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## **Standing Committee on Public Accounts**

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**EVIDENCE**

**Wednesday, October 5, 2011**

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**Chair**

**Mr. David Christopherson**



## Standing Committee on Public Accounts

Wednesday, October 5, 2011

• (1530)

[English]

**The Chair (Mr. David Christopherson (Hamilton Centre, NDP)):** I call this meeting to order. This is meeting number 6 of the Standing Committee on Public Accounts. The matter before us is the spring 2011 report of the Auditor General of Canada, which has been forwarded to us from the House after it was tabled in June.

I would advise colleagues to be aware that this meeting is being televised. I will also welcome our interim Auditor General, Mr. John Wiersema. I'll ask him in just a moment to introduce his delegation.

But before that, I'd like to bring to the attention of colleagues that we have a distinguished guest with us today, and that is Dr. Mohammad Sharif Sharifi. He is in his tenth year of serving as Afghan Auditor General.

Welcome, sir. We're pleased to have you here. We wish you safe travels during your time here in our country, sir.

**Some hon. members:** Hear, hear!

**The Chair:** With that, hearing no points of order or other matters, I will then go to Mr. Wiersema for an introduction of his delegation and his opening remarks.

Sir, you have the floor.

**Mr. John Wiersema (Interim Auditor General, Office of the Auditor General of Canada):** Good afternoon, Mr. Chair, and thank you very much.

Thank you for inviting us to appear before the committee today to discuss the two reports that we tabled in the House of Commons on June 9, 2011.

Mr. Chairman, you indicated that this is the sixth meeting of the committee in this Parliament. This is the first opportunity that we've had to meet with this committee, so I would like to congratulate all the members of the committee on their election or re-election to the House of Commons and indicate that we're very much looking forward to working with this committee in this Parliament.

I'm accompanied by Wendy Loschiuk and Ronnie Campbell, assistant auditors general, who were responsible for a number of the chapters that were included in the two reports that were tabled today.

With your permission, Mr. Chair, I'd like to now give you a brief description of the chapters in each of the reports that we've tabled.

[Translation]

I am going to start with our Spring Report. The first chapter deals with the expenditures for the G8 and G20 summits. We found that Parliament was not clearly informed of the total amount of funding requested by departments.

[English]

Fourteen departments asked for funding over two fiscal years in seven separate requests. This made it almost impossible for Parliament to know the total amount of money that was being requested. Government should ensure that parliamentarians have a clear picture of the total funding being requested for initiatives involving many departments such as this.

At the time of our audit, departments were projecting expenditures of about \$664 million for the two summits, just over half of the \$1.1 billion that was approved by Parliament. Because of the short timeframe to prepare for the summits, departments had to prepare budgets quickly, often with limited information. As a result, the funding requests significantly overestimated the amounts needed.

I turn now, Mr. Chairman, to the G-8 legacy infrastructure fund. Parliament received a request for \$83 million for the border infrastructure fund. It was not informed that \$50 million of that amount was intended to fund infrastructure projects in the region hosting the summit. When government presents a request for funds to Parliament, it should be transparent about the intended use of the money.

Thirty-two projects were approved for funding by the former Minister of Infrastructure on the advice of the former Minister of Industry. Public servants were not involved in the selection of the projects.

• (1535)

[Translation]

I am very concerned that documentation was not available within the federal government to explain how or why these 32 projects were selected. Supporting documentation is important for transparency and for accountability.

[English]

I will move now to the reserve force pension plan. This plan had been under discussion and development for more than 10 years, yet the Department of National Defence dropped the ball. As a result, many reservists could face delays of seven years or longer to find out what their pension benefits will be. The department did not have enough staff or adequate systems in place when the plan came into force in 2007; this led to significant backlogs.

About 9,000 reservists in the plan have sought to buy back past service. At the time of our audit, fewer than 400 of these requests had been processed.

[Translation]

Reservists play a critical role within the Canadian Forces. They should not have to wait this long to receive the pension services they are entitled to.

[English]

I will now move to the chapters in our 2011 status report. Our status reports answer the question: has the government made satisfactory progress in acting on problems identified in past audit reports. We are reporting satisfactory progress in two of the six areas we examined, those two being financial management and control, and internal audit.

The opening to the status report, “Matters of Special Importance”, was Mrs. Fraser's final message to Parliament as Auditor General. In it, she noted areas where the government has made progress and two areas where she reported action is needed.

[Translation]

The first chapter of this report deals with financial management. With annual spending of about \$275 billion, the government clearly needs good financial management.

We are pleased that the government has enhanced its financial management capacity with a significant increase in people with financial expertise.

Internal audit is another area where we found satisfactory progress.

[English]

Strong internal audits can help an organization achieve its objectives, improve its management practices, and make it more effective. I'm particularly pleased to see the significant improvements made in internal audits. I'm also impressed by the role departmental audit committees are playing in strengthening internal audits and in improving management practices.

[Translation]

Let me turn now to large information technology projects, one of the areas in which the government's progress has been unsatisfactory.

Continued investment in information technology is needed to deliver services to Canadians. Developing these systems is complex and expensive. It needs to be managed well.

We note improvement in certain areas. However, action is needed in planning and monitoring projects, and measuring results—areas that are still weak.

[English]

The government's progress has also been unsatisfactory in the area of programs for first nations on reserves. I am very disappointed that conditions on reserves have worsened and are well below the national average.

The education gap between first nations living on reserves and the general Canadian population has widened. Houses are in poor condition, and the housing shortage on reserves has increased. More than half the drinking water systems on reserves still pose a significant risk to the communities.

A preface to this chapter provides an overview of the structural impediments that have hindered progress on reserves.

[Translation]

Improving conditions on reserves will be a difficult challenge. It will take first nations and government working together in new ways to resolve these issues.

[English]

Turning now to the national police services, the RCMP provides specialized services used by police forces across Canada. These include fingerprint identification, DNA analysis, and other services important to public safety in the criminal justice system. The RCMP has made unsatisfactory progress in addressing longstanding issues that affect its ability to provide these services. We are concerned by the lack of progress in this area. The federal government, working with provincial, territorial, and municipal partners, needs to decide which police services should be provided and how they should be delivered and funded.

