand that the direction to all the departments and agencies is coming because of the sustainable development act, and it's to reduce the footprint. There was a whole new strategy, everything sort of seemed to stop, and then we spent a couple of years developing strategies. But here's my question: is there a directive—and if so, where is it coming from—for each of the departments and agencies to reduce the costs of their entity by reducing energy? Is there a directive on that as a cost saving?

Ms. Caroline Weber (Assistant Deputy Minister, Corporate Services and Strategic Policy Branch, Department of Public Works and Government Services): I'll take that one, if I may, Mr. Chair.

There's not a directive to reduce costs per se. We all have a responsibility to reduce costs and manage them to the best of our ability. As John has already said, the Treasury Board Secretariat is responsible for giving us that direction. There is also the Federal Sustainable Development Act, as you mentioned. Environment Canada—the Minister of the Environment—is responsible for that legislation. There is currently in place the 2010-2013 federal sustainable development strategy. It did set a target for—

Ms. Linda Duncan: I understand that. I'm not interested in the greenhouse gas targets. I know that government-wide there's a lot of talk about trying to cut down on federal spending. My question is, does that direction to each of the entities here—and you can only speak if your entity is here—is there also a direction when you're looking for cost savings that you look to energy savings? Maybe what I'm getting between the lines is that there hasn't been. Maybe there has been from Treasury Board. I'm not sure.

Ms. Caroline Weber: There isn't, but—

The Chair: A brief response, please. You're well over the five minutes.

Go ahead, Ms. Weber.

Ms. Caroline Weber: There isn't, although we are working—and NRCan can speak to this as well—to look at what cost-efficient changes departments can make. We had done some research recently with the National Research Council that was trying to look at the cost benefit for different kinds of changes within buildings. Some of the things that my colleague Geoff had mentioned already in terms of light savings and some of those operational efficiencies with buildings are also the ones that pay off the most. We are working together to identify the most cost-effective investments that we can make in conjunction with then also having these GHG targets.

The Chair: Thank you very much.

For the Conservatives, Jacques Gourde.

Five minutes, please, Jacques.

[*Translation*]

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

I want to thank the witnesses for joining us this morning.

I was pleased to hear your presentation and to see that you have concrete objectives to reduce greenhouse gas emissions by 17% by 2020.

In the strategy that has been presented and is proposed for future federal buildings and their repairs, do you have any examples where you have introduced or considered new technologies, such as geothermics and the replacement of heavy fuel oils with biomass in certain heating structures? Are there already some buildings with new technologies that could be used as examples for future projects?

[*English*]

Mr. John McBain: Certainly the example I gave of the Jean Canfield Building in Charlottetown is a good example of innovative technologies. It uses the central atrium to move large volumes of air. It recovers heat from the exhaust of the building to then heat the building. It uses photovoltaic solar panels on the roof to provide electricity to the building. Overall we've reduced the footprint of the building because we do not have a heating or cooling plant in it. We use the Charlottetown district energy system to provide heating and cooling to the building. There are solar-operated shutters that provide shade and follow the sun. There are a number of innovative approaches in that building, which is in part why it achieved the LEED gold certification.

•(0920)

Mr. Geoff Munro: If I might add to John's response, I can give you another example as well. You may remember that NRCan was asked to move its materials technology laboratory from the Booth Street campus in a fairly old facility to a brand new one in Hamilton, on the campus of McMaster University in their Innovation Park. That building is on track to achieve a LEED platinum status. It jumps from gold to platinum because it does all the things that John's talking about in the example he gave, plus there are boreholes in the ground where heat and energy that is not needed in the summertime is stored and then drawn back up when it is required in colder weather.

We haven't gone long enough yet to confirm that this will be the case forever, but the early calculations indicate that the borehole storage will in fact do more than the building requires, and it will be able to actually help support the energy needs of the innovation complex at McMaster University. So there are a number of innovations associated with the kinds of buildings we're talking about that can be used as examples.

[*Translation*]

Mr. Jacques Gourde: As you know, biomass is a renewable energy source that is in abundant supply in Canada. It could provide all Canadian forest producers with a new source of income.

Are there any buildings where this new source of renewable energy is being used? I think there are a few buildings that use that kind of energy in eastern Quebec. Could that technology win over major centres like Ottawa or other important cities?

[*English*]

Mr. John McBain: Yes, it does have the potential. As you may be aware, Public Works operates seven heating and cooling plants in the national capital area that feed, amongst other things, the houses of Parliament and 55 buildings in downtown Ottawa.

We have recently completed two requests for information with the industry to consult on how best to upgrade and modernize these plants. Strictly speaking, from my point of view as the ADM accountable for the buildings, I need heating and cooling. I turn to the private sector to tell me the best way to provide it. We expect the private sector to come forward with innovative approaches and proposals, such as biomass, as the solution for us over the long term.

Mr. Geoff Munro: Perhaps I may add another component to that.

As you know, Natural Resources Canada is a science-based organization, and much of this is a journey of discovery. But we are working very closely with FPInnovations, the world's largest institute on forestry research, to look at, as you brought up, the idea of the forest sector being able to not only utilize the waste materials left behind but to in fact generate additional revenues in the pulp mills themselves.

The overarching term is “biorefinery”. We are working with them to figure out exactly what the chemical pathways are that will either take you to green chemistry possibilities or get the sugars out of the mix that would in no way depreciate the standard pulp and paper production but would generate the offshoot of other forms of revenue. That would translate into the ability to use the biomass. One of the byproducts of all of that can be and will be bioenergy as well.

How we mix that together is still part of the discovery that we're working on.

The Chair: Jacques, thank you very much. Your time is up.

We have Denis Blanchette next, from the NDP.

[Translation]

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

I want to thank the witnesses for being here today.

Part of this kind of a challenge is figuring out how to tackle it, and that includes determining how much money will be invested in that area. If we want to be successful in such a major initiative, we have to invest before we can reap the benefits. I think we all agree on that.

My question is for both witnesses, and I would like them to keep their answers brief.

In your budgets, is any money earmarked specifically for the greening of buildings?

• (0925)

[English]

Mr. John McBain: The short answer to your question is that I don't have a specific envelope of funds that are targeted for greening. I have greening as an objective, and it is built into the building management planning process that I referred to in my opening remarks.

Investment in our real estate and our buildings is, I would say, a many-factored initiative. I must take into account the age of the building, the proposed use of the building, and the tenants and their program requirements. Will they be there for five years or will they be there for seven years?

As I look at the overall investment strategy for the building, I need to take all of those factors into account. If we're looking at a tenant who may have a 20-year requirement in the building, then the return on investment is there for me to invest in a greening initiative and to upgrade the building. Those investments will be made. I think you can see that reflected in some of our numbers. We also use the FBI initiative from NRCan, because the private sector in effect fronts the money for those upgrades.