I'll turn now to the chapter on regulating medical devices.

Canadians rely on Health Canada to ensure that they have timely access to safe and effective medical devices. These devices range from bandages to pacemakers. They play an important role in the quality of health care. The department's progress in regulating the safety and effectiveness of these medical devices has been unsatisfactory. Health Canada needs to improve its on-time performance, use foreign reviews to reduce delays, and ensure that it adequately monitors the safety and effectiveness of medical devices available in Canada.

[Translation]

The last chapter in the status report includes the main points of special examination reports on four crown corporations. They were issued in 2010. We report on whether or not there were significant deficiencies that could prevent these corporations from achieving their objectives.

[English]

We are pleased to note that there were no significant deficiencies in two of the corporations we examined: the Canada Deposit Insurance Corporation and Telefilm Canada. We did, however, find significant deficiencies in the National Arts Centre Corporation and the Freshwater Fish Marketing Corporation.

• (1540)

[Translation]

Mr. Chair, that concludes my opening statement. We will be happy to answer any questions you may have.

[English]

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

Following the prior agreed to rotation for speaking, the first spot goes to the government.

I have Mr. Saxton on my list. Mr. Saxton, you have the floor, sir.

**Mr. Andrew Saxton (North Vancouver, CPC):** Thank you very much, Mr. Chair. Thanks to our witnesses as well for being here today.

The government has accepted the recommendations made by the Auditor General in the spring 2011 report and updates. The Office of the Auditor General provides an important challenge function to ensure the best possible outcome for taxpayers.

My questions are for the interim Auditor General. There have been some questions raised by the opposition as to why the border infrastructure fund was used for the G-8 legacy projects. I would like to address that by quoting my colleague, the Hon. John Baird, who said, "Public Servants in my department made a recommendation we could use the Border Infrastructure Fund as an existing authority so we could move expeditiously." He goes on to say that he accepts responsibility for that decision.

Mr. Wiersema, you too were quoted as saying that the evidence you saw suggested that this was done for matters of expediency. Is that correct?

**Mr. John Wiersema:** That is correct, Mr. Chairman. The evidence we saw indicates that this was done for reasons of expediency, but I would indicate that in a situation like this I'm not sure it's appropriate for expediency to trump the proper reporting of information to Parliament and transparency in that disclosure.

I believe the government was aware that the funds were intended for the legacy fund, and to present it to Parliament for reasons of expediency as part of the border infrastructure fund, in my view, doesn't make it right. That's a serious concern to me, notwithstanding the reasons that were behind it. How government requests funding from Parliament should be transparent.

**Mr. Andrew Saxton:** Thank you very much.

Through the course of your examination, did you find any G-8 legacy projects where money was not accounted for?

**Mr. John Wiersema:** Mr. Chairman, as I indicated in my opening statement, and as the report indicates, no documentation exists in the federal government to indicate how the 32 projects were selected from the 200-and-some that were submitted. Once those projects were selected and approved by the ministers, they were transferred to Infrastructure Canada and passed over to the public servants to administer. The public servants did a good job in administering the agreements once the projects had been selected and ensured that Canada got what we paid for in those projects.

**Mr. Andrew Saxton:** Thank you.

That is consistent with what my colleague the Honourable Tony Clement said when he said that the Auditor General also concludes that not a penny was misallocated or misappropriated and every penny went to the stated, intended purpose.

Some have said that a successful program has three distinct yet very important links. The first is the program intake, the second is project management, and the third is the project completion. The government has agreed with your recommendations surrounding the first link of that important chain, that improvements should be made. In your report you said the following statement, and I quote:

Infrastructure Canada maintained project records and established project management frameworks.

What does that mean, and why is that important to the members of this committee and to Canadians?

**Mr. John Wiersema:** As I indicated, Mr. Chairman, once the projects were selected and handed over to Infrastructure Canada, Infrastructure Canada officials did a good job in administering those projects and ensuring that the government received what it paid for under those agreements. The issue of concern with respect to the 32 projects that we indicated in the report was how they got selected. Why those 32?

• (1545)

**Mr. Andrew Saxton:** Thank you.

The NDP suggests that your office was kept in the dark about the fact that officials attended the local area leadership group meetings. Were you aware that officials had attended those meetings?

**Mr. John Wiersema:** As a result of documentation that subsequently was made public, Mr. Chairman, I have become aware of documentation that had its origins in municipal governments. We've reviewed that documentation and continue to stand behind the conclusion of our report, which is that public servants were not involved in the selection of the projects, although they attended some meetings that did not involve discussions as to which projects would be selected for funding. I've reconfirmed that with senior officials in government, that government officials were not involved in the selection.

**Mr. Andrew Saxton:** Thank you very much.

While we understand now that the G-8 legacy fund was not clearly listed in the estimates, is this the first time your office has made a recommendation that the listing of a program or service could have been clearer in the estimates?

**The Chair:** A very brief answer, please.

**Mr. John Wiersema:** Mr. Chairman, I'd have to go back and check every single recommendation we ever issued. In recent history—and I would define that as my 30-some years in the office—I cannot think of an analogous example where information was presented in the estimates in one fashion when the intent was to use it for quite a different fashion. So I'm not aware of any specific examples at present.

**Mr. Andrew Saxton:** Thank you very much.

**The Chair:** Thank you both very much.

We're over to the NDP now. I have Monsieur Caron on my list.

Monsieur Caron, you have the floor.

[*Translation*]

**Mr. Guy Caron (Rimouski-Neigette—Témiscouata—Les Basques, NDP):** Thank you very much, Mr. Chairman.

I would also like to welcome the Interim Auditor General and his team to the committee.

Like my colleague, I am particularly interested in Chapter 2 of the Spring 2011 Report on the G8 Legacy Infrastructure Fund.