So I don't have a specific envelope that I set aside for—

[Translation]

Mr. Denis Blanchette: I understand what you are saying about the park you are leasing. However, your answer leads me to believe that there is no targeted greening strategy as such and that you operate much more based on the opportunities that arise. In such conditions—with no real strategy—we may wonder whether the targets will really be reached. I am talking about the park that belongs to you and not about what you are leasing. I am under the impression that things are not going too well, that the target may or may not be reached and that savings may or may not be achieved. Is that perception wrong?

[English]

Mr. John McBain: To add precision to my response, I guess I understood your original question to be whether I have a specific amount of money set aside for the target. I don't have a specific amount of funds, but I do have a target.

My greenhouse gas reduction target is set for 2020. I know what my reductions must be; I know the projects we are proposing. And subject to getting those projects approved, I could then tell you the total amount. Nonetheless, I do have a very specific target.

To your colleague's earlier question, the pressure to reduce and save is paramount. As the real property owner, we always need money, so the drive to efficiency benefits us in terms of our ability to manage our inventory.

Mr. Geoff Munro: My addition would essentially be the same. Our full building fleet budget is focused on achieving our targets. We have allocated a small budget to facilitate this low carbon initiative, but it would be unrealistic to propose that the savings are correlated to that small budget.

I mean, we're talking \$1.5 million a year, and that is strictly to put some of the energy monitoring and energy strategy work in place, and then the ongoing expenditures we would normally expend to manage our buildings are used to achieve the target.

With that very small addition, my answer would be the same as John's.

[Translation]

Mr. Denis Blanchette: Okay.

So you will try to reach objectives, but you have no incentive beyond the desire to reach them. The willingness to do so is there, and that's politically acceptable, but there is no true strategy involved.

Will you reach your objectives if you continue along this path? Do you have a dashboard that helps you determine whether you will get there? Do you know how much it will cost you to reach those objectives and what kind of savings you will achieve in the end? Do you currently have that type of information?

[English]

Mr. John McBain: I know what my targets are for PWGSC. I know what my targeted reduction is to get to 2020. I then must balance my budget and my appropriation in order to realize the projects to achieve those targets.

That is a very firm commitment that, as managers within the department, we are committed to achieving. Some of these projects are large investments and they require approval of government. They are in the pipeline, if you will, seeking approval, but that is part of our plan to achieve the target, and we do track it.

● (0930)

Mr. Geoff Munro: In our case, if I may respond quickly, we have diverted a copy of each and every energy bill from the buildings we are working on to a central repository, where we track exactly what we're spending on energy costs so we can correlate that against the work we're doing.

We are tracking it, on the basis that you can't manage what you can't measure.

The Chair: Very good. Thank you, Mr. Blanchette and Mr. Munro.

Next is Bernard Trottier for the Conservatives.

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

Thank you, guests, for coming in this morning.

Mr. McBain, I want to follow up on some of your comments around the cumulative savings. I'm interested in the business model behind making these investments in energy savings.

You mentioned savings between 2005 and 2020 of about \$17 million. I imagine there were some pretty large capital investments that went along with that.

I don't want to necessarily ask you for information you might not have at your fingertips today in terms of the capital investment associated with the \$17 million, but more around the model.

How do you determine what is a good return on investment for taxpayers? What kind of savings horizon would you look at? For example, would you look at a certain payback period where this would make sense, just like a taxpayer would make a certain decision in their home on whether they should get a new clothes dryer or insulation in their attic, or a new furnace or air conditioner?

How do you make decisions on good investments for taxpayers when it comes to upgrading buildings?

Mr. John McBain: Your model is very much what we do; we look at the return on investment. As I said earlier, how we manage our real property portfolio is key and central to that function.

If I'm going to retain a building for 20 or 30 years, then I look at more significant investments because I know the payback will be

there over the life of the asset. If it's leased accommodation, then frankly I'm loath to do it because leased property tends to be less permanent. It gives us greater agility to meet changing needs, but I'm investing in someone else's property. If it's a 20-year lease, it may be in my best interest to make that investment because operating costs that I pay to the landlord will be reduced.

For the most part, when it comes to our crown-owned inventory, we are looking at exactly what you described: the payback period for this investment. Some things are low dollar, so we call those low-hanging fruit—there's a quick return and they are relatively easy to make within our building management cycle. Others, which may be more significant, take on a special initiative and will require a special project approval consideration, for example, by Treasury Board ministers, in terms of the nature of the investment, and that is demonstrated in the payback period.

Mr. Bernard Trottier: If these are good projects, if there's a good return for taxpayer dollars, wouldn't these be things you would do anyway? What's the added benefit of having the federal buildings initiative or the sustainable development strategy? What do those things do? How does that impose certain actions on you?

Mr. John McBain: From the custodial point of view, those who benefit from the FBI—and I won't speak for NRCan. What I really enjoy about FBI is it is a structure that allows the private sector to come in and pre-approved companies and organizations make investments in the buildings; they are then paid back for their investment on the savings. It's an innovative approach for me that gives me access, in effect, to capital that I would not normally have.

Normally I would have to front that through a typical design bid build with a tender and go out and have the money in my hand before the work was undertaken. With the FBI, the private sector can make the investment, realizing they will get the return. It's an innovative approach that helps us both save money over the long term and be more energy efficient.

In terms of the sustainable development strategy, those are objectives the government has set to be a better citizen and to save taxpayer money. They provide the framework under which we undertake our initiatives. But certainly a large part of what you're talking about in my building management process is to reduce costs. I have less and less money every year. I have an accountability as a steward of this property to protect the taxpayer investment.

Mr. Bernard Trottier: Again, getting into the economics, we've got a trade-off between upfront capital costs and ongoing energy savings. Are Canadian taxpayers better off? Is more money coming out of their wallets to pay for these investments or are they seeing the tangible benefits?

● (0935)

Mr. John McBain: Without hesitation, I would say the taxpayer is better off. We are operating our inventory with fewer and fewer dollars every year, and achieving higher sustainability targets.

Mr. Bernard Trottier: Both Public Works and Natural Resources Canada are doing a lot. How are we embedding this culture in the other departments? National Defence, you mentioned, is one of the big landowners and leaseholders. How can we make sure they're moving ahead on their priorities when it comes to energy savings?

Ms. Caroline Weber: This really does come from the Federal Sustainable Development Act again and the federal sustainable development strategy. The major building emissions are captured by that piece of legislation, and DND is one of the departments identified. The targets are set there and every three years the strategy agencies renew these targets. New targets are set and goals are set. We're coming up to a renewal year in 2013, so those major custodial departments are all captured in that piece of legislation.

Mr. Bernard Trottier: Thank you very much.

The Chair: Thank you, Bernard. You're out of time.

For the Liberals, John McCallum.

Hon. John McCallum (Markham—Unionville, Lib.): Thank you, Mr. Chair, and thank you all for being here.

My first question is about the greenhouse gas targets. I heard 17% by 2017; for NRCan I think I heard 2020.

Mr. Geoff Munro: I may have misspoken. It was by 2020 as well. The 17% reduction by 2020 is our target.

Hon. John McCallum: That says 2017. Anyway, you have the same target.

Mr. Geoff Munro: We do.

Hon. John McCallum: And is that the same target across the whole government? Every department has that target?

Ms. Caroline Weber: The departments that are named within the Federal Sustainable Development Act are custodial departments only. There are 14 of them, and they're the ones that are captured by that target. It does account for something like 90% of all our emissions, so it captures most of what's happening in the federal government.

Hon. John McCallum: Okay. It would include Defence, for example?

Ms. Caroline Weber: Yes.

Hon. John McCallum: This is a 17% reduction by 2020. What's the base year?

Ms. Caroline Weber: The base year is 2005.

Hon. John McCallum: So we're more than halfway there, in time, 2005 to 2020. What have we achieved so far?

Ms. Caroline Weber: We're not quite halfway there. I think we're seven years into it, perhaps, and for our reporting purposes we're probably six years into it because it takes us that long to accumulate the information.

Departments need to report these numbers through their departmental performance reports that will be tabled this fall, so it's the first time we will be seeing some of those achievement numbers. Last year was the first year for reporting, and at that point departments were reporting their targets, but in terms of achievement, we're going to start seeing that this fall.

Hon. John McCallum: So we don't have any numbers on achievement?

Ms. Caroline Weber: Not yet, but we're expecting them very soon as the departmental performance reports are tabled.

Hon. John McCallum: Okay.

I think my colleagues were trying to ask the question—and I don't think they got an answer—as to what you actually pick as the cost per year in terms of achieving these objectives. There must be some amount of dollars that the government spends in order to achieve these greenhouse gas reduction targets. I know that some of it comes from the private sector, but not all of it. Is there any way you can give us an estimate of how many dollars per year...?

Ms. Caroline Weber: The Federal Sustainable Development Act required that everything done under that legislation would not require any new money, so there was no funding put aside to achieve the targets under that legislation.

Departments are instructed to do this within their budgets, which again is why departments—as represented by my colleague John—don't have a particular line item for this. Consistent with reducing red tape, etc., and reducing webs of rules, we establish a high-level target, and departments then are asked to meet that target by implementing their own strategies, by figuring out how they can do it within their budget.

● (0940)

Hon. John McCallum: So you can't give us a dollar cost? I mean, it must cost more money per year given that you're trying to reduce greenhouse gases than if you weren't. At least in upfront costs, I know there's a payback down the road, but initially there has to be some expenditure to achieve this. You can't give us an estimate of how much...?

The reason I'm asking this is that I think it's a good thing to know for its own sake, but I'm also interested to know whether the ongoing fiscal restraint is going to impact your achievement of this target. It does cost money up front to hit this target, and now there's less money. Is that going to impede your ability to achieve this target by 2020?

Mr. John McBain: From my perspective, there was a time when greening operations were more expensive than the conventional, but I believe that time has changed. It's very difficult to provide an upgrade to a building today, whether it's an HVAC system, a chiller, or some aspect of our operations, that does not have a green attribute to it.

In the past, you used to have to spend additional money to find something that had a green capacity. Now, as we do our building upgrades and our building improvements, by their very nature they help us achieve green targets and they do save us money. I can say that I don't have a specific pot dedicated to these targets, but I do spend clearly in every year an amount on initiatives that give me a greener plant, a greener operating environment.

To the last part of your question, austerity measures drive all of us to look hard at reducing our operating costs, and green is now a lower-cost option.

The Chair: Thank you, sir.

Ms. Weber would like to add something.

Ms. Caroline Weber: I wanted to elaborate on that with respect to our fleet, because in our department I'm responsible for the fleet as well. We were tracking fleet emissions. We were concerned about our targets and we were working to achieve them.

But it turns out that our fleet emissions are dropping because of changes in technology, so we're hitting our targets faster than we thought we would because the technology on this is changing. It's very much consistent with the answer you just received from my colleague.

The Chair: Did you have something to add, Mr. Munro?

Mr. Geoff Munro: Yes, very quickly.

First of all, thank you for catching the mistake on slides 3 and 4. The actual target is listed at the top of slide 2, which does confirm the 2020 target. I don't know how the 2017 slipped into those other two, and I thank you for catching it.

On your emission reduction question, I can report that our low carbon initiative has generated a 6.3% emission reduction from the reference level of 2005-06. But the important point is that it's a 5.3% reduction from last year. It's building momentum. It takes that upfront effort to get the momentum going.

In answer to your last question, do we think we'll make the target? Yes.

Hon. John McCallum: Thank you very much.

The Chair: Thank you, John.

Thank you, Mr. Munro.

Next, for the Conservatives, is Peter Braid.

Mr. Peter Braid (Kitchener—Waterloo, CPC): Thank you, Mr. Chair.

Thank you very much to our officials for being here this morning and for some excellent presentations.

I want to start by perhaps clarifying some earlier misconceptions through some previous questions. We have a lot of moving parts in terms of various programs that encourage energy efficiency across the federal government. Is it fair to say, is it accurate to say, that it's the Federal Sustainable Development Act and strategy that's the overarching policy or directive?

Ms. Caroline Weber: I would agree with that. I'm not sure if my colleagues at Treasury Board Secretariat would—

Mr. Peter Braid: They're not here this morning.

Ms. Caroline Weber: —because we need to recognize their responsibility as well. But yes, I think we have, through that legislation, provided direction to the major departments in terms of who is emitting and where the impacts might be within the Government of Canada.

Mr. Peter Braid: Okay, great.

Are the goals, which must be met, clear in the strategy and the act?

Ms. Caroline Weber: They're very clear. We're responsible, at Public Works and Government Services, for consulting across the Government of Canada with other departments to make sure

everyone fully understands. We provide guidance documents as well.

While deputy heads remain responsible for achieving those targets, we are helping them understand and implement the targets with whatever implementation strategies they choose. So yes, they are clear, they're clearly articulated, and they need to be reported in everyone's RPP in terms of reporting on the goals, and then also in the DPRs in terms of reporting on the performance and whether or not those goals and targets have been achieved.

● (0945)

Mr. Peter Braid: As lead department, you intend to ensure these goals are met by 2020. I think I've heard that this morning.

Ms. Caroline Weber: Yes.

Mr. Peter Braid: What happens if a department doesn't meet its goals?

Ms. Caroline Weber: Public flogging.

Voices: Oh, oh!

Ms. Caroline Weber: It will be the responsibility of the deputy heads to explain that.

Although, again, this is where colleagues in Environment Canada might be better placed to respond to this question, the Commissioner of the Environment and Sustainable Development is also reviewing our performance here, so I'm sure it will be much discussed in various fora.

Mr. Peter Braid: There are spotlights on this along the way.

Just moving on in a different direction now, I'm curious to know about the implementation of solar panels. In what case does the addition of solar panels make sense in terms of the business case? In what case does it not make sense? Does it make sense in all cases? Talk to us a little bit about the use of solar panels.