As regards the answers you received from the different departments when you conducted your review, are you able to confirm that they were all signed by ministers and deputy ministers?

[*English*]

**Mr. John Wiersema:** As a normal part of our practice, Mr. Chairman, with every report we issue we ask for the deputy minister's confirmation that the facts presented in the report are accurate. We received those confirmations from the deputy ministers working in the departments that were involved with the G-8 legacy fund.

Those departments, I believe—and Wendy Loschiuk will help me here—are Industry Canada, Infrastructure Canada, Foreign Affairs, and Treasury Board Secretariat probably.

Yes, they've confirmed the facts.

[*Translation*]

**Mr. Guy Caron:** In your report, you mentioned that you had spoken to officials from several different departments in order to ascertain how funding levels had been set. You talked about officials. You mentioned several departments, such as Infrastructure Canada, Industry Canada, the Office of the Coordinator for the 2010 Olympics and G8 Security, which reports to the Privy Council Office, the Royal Canadian Mounted Police, and the Summits Management Office, which comes under Foreign Affairs and International Trade Canada.

This is what you say in your report: "Senior officials were not able to provide us with any information and said their input had not been sought as part of that process."

In the document we obtained from the Local Area Leadership Group, which became a major topic of discussion following the NDP's research, it says that Minister Clement informed local mayors that the level of funding would be set by the Prime Minister's Office.

In your opinion, would that explain the fact that none of the departments you questioned was able to explain how the funding level had been set?

[*English*]

**Mr. John Wiersema:** Mr. Chairman, in terms of explaining how the funding levels are determined, that's probably a question best posed to government. When we inquired how the amount of this fund was established at \$50 million, relative to similar examples, we were not able to get a clear explanation from the departments.

I would ask Ms. Loschiuk if she can shed any further light on this for the committee.

**Ms. Wendy Loschiuk (Assistant Auditor General, Office of the Auditor General of Canada):** Thank you, Chair.

We made simple investigations into why it was \$50 million, but there was really very little information available. We had asked, through the normal course of doing our interviews, the departments that were involved in this, but they had explained to us that it was really not a decision that was made at their level. That was more of a government decision and they were not involved.

• (1550)

[*Translation*]

**Mr. Guy Caron:** My next question is connected to your opening presentation, where you state that public servants were not involved in the selection of projects. Through our own research, we have determined thus far that at least 12 officials did take part. They were from four different departments, including Infrastructure Canada, Foreign Affairs and International Trade Canada, FedNor and Industry Canada.

Do you mean that these 12 public servants did not answer your questions when you submitted them to the department, or that their involvement was not mentioned?

[*English*]

**Mr. John Wiersema:** Mr. Chairman, public servants were involved in supporting the minister in a number of meetings. Public servants indicated to us, and that was confirmed by the documentation, that they were not involved in the selection of the projects. I continue to believe that was the case. I stand behind that conclusion, that public servants were not involved in the actual project selection.

We have had a look at the documentation from the municipalities. It's subsequently been made public. Notwithstanding that documentation, we maintain the position that, in our view, public servants were not involved in the selection of projects.

There was one particular meeting where it was not clear whether or not the meeting involved discussions and selection of projects or the program overall. In that particular case, I have reconfirmed with the deputy minister that it was not a meeting that involved decisions as to the selection of projects, and he has reconfirmed to me, in writing, that public servants were not involved in project selection.

**The Chair:** Thank you both very much.

We'll now move to Mr. Kramp.

Mr. Kramp, you have the floor.

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

Certainly I extend a warm welcome to our guests. I can tell you it's been a privilege to work with you over a number of years now. I look forward to continuing to assess, work together, and provide both of our efforts for a much better future. You do great work, and we thank you for that.

Might I say that I've served on this committee for a number of years? I almost hate to bring up another word but I'm going to. I've actually served on this committee since the dear old sponsorship scandal, which was winding down at that point. I know some opposition members have tried to draw a comparison between the two, which I find a little bit disconcerting in a way. We all know that in the sponsorship affair we didn't know how much was involved, to whom the money went, what it was for, where it went, and what it was. There were numerous legal convictions, and for all intents and purposes, there are more to come.

I've noticed that you said in your statement last June that this is just not a sponsorship scandal.

Can you please highlight the differences between what we have here with this examination versus the impropriety of the sponsorship affair?

**Mr. John Wiersema:** The member is quite correct, Mr. Chairman, in indicating that this is not the same as the sponsorship program. In this particular case, as I indicated in response to earlier questions, it is clear that the government received the goods and services it paid for. It got what it paid for. In the case of the sponsorship program, there were cases where the government paid significant amounts of money and didn't receive any goods and services in return. That is a significant difference between the G-8 legacy infrastructure fund and the sponsorship program.

**Mr. Daryl Kramp:** Thank you, Mr. Wiersema.

I believe, publicly, back in June as well, you stated that there was no intent to mislead in that the information you received from the various sources—there didn't appear to be *mens rea*—was forthcoming, with amounts and totals, invoices, and everything in place. Is that correct?

**Mr. John Wiersema:** I guess there are two parts to that question, Mr. Chairman.

In terms of intent to mislead, did we see any evidence that anyone deliberately intended to mislead Parliament with respect to the request for the \$50 million of funding? No. But as I indicated earlier, I think questions of expediency should not trump transparency in being correct in what you're going to use the money for when you request it from Parliament.

With respect to the second part of the question—were public servants ever attempting to mislead our auditors in the course of this work—I have no evidence and no reason to believe that was the case. I believe that public servants and everybody we dealt with cooperated openly with us and there were no attempts to mislead us.

• (1555)

**Mr. Daryl Kramp:** Fine. Thank you.

We take your recommendations very seriously. This committee always has, and I'm pleased that the government has accepted your recommendations and will obviously move forward, as you said, to look for improvement.

There is one area where I'm asking for your advice and consultation. This infrastructure fund employed the contribution agreement model rather than the grant model. There are differences there. I've been told by a number of senior bureaucrats in the departments that the contribution agreement model is more onerous as to requirements than the grant model.