Mr. John McBain: There are far more qualified people than me to speak on this particular subject, but certainly from my experience in working with our portfolio, it starts with the first question, which is how many days of sun a particular location gets. Wind might be a better alternate source of energy than solar—for example, in parts of Newfoundland and Labrador. But the first question is days of sun.

The second question is what the particular energy regime is in that municipality or that jurisdiction. Do you have a feed-in tariff where you can actually contribute back to the grid?

Third, can the panels and the cost of the panels provide a reasonable return on investment in terms of reducing the operating cost of the facility?

Those are all things we take into account in terms of looking at the investments.

Also, there is an impact on structure, on the architecture of the particular facility, having the panels up there, understanding what they do in wind situations, with snow loads, etc. How does that work in terms of the overall cost and the benefit?

Mr. Geoff Munro: There is also continual improvement in technology. You may have seen in the rural parts of the country places where the panels actually move with the sun, so that they get the maximum expression of the panel surface to the sun. On the actual panel itself, we're now seeing that micro-reflectors can concentrate the sun's rays before they actually hit the panel surface, in a way that improves the performance. So the technological improvement that is going on in solar panels is also adding to the cost factor that John is talking about in terms of which panel you're using and under what circumstances.

Mr. Peter Braid: Is the awarding of contracts to implement solar panels on a particular federal building done through traditional RFP processes? Are there programs that encourage the use of Canadian technology in this regard?

Mr. John McBain: Certainly in the experience we've had to date, it's been part of the overall building retrofit proposal. It isn't a one-off, of itself. I don't know if FBI itself encourages or has had experience with solar panels, but in our cases it's been as part of an overall building renovation.

Mr. Geoff Munro: Part of the FBI program demands that there first be a feasibility study of the facility. Within the same parameters John is talking about, in terms of how a solar panel array might fit into the possibilities for that building, the energy company would make that recommendation. Then, based on the cost and the potential return dates of the finances, the building owner would decide whether it was an appropriate decision to proceed with.

Ms. Carol Buckley: In some cases, it's client-driven. If a particular department has a particular interest in a technology, they will express that interest. Then the private sector will return with the feasibility of how it could be included and what the economics would be. The department would have the final say. In some cases, the extremely good economics of other measures will help more leading-edge measures make more sense, so you can bundle these together in an overall investment.

The Chair: Thank you, Peter. You're well over time.

• (0950)

Mr. Peter Braid: Thank you.

The Chair: That actually concludes our first round of questioning.

If you don't mind, I'd like to ask one question leading from what we've heard from witnesses. I'm a little concerned about the lack of pickup on the federal buildings initiative. I think some questioners alluded to that. I'm wondering what kind of promotion or what kind of RFP, if you will, has gone out to the private sector to tell them that we have this block of building stock that they are welcome to bid on if they can help us save energy. Is there active promotion going on out there?

Ms. Carol Buckley: In the federal buildings initiative, we concentrate our promotional activities on our client base; that is, the departments that can use the federal buildings initiative. We choose various venues to ensure that managers who have custodial responsibilities are aware of our services, because the FBI is, in effect, a service organization for other departments. We are marketing to our clients to say that we're here, we're available,

and we have these services to help you put in place building retrofits, which we list.

We concentrate our marketing, per se, on the client departments, and we try to reach different levels of the decision-making chain—senior managers and more operational people. We also use the community of practice to get at the technical people so that they can understand where FBI might fit in their departments.

With respect to the private sector, we don't market per se. We treat them as our stakeholders in delivering the federal buildings initiative, because we couldn't deliver the program without the private sector. It's not marketing per se. We work with them to ensure that they are qualified to meet the requirements of working for the federal government, and we assess their financial, technical, and managerial capacity.

We have nine firms at this current point in time. Together they have a financial capacity of \$700 million. We know that there is industry capacity to take up any demand the government might have, but we concentrate our marketing on federal government clients to try to draw more clients who we can serve through the program.

The Chair: Thank you, Ms. Buckley. That helps to clarify that.

We'll go to our second round of questioning, then, beginning, for the NDP, with Jean-François Larose.

Jean-François, you have five minutes, please.

[*Translation*]

Mr. Jean-François Larose (Repentigny, NDP): Thank you.

Your program is interesting, but it raises many questions. So I would like to ask you a few.

Unless I am mistaken, the return on investments is much higher. I am not talking about the environment, but about financial aspects. The return on investments is much higher than it is for investments in a building.

[*English*]

Mr. Geoff Munro: The simple answer to that is yes. When we work with the FBI program, the savings are guaranteed by the energy company. There's no question that you are going to get your money back. It's more a question of the time element associated with the payback period. Depending on what approach is used in which building, that could be as low as two to three years, or it could be a 10- or 12-year investment.

[*Translation*]

Mr. Jean-François Larose: Thank you.

Buildings that belong to the federal government take up 24 million square feet. Why are you looking at buildings for lease and not permanent buildings? Why are permanent buildings not being given priority? In 2020, there will be many buildings which will not belong to us, but in which we will have invested. I have no objection to making buildings that will no longer belong to us greener, but it may be a good idea to take care of permanent buildings directly.

[English]

Mr. John McBain: PWGSC's inventory totals just over seven million square metres, or probably 72 million square feet. Half is crown-owned and half is leased. Our investments for greenhouse gas reduction targets are crown-owned. That's where we spend our money.

I mentioned earlier that we sometimes invest in leases. That depends on the nature of the leases. Some leases are triple net—the crown pays all costs. If it's a long-term lease, 15 years or so, improving the heating system in the building would pay us a dividend, because we would pay less for heating. But that's the rare occasion.

What we're talking about for the most part in this presentation, far and away, is the crown-owned inventory. For us, for Public Works, that's about three and a half million square metres, or 37 million square feet.

[Translation]

Mr. Jean-François Larose: I have a feeling that's an excellent program. Unfortunately, I have difficulty understanding why there is so much reluctance involved, if it's as efficient as you say, provided we all try to tighten our belts and find more efficient methods, which is completely normal. Considering the number of buildings we have in Canada, we need a much more dynamic program that will help us tackle problems much more quickly. However, cuts are being made and many civil servants are losing their jobs. I agree with you in saying that this is an interesting measure to consider, precisely in order to reduce funding. However, I don't understand why, if the return is so big, we are not targeting more buildings and why more investments are not being made.

• (0955)

[English]

Mr. John McBain: It is a good question.

I would start with the simple fact that the average age of Public Works' inventory is 43 years; our buildings are on average 43 years of age. That puts them very old in terms of how they were designed and constructed. To bring new technologies to some of these buildings is a major undertaking, so I need to look at that in the context of the life of the building, how long we plan to occupy it. Also, to do some of these renovations would require us to move everyone out, occupy leased space, for example. In those cases, for some of our longer-term view, the return on the investment is not there because we would have to spend so much money to do this, and maybe in that particular community the building won't be used for that long. We are, as you saw in some of our numbers, addressing the parts of the inventory for which it makes sense. For others, fiscally, when you take the large picture into account, it does not make, in our mind, a good investment.

[Translation]

Mr. Jean-François Larose: That still remains on the table. A comprehensive strategy that would make it possible to consider all the angles, rather than one single option, would help achieve excellent results. Currently, the approach is, once again, overly timid. I agree that we may not be able to tackle 24 million square meters, but we could certainly achieve much better results. We understand your enthusiasm, and we agree with you. It's extremely interesting. We are very pleased with the work you are doing, but it would be nice to do a great deal more faster, especially with the addition of the environmental aspect. I think that, with all the red flags when it comes to the environment, time is of the essence.

Thank you.

[English]

I'd like to share my time with Linda, please.

The Chair: I think your time is up as well, Jean-François. Thank you very much.

Next, Costas Menegakis. Welcome, Costas.

Mr. Costas Menegakis (Richmond Hill, CPC): Thank you, Mr. Chair.

I want to thank our witnesses for appearing before us today.

I have a couple of questions. Could you elaborate on the monitoring and reporting mechanisms in place, and their frequency, to both Environment Canada and the Treasury Board Secretariat, given their role in the federal sustainable development strategy?

Ms. Caroline Weber: Sure. I think we've provided the committee with the links to the federal sustainable development strategy. If you look at theme four when you get the opportunity to....

We didn't print it out in the interest of being green—it's about 85 pages. Instead we have given you the website, so you can look at it, or perhaps your researchers could help you.

If you look there, you'll see the targets are spelled out explicitly. We've tried to follow principles of SMART, so that the targets are clear and can be reported against. Departments are required to report what their own targets are, whether they're meeting the targets that have been agreed to government-wide, and then we can tell what their contribution to the government-wide target is. So they report what their targets are in the RPP, and then in the DPR they have to report again, in terms of what their achievement is.

The first year of reporting was last year, because it does take us about a year to collect the data in order to report all of this. People have reported just on what their targets were going to be last year. As the departmental performance reports are tabled this year, you will be seeing, in very explicit ways, how departments are achieving their own goals against those targets. Again, that will be refreshed every three years. So 2013 is another year for renewing the federal sustainable development strategy and resetting those targets. There will be constantly moving targets there.

I hope that's clear enough.

Mr. Costas Menegakis: Thank you.

Is it fair to assume it's the same with carbon?

Mr. Geoff Munro: It is, although in the low carbon initiative within the department we are tracking the energy costs building by building. As I said earlier, we've diverted a copy of the energy bills from each and every facility to a central location so that we can track a correlation between the efforts we're making and the cost reductions we're achieving.

• (1000)

Mr. Costas Menegakis: Thank you.

Given the considerable amount of inventory under your direction, PWGSC, how do you prioritize projects? For these buildings you say the average age is 43 years old. It's a monumental task. How do you prioritize which projects you're going to recommend for approval?

Mr. John McBain: Actually that's a great question. As I said earlier, the core of what we do is our real property management framework. It starts with inspections, condition rating of our assets, and identification of needs. Those then feed into something called the asset management plan, which takes into account the overall condition of the asset but also what is the long-term view for our use. If I have, for example, a program that is only scheduled to last another three years in the building, then I'm looking at investments that get me to that, and then we'll take a decision on whether to dispose of the asset or renew it or look for an alternate use. All of those feed into a set of priorities.

Within PWGSC, in our building management process, we have 18 qualifiers that describe the nature of the work. Those rank in priorities. The first priority is anything urgent in terms of health and safety or the integrity of the asset. The next set of priorities, the "B" categories, are categories that address stewardship, the FRAM oil filter. You can pay me now or you can pay me later; they're good investments that save the asset. Through that ranking process we determine what we call a banking day and how we use our money with those priorities to match.

Mr. Costas Menegakis: That's great. Thank you.

Again, with 31% of the federal inventory under your direction, in my opinion, that puts you in somewhat of a leadership role. Can you share with us how best practices are shared with other federal departments and how that is done?

Mr. John McBain: It's an interesting question. It never ceases to impress me when I look at our holdings literally coast to coast to coast. But ours is somewhat unique. We are office space. The act mandates that the minister is to provide office space for the federal accommodation. We are a mandatory service. The majority of the

other 40-odd federal custodians have what we call "special purpose space", so it's laboratories, warehouses, etc. The core of what I manage is unique to me. I'm the leader in terms of office space. I'm not necessarily an expert in, for example, weapons storage or in equipment for marine research.

We do try to influence, as we said earlier... The low carbon initiative is a very interesting one that I'm really pleased to be collaborating with Geoff and his team on. Tenants in our buildings don't pay for energy, don't pay for the heat, the cooling. That's my accountability. How they behave as a tenant has a direct impact on me. In partnership with NRCan, if we can get people to turn off their computers at night, to shut off all that vampire power that we all know is being used when we see lights glowing in the dark, that saves us and saves the taxpayer money. That's leadership we're trying to bring in terms of federal occupancy and federal use.

Mr. Costas Menegakis: Thank you.

The Chair: Time is up, Costas, thank you very much.

Next, for the NDP, is Linda Duncan.

Ms. Linda Duncan: Thanks.

We could have used each of you separately for the entire time, and we may need you back after we meet with the big energy users like Defence.

The question has come up about the FBI, which I think is really interesting. I'm well aware of those kinds of programs for private buildings. There are a lot of entrepreneurs, and certainly in Alberta there's a big energy efficiency sector.

In this plan that you're doing, the government professes that its priority is job creation. Energy retrofitting provides huge numbers of well-paying jobs to the energy efficiency sector. My question is if any of the strategy is also incorporating all of the employment that potentially can be created.

Mr. John McBain: Certainly from Public Works' perspective, I know that we've been very pleased by the government's recent initiatives, mostly recently the economic action plan and successive budgets, where PWGSC has received funds to address our infrastructure, understanding that it does two things: it benefits the economy—it does create jobs—and it allows us to address our inventory, to upgrade it and maintain it as good stewards.

• (1005)

Ms. Carol Buckley: Maybe I could just add to that.

With responsibility for helping Canadians in all sectors improve energy efficiency, we are very cognizant of the fact that encouraging energy efficiency upgrades across Canada in any sector is going to have an employment impact. The good thing about that employment impact is that it happens where people live.

So where you have the installation of retrofits in homes or buildings and in industrial concerns right across Canada, you'll be creating local jobs for installation as well as some Canadian jobs for manufacturing.

Ms. Linda Duncan: I'm glad you raised that, because that goes to my next question.

I was a little stunned to hear that you were only employing nine firms. Are those firms all here in Ottawa?

Even in my own riding, a few blocks from me is an energy efficient lighting manufacturing plant that is struggling. There is an energy efficiency lighting company right above my office that has been retrofitting university facilities.