Could you give me any assessment on that, from your perception of it? Do you think in this case, then, that the contribution model was the appropriate one to use?

**Mr. John Wiersema:** Mr. Chairman, the member is quite correct in distinguishing grants from contributions. At the risk of oversimplifying it, a grant is moneys disbursed by the government with basically no terms or conditions and no strings attached. A contribution program involves terms and conditions that the recipient and the money must meet, and contributions are subject to audit. Yes, they are quite different. The contribution vehicle that was used in the case of the legacy fund is more stringent.

I apologize to the member; I've forgotten the second part of the question.

**Mr. Daryl Kramp:** The second part of the question is, obviously, in this particular case—

**Mr. John Wiersema:** Yes. Thank you. I recall.

The decision as to whether to use a grant mechanism or a contribution mechanism is a decision that's correctly left with government. It's not really a decision the Auditor General should weigh in on—should it have been a grant or should it have been a contribution? I will confirm what the member has indicated, that the contribution agreement has more stringent requirements than a grant.

**Mr. Daryl Kramp:** Thank you. I have many more questions, but with the brevity of time, I have the eye of the chair, meaning that it's enough for now, Daryl.

Thank you.

**The Chair:** Thanks very much, Mr. Kramp, for being so cooperative.

We are over now in rotation to the official opposition, and as indicated, Mr. Angus is to have the floor next.

Mr. Angus, you have the floor.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Thank you, Mr. Chair.

And thank you for your excellent work on behalf of the people of Canada. I'm concerned about your G-8 legacy infrastructure fund conclusion that no documentation was available within the federal government to explain how or why these 32 projects were selected. I find that an extraordinary statement, even more so since we did find that the documentation had been handed out by Mr. Clement's staff and run through his constituency office, where the projects were vetted.

Were you aware that Mr. Clement had documentation of this nature outlining the various project applications?

**Mr. John Wiersema:** Mr. Chairman, I share the member's concern. As I indicated in my opening statement, I too am concerned, very concerned, that there is no documentation in the federal government to explain how those projects were selected.

During the course of the audit, and Madam Loschiuk will help me here, we did approach the minister's office to request any documentation that was available in the minister's office or in the constituency office to explain how the projects were selected. We received a small amount of documentation, which wasn't directly relevant to the question of the project selection, and we therefore concluded as we did in the audit.

Wendy, is there anything you would like to add or clarify?

**Ms. Wendy Loschiuk:** I don't think there's anything really to add to that. We did ask if there was more documentation available other than through the normal channels, which would be Infrastructure Canada, and we were given, as Mr. Wiersema said, a few documents, but they really were not helpful in deciding how the projects were chosen.

**Mr. Charlie Angus:** These documents were handed out to communities by Minister Clement. The communities were told to send this. It doesn't even have "Government of Canada" on this; it goes right to Sondra Read, constituency manager, Tony Clement's office. You asked Mr. Clement to provide documentation, and they didn't have any of this, which they were handing out. You were not aware of this?

**Mr. John Wiersema:** Wendy, did we receive that application form?

**Ms. Wendy Loschiuk:** We had already seen a blank version of the application form, so we had noticed on the bottom who you were to send applications to, which is why we approached the minister's office. But in the course of the audit there was nothing forthcoming.

• (1600)

**Mr. Charlie Angus:** There was nothing forthcoming. In your 33 years in your office, have you seen anything like this, where \$50 million is set aside without Parliament being made aware that civil servants are excluded from the criteria process and that the constituency office of a member of Parliament has his own homemade form to hand out? Is this something you've seen before?

**Mr. John Wiersema:** Mr. Chairman, I indicated when we released the report on June 9 that no, in fact, this is not something I have previously seen in my time in the Office of the Auditor General. In particular, the situation of public servants being totally

excluded from the process of selecting the projects, yes, is one of a kind.

**Mr. Charlie Angus:** I'm concerned, because I'm hearing from my colleagues about this need for expediency, and yet we find out that the minister was meeting back as early as September 2008, long before Parliament was even made aware that the border fund was going to be raided and that this plan to distribute money was being set up with local mayors. So it seems they had a lot of time to get their ducks in a row. Yet we find out that through the local area leadership group, federal civil servants were brought in to discuss criteria and ideas but were then excluded so that the mayor, the hotel manager, and the minister were then left with free rein to decide how these projects, these hockey arenas and all the other baubles and gazebos....

Were you given any of the documentation from the meetings Minister Clement held with his two friends in the Huntsville area?

**Mr. John Wiersema:** Mr. Chairman, as I understand it, most of the documentation that has been made public subsequent to the tabling of our report has its origins in the records of municipal governments. Therefore, no, we did not look at work that was happening in the municipal governments. And much of that documentation that was subsequently made public was not available to us during the audit.

**Mr. Charlie Angus:** You found out that documents exist—

**The Chair:** Mr. Kramp, on a point of order.

**Mr. Daryl Kramp:** Thank you, Chair.

I would just remind the chair that this is not the House of Commons. To put allegations out there that, for example, hotel managers made decisions I don't think is appropriate for this committee unless we have someone actually saying that. To throw that inference out there, and that question, is quite frankly out of order.

I would ask the chair to accommodate that. As I said, we're not in the House of Commons now. We are here. We are televised. We should act within our assessments and not simply have a conclusion brought forward before it is reached.

**The Chair:** I understand your concern.

I don't see a point of order. I don't see that the comments are out of order or that the question is out of order. It is in order.

You're just about out of time, though. If you could do a quick question and a quick answer, then we'll move along.

**Mr. Charlie Angus:** Thank you. Certainly, a quick question and a quick answer.

This isn't the House of Commons because we're finally getting some answers.



I have to correct something. It was the G-8 summit liaison and implementation team that involved Tony Clement, the mayor of Huntsville, and the manager of the Deerhurst inn. We received those documents through the municipality.

You asked to find out where documents were and you were told that none existed. The one federal element in this is Mr. Clement, who was at those meetings, who made decisions, and who did not give you those documents. We had to find them through a freedom of information request and through the municipalities. Is that not correct?