In the plan for both of your entities, and across government, are you aware of whether there is encouragement that there be employment locally of the energy efficiency firms, or are they all one big centralized company?

Ms. Carol Buckley: Let me clarify my earlier response. The nine firms I mentioned were nine firms that operate nationally. They are specialists in not only implementing energy efficiency upgrades in buildings, but they have the capacity to finance them as well. They're a special entity known as an energy performance contractor.

I certainly didn't mean to indicate that we only work with those nine firms. Those nine firms can take on a large building retrofit—the financing, the planning, the implementation, the verification—but there are hundreds if not thousands of other firms across Canada that have the ability to manufacture, implement, repair, monitor, and study energy efficiency.

Certainly the Government of Canada works with scores of those companies, but there's only this very, very special class of company, called an energy performance contractor or an energy service company, who we qualify to finance the upgrades.

Ms. Linda Duncan: Can you provide more information on that? I would like to receive the list of these nine companies—

Ms. Carol Buckley: Certainly.

Ms. Linda Duncan: —who purportedly are the only ones who can do that. I know there are companies in Alberta and British Columbia who finance retrofits, so I'd be interested to see if they're being included.

Mr. McBain, one of the things you mentioned is that it's very hard to do retrofits in some buildings because you have to move everybody out. But in fact if you're simply retrofitting the lighting or putting in low-flush toilets, you don't have to move people out, right? And those are huge energy savings.

Mr. John McBain: No, I certainly agree. Those are what I consider to be some of the low-hanging fruit, if I can use that term. When you can easily do things to save.... Even going to waterless urinals, or, as you say, the low-flush—those are very easy things to

do. In fact we did a number of initiatives under the economic action plan to address exactly that kind of thing.

If I could, I would like to respond to your earlier question.

Real estate is, of course, local. As part of NAFTA, when we tender, we tender on the government's electronic tendering process, MERX, so in fact it goes international. But by the nature of what we do, obviously a firm in Moncton has an advantage on something in New Brunswick. We tend to be very regional and local in terms of how we do things.

So in terms of your earlier question, on whether there are only nine firms, it's very much distributed across the country.

Ms. Linda Duncan: Well, maybe both departments could provide more detail to us on that, because I'm still left confused. You mentioned the nine firms, and then you say you're going locally. I would appreciate receiving information on all of the firms that are being given these contracts.

The Chair: Ms. Duncan, I'm afraid your time is up.

Perhaps the witnesses would comply with that request.

Kelly Block.

Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC): Thank you very much, Mr. Chair.

I would like to welcome our guests. Thank you for being here today.

This has been an extremely informative and, I must admit, slightly overwhelming presentation in terms of the various strategies and programs that we have in place when it comes to meeting the targets we've set for 2020.

Mr. McBain, in your opening comments you spoke about the Office of Greening Government Operations, and that its focal point is to serve, in its efforts directed at managing federal operations, in a more sustainable manner, and to work with other government departments to accelerate the greening of government operations as a whole.

I know that throughout the Qs and As here, many comments have been made in terms of the role you play in providing leadership as well as sharing best practices.

Ms. Buckley, I think you mentioned that your client base is made up of the various departments, and that one of the things you do is provide options to the various levels of decision-makers. Often they may have a particular interest in a particular technology.

I guess where I'm going is that I wonder if you would speak to the human resources aspect, and also to whether or not there is an educational or training component in the mandate of the Office of Greening Government Operations or in the work that you do.

• (1010)

Ms. Caroline Weber: We don't have a training responsibility. However, if you look at the targets that have been set, in some instances training is part of that or an option for departments in terms of achieving their goals. For example, in the area of greening procurement, where there is a policy on green procurement, departments in the current federal sustainable development strategy were asked to identify three areas where they want to green their procurement activities, because we think of things in terms of commodities, services, etc., and we organize and differentiate that way.

In order to achieve their goals in those three areas that they identify, one of the things they might undertake would be training for their own procurement officers, in order to achieve those objectives. There are training targets embedded within some of the targets or options to use training as a way of getting to achievement of a target. Again, in general, we've tried to create high-level objectives and then allow departments and deputy heads to exercise their own authority and judgment in terms of how best to get to that target. We don't have responsibility for human resources, though.

Ms. Carol Buckley: If I might pick that up, as a service organization we offer training on energy management to the entire Canadian economy. We have a training program called Dollars to Sents, and we have six different titles on finding opportunities, measurement and verification, financing, and so forth. We have had 25,000 Canadian participants go through the training, and roughly 2,000 of those participants have been federal employees. So we market to the federal government just as we're marketing to industry and commercial and institutional representatives across Canada. This gives people the technical wherewithal if they want to plan an energy management study, if they want to finance one, or if they need to know how to measure it.

The other training we offer is for the occupants of buildings. As my colleague mentioned earlier, the occupants of a building have an impact on energy use. We offer training to help organizations train their own occupants to use and waste less energy. That's a service NRCan offers to the economy as well as to our federal government colleagues.

Mrs. Kelly Block: Thank you.

I have one follow-up question, and then I will have finished asking questions.

Would you be able to comment on how the public service is reacting to new energy efficiency initiatives and the opportunity for that type of training?

Mr. John McBain: I would be pleased to answer. Thank you for the question.

I mentioned Workplace 2.0 in my remarks, which is about a modern approach to office accommodation. I personally hate the cube farm. We've all seen the Dilbert cartoons, and we have floors of it that were built in the seventies. Workplace 2.0 is about bringing in

a different approach: much more open, more natural light, a lot fewer walls, and creating space for collaboration. As the public service renews and we hire generation X and generation Y, they love the space. It's the boomers who are sort of clinging to the walls and the cubes because that's what we grew up with. The new space is open. You can literally see window to window across a floor. I can't remember when we could see that in other space.

What I see in terms of the new recruits, new employees with the public service, is that they very much embrace it and they really enjoy the space. From that part of what we do, we see a high take-up and a high level of satisfaction.

• (1015)

Mr. Geoff Munro: I can complement that from the scientific side of what the Government of Canada does. I mentioned earlier the move of the laboratory to Hamilton. There we've actually put one of these large screens up in the entranceway of the building. It shows you the minute-by-minute energy usage of the building. It translates into personal behaviour in the building.

To answer your question specifically, the occupants are extremely proud of their ability to do their job and to do it effectively and yet contribute to that blip keeping on going down.

The Chair: Ms. Weber.

Ms. Caroline Weber: In our consultations with other government departments, we hear a lot of enthusiasm, especially from employees. If you look at the federal sustainable development strategy, you'll see some targets in there that don't actually have a huge impact in terms of either reducing greenhouse gas emissions or other kinds of environmental footprints. Honestly, reducing our printer ratios is going to matter in terms of electronic waste, but the energy usages are probably going to be smaller.