**The Chair:** A short answer, please.

**Mr. John Wiersema:** I don't know how the documents were subsequently made public, but many of the documents that the member refers to were not available to us during the audit. They have their origins in municipal governments.

I have another brief comment, if I may, Mr. Chairman. As we indicated in the report, the ultimate decisions as to which of the 32 projects were recommended to go forward was made by the former Minister of Infrastructure on the basis of a recommendation of the former Minister of Industry.

**The Chair:** Thank you both.

Moving back to the government benches, Mr. Shipley, you now have the floor.

**Mr. Bev Shipley (Lambton—Kent—Middlesex, CPC):** Thank you, Mr. Chair.

I also want to commend Mr. Wiersema, who hoped to retire earlier in the summer, but he is carrying on in the office as the interim Auditor General. I want to thank you for your years of service, not only what you have done prior, but filling that gap until the new Auditor General is selected. Thank you very much.

I'd like to go to some of the comments. It talks about "funds used for intended purposes". Obviously they're talking about G-8 and G-20:

We found the sampled transactions were for expenses incurred as a result of summit activities for security and organization and hosting. Further, we found that these transactions were consistent with the plans and budgets for which funding was approved.

I think what you were saying in your comments earlier is that the government got what it paid for. In terms of some of the comments from across, there seems to be a desire to generate that there must be some criminal activity happening here. As we all know, that is not the case.

We heard day after day about how bad it was to spend the \$1.1 billion on a conference that had never before been held with the G-8 and G-20 together. What we found—and some of us may criticize this—is that actually it's not \$1.1 billion, it's \$664 million, which was about 61% of the approved funding.

It would appear that not only did the government get what it paid for, it would appear that the government did well in what it got in terms of the allocation of funds. It went through the estimates. A minority government, quite honestly, couldn't approve it without the support of others. It went through Parliament.

Then it talks about "the exception of a lack of an overall assessment". We agree. I think that's what this committee is actually for, and we've always supported it as a government. If there's something wrong, let's deal with it, because whatever that department or that ministry is, it should be accountable.

It would appear to me that there has been a lack of procedural process that's been followed or a process that is not in place.

You say at the end, in one of the responses, that the Treasury Board has responded, and the secretariat agrees with our recommendation about the process. Is that true?

• (1605)

**Mr. John Wiersema:** Mr. Chairman, I believe the member is quoting from chapter 1 of our report, which deals with the overall G-8 and G-20 summits, the funding requests, and the planning for this project. The key issue the member is alluding to that we included in our report has to do with how those funding requests were presented to Parliament. Two separate years, 14 departments, multiple requests—it would have been almost impossible for Parliament to figure out exactly how much funding was being asked for, for these two summits. So we recommended that there should be some sort of aggregate reporting of the funding requests for initiatives this big.

I believe the government has agreed with that. I believe as well that it has been discussed by one of your sister committees, another committee of the House of Commons. The government operations and estimates committee has looked at this, and as I recall, there's a recommendation coming from that committee that for initiatives like this, exceeding \$500 million, there should be consolidated reporting to Parliament, and I believe that's a sound recommendation as well.

**Mr. Bev Shipley:** Just a quick question. You said it was so big that maybe it was hard to put it all together to understand. Did anyone ask a question about that? Did any of the critics or any of the finance people in the other parties, even the leaders, say this was really complex, they had too many things coming at them, and they didn't understand it?

**Mr. John Wiersema:** Mr. Chairman, it would be very hard for me to respond definitively on that question. Was it ever asked inside or outside the House of Commons? I follow Hansard, but I wouldn't be able to say I follow it closely enough to say definitively the question was or was not asked.

**Mr. Bev Shipley:** But in all your investigations—

**The Chair:** Sorry, that's time.

**Mr. Bev Shipley:** I'm sorry, Mr. Chairman, I totally respect your time.

**The Chair:** Thank you. I even let a little extra go there, as I have with some others. I hope that flexibility is acceptable to the committee.

Finally, over to the Liberals for a speaking spot.

Mr. Byrne, you have the floor, sir.

•(1610)

**Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.):** Thank you very much, Mr. Chair.

As you noted, I have precious little time to be able to ask questions. The providence of the committee has decided to change the normal standard of what would be considered from a majority government. The practices of this committee, from a majority government till today, are quite different, so I have limited time.

With limited time, I want to take some time to say thank you. You've had 34 years in the Office of the Auditor General. You've served this Parliament and this committee with wisdom, and your advice is appreciated.

With that said, I'll get right to my question.

Expediency. The government has suggested that its contrition for its shortcomings was caused by the need for expediency, yet we know that the 2010 Muskoka summit was planned for, implementation began, and things were well under way one and a half years before the actual summit.

In your professional experience, having 34 years within the Office of the Auditor General, could something have been done within that 18-month timeframe to put in place the financial authority to ask cabinet and Treasury Board and to seek approval through the supplementary estimates for the financial authority to engage in these projects?

**Mr. John Wiersema:** Mr. Chairman, the short answer to that is yes. I think the government could have been transparent in its request to Parliament for funding to clearly indicate the funds were intended for the legacy fund. That is not complex or difficult to sort out.

And I believe it would have been quite possible for the government to implement a process for selecting the projects that respected the government's policy on the administration of transfer payments, and that would have involved public servants. I believe public servants have a role to play here. They could have supported the government in the selection of those projects and ensured that the government's rules were respected. That was not the case in this particular situation. I believe both of those things are not hard to fix.

**Hon. Gerry Byrne:** Thank you very much.

Mentioning funds used for intended purposes, how would you categorize the value of these projects for what Parliament approved them for, which was border infrastructure? Was there a value to border infrastructure from these projects?

**Mr. John Wiersema:** Clearly, Mr. Chairman, the projects that were funded here had very little, if anything, to do with border infrastructure.

**Hon. Gerry Byrne:** So Parliament did not get what it paid for and what it approved, in other words?

**Mr. John Wiersema:** The funding request was submitted for border infrastructure; it was used for the G-8 legacy fund.

**Hon. Gerry Byrne:** Thank you very much.

It strikes me that increased comptrollership improvements to the internal audit functions were not able to pick these things up. In

fairness, they were probably not designed to do that. Would you be able to inform the committee as to whether or not the government, in this act of contrition, noting its failures and shortcomings here, has communicated to you and your office any specific measure, standard, or procedure that it is now instituting across government to prevent this from happening again?

**Mr. John Wiersema:** Mr. Chairman, I don't think this is a situation that requires more rules. I believe the rules are there. This office has taken the position in the past, and I absolutely support that position, that we don't need more rules. What we need is consistent application of the existing rules. I'm not waiting for the government to say it put a new rule and procedure into place, because I don't think it's necessary in this case.

**Hon. Gerry Byrne:** Thank you very much.

It is very important, and I think you may agree with this statement, that Parliament does have an oversight role to play in this and that the Office of the Auditor General has a role to play in this.

It's why I'm going to shift here slightly. With the public accounts committee itself, and other government operations and oversight committees, it would seem very important to me as a member of this committee that we have an unfettered hand at being able to look at all reports of the Auditor General. Would you have noted—and I'm sure you would note this—that the committee is the master of its own hand? There are other reports that were tabled by the previous auditors general that have not yet been reviewed. Are any reports less important than the others, or should we as a committee at least give serious consideration not only to reviewing all reports but at least taking the opportunity, as in past practice, to review reports from a previous Parliament as well?

**Mr. John Wiersema:** Thank you for the question, Mr. Chairman.

As the member has indicated, I need to state up front that the committee clearly determines for itself how it wishes to operate and which reports it wishes to study. It has been the practice of this committee in the past, when there is a change in Parliament, to bring forward unfinished business from previous committees, and in particular where the committee has had hearings and studied particular auditors general's reports and has not yet had an opportunity to report to the House of Commons. My understanding is that the practice has been that those reports have been brought forward to the committee in the subsequent Parliament.

I believe that to be a best practice. I believe that is a practice that is followed by public accounts committees across the country and internationally, as a good practice. I believe as well that it provides a basis for this committee to follow up on the findings of the work of this committee, as well as the Auditor General's office, in determining what subsequent corrective action has been taken.

We state, Mr. Chairman, that it's up to this committee to determine what it studies and how it proceeds, but I believe the past practices of the committees to be best practice.

•(1615)

**Hon. Gerry Byrne:** Thank you.

**The Chair:** Mr. Byrne, your time has expired. Sorry.

We are now moving back to the Conservative Party benches.

Ms. Bateman, you have the floor now.

**Ms. Joyce Bateman (Winnipeg South Centre, CPC):** Thank you very much, Mr. Chair. It is an honour to be here. It is a very great honour for me to be here in this position, because I once worked for your wonderful organization.

I have a few questions. The opposition has been harping about various e-mails, both municipal and personal. In fact, we have a substitute member from the opposition here today for that very purpose—to draw attention.

Now, sir, the municipal e-mails and documents that have been provided by the member opposite, would they have changed your audit opinion? You have seen them now. Do you feel you have to go back and change your audit opinion?

**Mr. John Wiersema:** Mr. Chairman, no, I do not feel we have to go back and reopen the audit or change our opinion. I stand behind that report as we published and tabled it on June 9, wherein we indicated there is no documentation available within the federal government to determine how the 32 projects were selected.

Much documentation has been released subsequently, and that documentation, for the most part, has its origins in the records of municipal governments. I do not see a lot of value in the Office of the Auditor General auditing this information. We do not audit municipal governments. We are the auditors of the Government of Canada. The documentation is public, and I don't see a great deal of value in our doing additional work on this file.

**Ms. Joyce Bateman:** Thank you so much.

Based on your comments today, and certainly your report.... In fact, I'm just going to quote your comments. You said a "strong internal audit can help an organization achieve its objectives, improve its management practices, and make it more effective". You gave us a good report card on this. In fact, I believe that you're very impressed with the significant improvements. Correct me if I'm wrong, but I understand that the audit in this report regarding the strong internal control process—it was indeed your review of internal controls—was predicated on a 2004.... It was a follow-up audit, was it not?

**Mr. John Wiersema:** Correct.

**Ms. Joyce Bateman:** It was predicated on a 2004 audit on the internal audit function in the Government of Canada.

There are many of us here as new members. Would you be kind enough to highlight the differences between the two? And what was the substantive improvement?

**Mr. John Wiersema:** Thank you for the question, Mr. Chairman.

The internal audit function in the government, I believe, perhaps as a result of the program review exercise in the 1990s, really had been significantly weakened. We so indicated in the report we issued in early 2000. We thought that internal audit was a vital function for an organization as large and complex as the Government of Canada, and we pushed hard to strengthen that function.

I was delighted to be able to report on June 9, and would like to congratulate the internal auditors in government that they have done a lot of work toward professionalizing the function. I was quite impressed with the progress that's been made, and a lot of that has come with the support of the Office of the Comptroller General. They've taken that on, made it a priority, strengthened the function, and professionalized it. In addition, as a result of legislative changes, they've established the departmental audit committees, with external members, which I believe have gone a long way toward contributing to the strengthening and professionalization of the internal audit function. That's very much a good news file.

● (1620)

**Ms. Joyce Bateman:** Thank you very much. I appreciate that response and am gratified to hear that we're making such wonderful progress.

You've also addressed the financial management and risk management components. You are pleased this time. When was your previous audit examining those pieces? What was it a follow-up to? And again, for the benefit of us newbies, would you explain exactly how we've improved?

**Mr. John Wiersema:** I'd be pleased to, Mr. Chairman.

I believe that the previous audit we did on financial management was probably around 2002. One of the most significant findings coming out of that audit was that when we looked at the qualifications of the SFOs—a government term meaning senior financial officer in government—fewer than one-third of them were professionally qualified. These people were the chief financial officers of organizations involving billions of dollars of spending and billions of dollars of assets and liabilities. We so reported to Parliament and encouraged government to ensure that professionally qualified people were in place.