Employees want to participate and want to have an impact. They want to do something to reduce our impact on the environment. I see a lot of enthusiasm, and we're looking for ways to create targets with which employees feel they can connect more, because greenhouse gas emissions are a bit further away from them and have more to do with the building structure, etc., than their own behaviour in the facility.

Mrs. Kelly Block: I have one quick follow-up question.

Increased enthusiasm might equal increased productivity, and I'm wondering if that is considered in your cost analysis when you look at all of these strategies.

Ms. Caroline Weber: I'm quite confident that we haven't factored that in, but anyway it's an interesting thought.

The Chair: That is a very interesting point. The one thing that crosses my mind along those lines is that the indoor ambient air quality probably improves as energy efficiency improves, and therefore fewer sick days, and less feeling sluggish and lethargic, although it doesn't help some of us. That's just an aside.

John McCallum.

Hon. John McCallum: I hope productivity is higher, but as an economist, I'm glad you don't factor it in, because it's extremely difficult to quantify and would be quite contentious, I think.

There was something called the Office of Greening Government Operations, created, I believe, in 2005 in Public Works. I'm wondering if it plays a significant role in all of these processes.

Ms. Caroline Weber: I am responsible for the Office of Greening Government Operations. That is why I'm here today, and yes, we are the group that leads the consultation across the Government of Canada with respect to developing these goals and targets that you find within the federal sustainable development strategy. We work under the leadership of Environment Canada and the Minister of Environment to develop those new federal sustainable development strategies, targets, goals in those three-year cycles.

Hon. John McCallum: Thank you.

I'm glad it still functions well, as something created by a former government.

I wanted to just follow up a bit on what the chair said about the federal buildings initiative. He implied the take-up had been limited. Could you tell us when this began, what has happened to the scale of it, and whether you think there is potential for larger scale, or would you like to see more growth than currently exists?

Ms. Carol Buckley: Thank you. It's an excellent question.

The program got its initial authority in 1991, so it's been around for a while. I would say that we have the capacity. We're dealing with 11 departments right now. We certainly have the capacity to serve those departments and additional departments, and that's why, as I mentioned earlier, we are marketing this quite healthily to our departmental audiences. We would very much like to increase the take-up. I think working with the Public Works Office of Greening Government Operations and tying ourselves in as a service agency to those departments that are bound by the federal sustainable development targets is a good market for us.

I don't have it with me or in memory, but I could provide the committee, if you were interested, with the number of projects we've done per year, and you can see it's very variable. In some years, we've managed to help facilitate a much larger number of projects than other years, and it tends to sort of go up and down. With the new federal sustainable development targets, we find that it's worthwhile to work together and tie this together as a service organization there. So I hope we will have an upswing in uptake in the coming years in order to serve that need.

• (1020)

Ms. Caroline Weber: In fact, Carol, I think we could make reference to our MOU. We have agreed to work together on a number of projects, with the intent of raising the profile of some of the services that NRCan has to offer and get better uptake. Really,

the use of these programs is going to be driven, as Carol has said, by our desire to use it, rather than the external provision of services. We have to find the clients inside first, so we are working together to drive a bit of that market.

Hon. John McCallum: Thank you, and I think it would be useful to have that information.

Going back to the question of public floggings for people who didn't meet the objective, I want to ask a more serious question. What's the incentive structure within the public service? How important are these targets treated by senior public servants? Hopefully, they'll hit the targets, but are there serious consequences for any department or individual if they don't hit the targets?

Ms. Caroline Weber: First, I would say it's early days, so we'll see as that moves forward. Deputies talk about these targets on a regular basis. A couple of times a year, our associate deputy and our deputy minister are engaging their colleagues at different fora in order to talk about what the development is, what we're worried about, what everyone might be doing. It's still early days in terms of performance, so I think it's too soon to tell, but I know that each of us takes our commitments quite seriously. Because of the public nature of reporting on this, and the reviews that we all know will come, we're quite confident that there's adequate incentive for everyone to achieve these targets.

Hon. John McCallum: I'm not sure I'd agree with "early days". We're seven years into the program and we have eight years to go.

Ms. Caroline Weber: No, Mr. Chair, the federal sustainable development strategy was only tabled in October of 2010. While the baseline was chosen as 2005, to be consistent with international commitments in this area—as negotiated at Copenhagen, for example—we've worked to be consistent. But the program is really only into its second year.

Hon. John McCallum: Okay. I stand corrected. The base year is 2005, but not the point at which the exercise began.

Ms. Caroline Weber: Exactly.

The Chair: [*Inaudible—Editor*]

Hon. John McCallum: Okay.

The Chair: We're going to go to Ron Cannan.

Hon. Ron Cannan (Kelowna—Lake Country, CPC): Thank you, Mr. Chair.

Thanks to our witnesses.

Mr. McBain, in your opening comment you mentioned you're only looking after about 1% of the federal buildings, about 31% of the federal inventory. Who looks after the other 69%?

Mr. John McBain: If you look at the Treasury Board website, there is a long list of federal custodians. The top 14, as Caroline mentioned, which are part of the sustainable development strategy, cover the majority. I have a list here. It's available, as I said, on the web.

Defence has 14,900 buildings in its inventory. As you go down the list, by the time you get to department number 11, it's 1,000 buildings; with department 14, it's 335 buildings. So the number pares down very quickly.

Hon. Ron Cannan: Is there any consideration of Public Works taking on a larger role, having one overseer?

Mr. John McBain: Not by my initiative.

Hon. Ron Cannan: There are no efficiencies there.

Mr. John McBain: As I said earlier, part of the overall management regime is the accountability of the deputy head to deliver the program. For the vast majority of departments, real property or buildings are a means to delivering their programs; they're not core to what they do.

How the department uses those buildings to achieve its program objectives is part of its accountability. If you took that out and put it somewhere else, you then mix the accountabilities. They're going to say "I need those buildings to delivery my program. I'm no longer in control of them."

Hon. Ron Cannan: So there are economies of scale to a degree, but accountability for those economies of scale becomes too big sometimes to even become efficient.

Mr. John McBain: I would argue that it's difficult to set priorities. If you have one large organization, setting priorities becomes a greater challenge.

•(1025)

Hon. Ron Cannan: I greatly appreciate the clarification.

Mr. Munro, there has been talk about solar and wind, but no discussion about geothermal. I come from the Okanagan, and we've had Jeff Keen, the solar chap, out to the Okanagan a couple of times. We have 2,000-plus hours of sunlight, so there have been discussions about solar. We also have UBC Okanagan, which is a net zero campus for carbon emissions, using geothermal.

Is there consideration of geothermal for existing buildings, and for retrofitting as well?

Mr. Geoff Munro: Geothermal takes a number of different forms.

There's the true geothermal, which I think you're talking about, where you actually use the heat from below the ground as your heat source.

Hon. Ron Cannan: Correct.

Mr. Geoff Munro: There's also the storage of heat in the ground, which may be obtained in other ways. That's where I was talking about boreholes in Hamilton. There's another perfect example in southern Alberta, in the Okotoks community.