The report we tabled on June 9 indicated, again, a very positive story. Eighty-two per cent of the CFOs in the largest 20-some departments, I believe, had the requisite professional qualifications and were playing strategic roles at the senior management tables in their capacity as chief financial officers.

Again, it is good progress, and I congratulate the financial community for that progress.

**Ms. Joyce Bateman:** Thank you so much. I appreciate that the chair has said that my time is up, but I look forward to learning more in terms of the improvements we've made.

Thank you.

**The Chair:** Thank you, Ms. Bateman.

We'll move now to the NDP benches and Ms. Blanchette-Lamothe.

[Translation]

**Ms. Lysane Blanchette-Lamothe (Pierrefonds—Dollard, NDP):** Thank you, Mr. Chairman.

Thank you for being here. I also want to express my appreciation for the report you submitted.

I have several questions.

First of all, e-mails were exchanged between Tony Clement and the Mayor of Huntsville with respect to audits of G8 spending by Infrastructure Canada, and the mayor said that was totally unacceptable. Mr. Clement apparently responded by saying that he was working on it.

Do you know whether that internal audit was carried out? If so, did you receive any information about such a review?

[English]

**Mr. John Wiersema:** Mr. Chairman, I'm not able to comment on the communication between the former Minister of Industry and mayors because they were not subject to our audit. As to whether or not any internal audits have been done in this area, I believe that.... Federal internal audits? In terms of any municipal internal audits, I don't know, and I'm not currently aware of any internal audits that were done on this program at the federal level.

Wendy seems to be confirming that. We're not aware that internal audits have been done here.

[Translation]

**Ms. Lysane Blanchette-Lamothe:** Thank you.

In your opinion, would it be acceptable for the Minister of Industry to involve himself in an internal audit process at Infrastructure Canada?

[English]

**Mr. John Wiersema:** Mr. Chairman, I don't believe it is appropriate for me to comment in terms of how ministers carry out their duties, so I'll pass on that one.

**The Chair:** Thank you. Another question. You have the floor.

[Translation]

**Ms. Lysane Blanchette-Lamothe:** In one of Mr. Clement's e-mails, mention is made of a meeting of the Local Area Leadership Group that was to take place during the election period. Mr. Clement wrote that he expected to attend and that he would be there even if an election was called.

Once again, I would like to know what rules apply to ministers in election campaigns. Is meeting with local officials at an official function to discuss federal allocations acceptable in the middle of an election campaign?

[English]

**Mr. John Wiersema:** Mr. Chairman, as we indicated in our report, public servants were not involved in the project selection. That would be the normal process that would be followed, and the absence of the public servants' involvement in the documentation as to the project selection is the issue that we brought to the attention of Parliament.

So the normal process would be that ministers would not be involved at that level of detail of project selection. That would be the work of public servants.

• (1625)

[Translation]

**Ms. Lysane Blanchette-Lamothe:** Thank you.

I have one last question.

Officials attended meetings of the Local Area Leadership Group. Does the involvement of the Director of the Summits Management Office in a discussion on funding criteria not raise doubts in your mind as to the accuracy of the information provided to you about their involvement or otherwise?

[English]

**Mr. John Wiersema:** Mr. Chairman, we indicated in our report that public servants were not involved in project selection. I stand behind that report. I continue to believe this was the case, and when we have talked to government officials about the role public servants played in some of those meetings, they have reconfirmed to us that their involvement did not extend to the issue of selecting projects for funding.

[Translation]

**Ms. Lysane Blanchette-Lamothe:** Thank you very much for answering my pressing questions on the subject.

I think that pretty well completes my questions for the time being.

[English]

**The Chair:** There's a minute there. Does anybody else on the bench want it, or shall I go to the next speaker?

Okay. We're going on rotation back to the government benches....

Oh, I'm sorry. I didn't hear you.

**Mr. Charlie Angus:** You just thought I was flicking my beautiful hair.

**The Chair:** I wouldn't put it that way, but I certainly didn't realize you wanted the floor, which you now have.

Go.

**Mr. Charlie Angus:** You said we don't need new rules, so my understanding is that rules need to be followed. That's the question we're dealing with on the G-8.

Our colleague in the government, Mr. Shipley, talked about the lack of procedural process and maybe we can improve it, but I'm looking at the Lake of Bays project where the minister showed up with a \$4.5 million cheque for a project the town didn't want to have anything to do with. The town had said there was no construction plan; there was no viability plan. So they clearly had not signed anything to agree to this. This is one of the projects that wasn't finally approved, but we understand Mr. Clement had the money in hand to give to the town and that the town told him they were not supporting this plan.

Is that a normal set of circumstances for approval of projects? Did you have any documentation on what went wrong with the Lake of Bays project?

**Mr. John Wiersema:** Mr. Chairman, I'm not able to shed any light on the specifics of the particular situation the member is referring to. I would just go back to our comment. It is not normal for public servants not to be involved in the process for determining which projects will ultimately be recommended for approval and funded.

**The Chair:** Thank you. I'm sorry. Time has expired. Back to the government benches.

Mr. Hayes, you have the floor, sir.

**Mr. Bryan Hayes (Sault Ste. Marie, CPC):** Thank you.

First, I would like to commend Mr. Wiersema and his staff. This is my first Auditor General's report. It was a good read, and many people would say something like that isn't a good read, but with my CGA background, I found it was a really good read and the recommendations were excellent, and we're certainly going to be supporting those.

At this point, I'd like to say it's an honour to be on this committee as a first-time member of Parliament and it's an honour to be in your company.

I'm going to stick with a couple of questions specific to internal audit again.

Have the improvements you described in financial management and internal auditing contributed to strengthening accountability and transparency?

**Mr. John Wiersema:** Yes, Mr. Chair. Strong internal audit and strong financial management will contribute to improving financial management and transparency.