We are looking at all energy sources, from the investigative, the scientific, perspective, as to what's available and the cost effectiveness. If you take a look at a map of Canada, the geothermal resources tend to reside in the area of the country you're talking about; it's not ubiquitous across the country. As a matter of fact, it sort of takes a sweep, going up the western side of the country through the Rockies and in that area.

There is not a simple solution or a one-size-fits-all. The depth to which you would need to drill to obtain the kind of heat that would make it cost effective...it would be lost in the drilling.

Hon. Ron Cannan: Definitely. We're the second-largest land mass in the world, so there are definitely different geographic conditions for building.

Taking into consideration NRCan's role in reducing greenhouse gas emissions in government buildings, do we also play a leadership role in the private sector? Do you work with architecture firms, engineering firms, for example, to support as prototypes some of the LEED gold buildings, to exemplify what can be done and to help the private sector as well?

Mr. Geoff Munro: I have two responses, if I may.

The first is to clarify that NRCan does not have responsibility for government buildings beyond those that we occupy and/or own. However, we work very closely with PWGSC and others. We have partnerships with DND, with Environment Canada, and others, to try to use the energy expertise that we have to let them apply the same kinds of program improvements to their responsibilities. Our mandate remains within the mandate of the department and its own facilities.

In terms of demonstrating best cases, both internally and externally, to the government, we do, absolutely. As we develop an understanding around the use of a given technology as it reaches market potential, as it reaches the potential to compete with existing forms of energy, etc., we try to make that information available to other energy companies, engineering firms, etc., right across the country.

Hon. Ron Cannan: Thank you.

I just have time for one quick question.

The government is investing hundreds of millions of dollars in the parliamentary precinct, and I've seen some of the historic buildings and the advantages. We have access to our windows, which are basically a single-pane window, but we get fresh air, so that's the trade-off: the fresh air versus the sealed-in, recirculated air.

Have you looked at the precinct here and the numbers, what we're at right now, and once it's completed what kinds of savings and energy efficiencies and greenhouse gas emission reductions there will be?

Mr. John McBain: I spoke with my colleague Pierre-Marc Mongeau, who is the assistant deputy minister for the parliamentary precinct, before appearing here today and I asked him what the plans are.

He assures me that the rehabilitation of the blocks of Parliament will target BOMA BEST practice in terms of operations, and they are targeting Green Globe for the renovation of these buildings. He is also undertaking energy audits on all the buildings that comprise the precinct, not just those on the Hill, but also La Promenade and other buildings that are used to support the functions of Parliament.

I can't give you the specific numbers that are targeted, but as I said, we could come back to the committee with more details if you're interested in that amount.

Hon. Ron Cannan: That's very good. Thank you.

The Chair: Thank you, Ron.

John, you had a point. Do you want to add to Mr. Munro's comments?

Mr. John McBain: That was dealt with by Caroline. I wanted to answer your question on leadership.

While we don't have a central agency function, as PWGSC we take our presence seriously in terms of the leadership we provide. The Jean Canfield Building that I referred to in Charlottetown, candidly, was a challenging tender. It was the first time LEED gold had been attempted, and it was a challenging initiative to tender that building and get it constructed, but we're pleased to see that leadership in terms of demonstrating that federal commitment.

• (1030)

The Chair: Thank you very much, John.

Thank you, Ron, for your questions.

That concludes our second round of questioning. Denis Blanchette has asked for the indulgence of the committee for one minute to ask one specific question.

Denis.

[*Translation*]

Mr. Denis Blanchette: Thank you very much.

You have begun modifying buildings, and you are trying to meet the LEED standard. What would you need in your ideal tool box to reach your objectives more efficiently?

[*English*]

Mr. John McBain: Certainly, for us, it's a question of looking at the overall plan for our assets, and having a longer planning horizon would always allow us to do that better, so knowing the longevity of programs, knowing what plans are farther downstream, would allow us to take a stronger position with respect to our buildings. At the same time, we must acknowledge that our clients need to have agility in delivering government programs, so that's always the trade-off between our knowing whether we have a 10- or a 15-year use for a building, and therefore appropriate investments, versus clients who may say they've got a program that's going to run five years, and they need to get two years in before they know it's going to continue.

That's the trade-off: finding that right balance between program need to support government operations and the investments we need to make in our assets.

The Chair: Thank you to all the guests for a very useful and very interesting session. It gives us lots to chew on, and certainly it's self-evident that this is a pluralistic issue of great interest to us as we move forward. I'm sure one or both of your agencies will be invited back in the context of the study.

Thank you very much to the witnesses.

Hon. John McCallum: I don't have a question, but before you end the meeting, I would like to propose my motion to ask the national fighter jet secretariat to come to the committee, if I may.

The Chair: I would like to thank our witnesses for their time and finish that section of the meeting.

Thank you, again, John, Geoff, Caroline, and Carol, for being here today. You're excused.

John, are you moving your motion now?

Hon. John McCallum: I would like to, if I may.

The Chair: That's in order. So moved.

Mr. Mike Wallace (Burlington, CPC): Mr. Chair.

The Chair: Go ahead, Mike.

Mr. Mike Wallace: It's an agenda item for future business. We do those in camera.

The Chair: I'm very anxious to get in camera as quickly as possible.

Mr. Mike Wallace: I'll move that we go in camera.

The Chair: There's a motion on the floor, I believe, that will have to be dealt with first.

The ruling of the chair is that Mr. McCallum had the floor and moved his motion. That's in order, and the motion will have to be dealt with before you have the floor to make a motion to go in camera, which is not debatable, I believe. Technically, this motion was put on the floor while we were in full session.

You have the floor, but if you could be brief, I'd appreciate it. We have two items we have to deal with in camera.

Hon. John McCallum: I will be brief.

I move that the Standing Committee on Government Operations and Estimates request an appearance from the National Fighter Procurement Secretariat to discuss their objectives and plans in relation to the purchase of replacement aircraft for the CF-18.

To me this is a no-brainer. This is a huge issue. There's been a lot of controversy about it. It is part of government operations, so I think it would be quite normal and in order for us, as a committee, to request the presence and testimony of this group.

The Chair: Is there any further debate on the motion?

Go ahead, Linda.

•(1035)

Ms. Linda Duncan: I'd like to support the motion. The secretariat is under Public Works and Government Services. It seems sensible that we have in either the minister or the secretariat simply to report to us. We could ask some questions.

The Chair: Mike.

Mr. Mike Wallace: When we deal with future business items, future agenda items, which this committee did last week, we do that in camera. I move that we move in camera to discuss this motion.

The Chair: I think that can wait. He had the floor, so—

Mr. Mike Wallace: No, I have the floor. I can move to go in camera.

The Chair: The ruling of the chair is that Mike's motion to move in camera is in order. A motion to move in camera is not debatable. It goes directly to a vote.

(Motion agreed to on division)

The Chair: I declare this meeting suspended.

[Proceedings continue in camera]

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