**Mr. Bryan Hayes:** In terms of financial management and internal audit, how favourably does Canada compare to other jurisdictions?

**Mr. John Wiersema:** That one's a little bit tougher, Mr. Chair. I don't know that we have systematically or rigorously compared the quality of financial management and internal audit in Canada with that in other sovereign governments. However, I've said this publicly before, and I'm prepared to say it again today: when it comes to the financial reporting, the quality of the financial reporting at the level of the whole of government that's done in Canada—I'm talking about the Minister of Finance's budget and the preparation of the public accounts of Canada—Canada is a world leader in the quality of its reporting to Parliament and to Canadians on the financial affairs and overall financial position of the Government of Canada.

**Mr. Bryan Hayes:** That's very nice to hear.

Are you seeing these positive results carrying over into other areas you have audited?

• (1630)

**Mr. John Wiersema:** That's a harder one. I'm not quite sure how to deal with that one, Mr. Chairman. I would have to think about every single one of the audits we've done in recent years, where the results were positive, and ask myself whether this was due to good financial management and internal audit.

Mr. Campbell has a really good example.

**Mr. Ronnie Campbell (Assistant Auditor General, Office of the Auditor General of Canada):** Thank you, Mr. Chair.

We appeared before your committee some months ago on the economic action plan, the first study we did of that, and one of our observations in that case was the fact that the government had done a good job of rolling out the program and doing the preparation it needed to do. We commented in that report that internal audit had played a very strong and important role in doing that.

**Mr. Bryan Hayes:** I don't have any further questions. I wanted to stick to internal audit, and those are my questions on internal audit, Mr. Chair.

**The Chair:** Very good.

There are two minutes left, so are there any other members of the government who want them? If not, I'll move in rotation.

Mr. Shipley.

**Mr. Bev Shipley:** Thank you, Mr. Chair.

I may not take all the time, but I do want to return to my comments of a little earlier about the process. There were 14 different agencies. There was \$1.1 billion that actually ended up to be \$664 million, so 61% of the amount that was approved was actually spent.

My comment, though, is that you talk about the complexities of it—and don't ever take away from that, because it's a bit like the whole economic action plan, rolling out that much money so quickly that we wanted to make sure mistakes were not made. We now have an internal audit that talks about a financial management internal audit that helps bring about, I think in your words, accountability and transparency. So that is good.

But during this time, when it was actually approved by Parliament, all of us stood up to pass this—well, enough stood up, because we were in a minority government. Since then, if there was this big a concern, which has been going on now for weeks, was there communication at any time from the opposition to the Auditor General saying it didn't know the complexities, didn't understand them, and asking how it came about this way or if there was a procedural...? Did any of that ever come to you, to the Auditor General, raising those concerns, which have been on the table now every day since Parliament has resumed?

**Mr. John Wiersema:** Mr. Chairman, I have received letters from members of the opposition parties relating to the G-8 legacy fund. I have not received any letters from members of Parliament dealing with the broader question of the overall G-8/G-20 summits and the cost of those programs, the \$1 billion of funding requested and the \$664 million that was spent. No, I have not received letters from members of Parliament on the broader question. I have received some on the G-8 legacy fund.

**The Chair:** Time has run out, Mr. Shipley. You took us right to the end and a little over, actually.

Over to the Liberal benches, and Mr. Byrne, you have the floor.

**Hon. Gerry Byrne:** Thank you, Mr. Chair.

It would appear that communication highlights the role and the value of the committee process, especially the oversight capacity of the public accounts committee and the ability to look at each and every issue, hear witnesses, and review all reports.

Would you agree with that, Mr. Interim Auditor General?

**Mr. John Wiersema:** Mr. Chair, the public accounts committee, in my opinion, is essential for the success, or otherwise, of the work of the Office of the Auditor General. The public accounts committee provides a forum in which to have a public discussion of our findings. The public accounts committee itself is given an opportunity to weigh in on the Auditor General's findings, express its own views, issue its reports to the House of Commons, and request a government response. So the Office of the Auditor General would be significantly less effective without the work of this committee, which is why we value our relationship with this committee as much as we do.

•(1635)

**Hon. Gerry Byrne:** Thank you very much.

Mr. Chair, I think the question was answered very well. Both questions were answered well.

Because all reports of the Auditor General are very important to us, let me ask something about the reserve force pension plan. Specifically, I want to relay a circumstance.

A hero from my riding, Corporal Brian Pinksen, who was asked to serve his country, and did so quite willingly, lost his life in Afghanistan. He was a reservist with the 2nd Battalion, Royal Newfoundland Regiment. One of the things I think we all owe all of our reservists is to allow them a certain amount of security. That's, I think, what your chapter on the reserve force pension plan was all about: making good on a promise. Yet your audit revealed some pretty startling, very stark details about not fulfilling that promise. Anyone who's looking for a basic transaction to occur related to their pension plan, as has been guaranteed or promised them, could wait up to seven years before a basic transaction occurs.

One of the things you mentioned was that staffing resources were critical and that staffing resources were not available to allow the reserve force pension plan to function appropriately. Yet retired General Leslie says that the headquarters at the Department of National Defence is bloated with staff.

Would it appear to you that maybe there's a sign or a signal here that resources are not being used effectively by the Department of National Defence? If one side, your office, sir, is saying that there just weren't enough staff, and yet a senior member of our military, someone who has experience in this as well, is saying that in some sectors there are too many staff that are not functioning correctly, is that a misallocation of resources? Would you categorize it that way?

**Mr. John Wiersema:** Thank you for the question, Mr. Chair.

Frankly, I share the member's deep concern with the way reservists have been treated here. Parliament authorized the creation of this plan in 1999. It came into force in 2007. In 2010, they'd only processed 400 out of 9,000 applications. I think reservists have been treated extremely poorly. Even by 2012 they will still not have cleared the full backlog. If I were a reservist, I would be outraged by this.

Now, why did it happen? It was extremely poorly planned. There was not clear accountability and leadership for it. The responsibility for this program was initially shared between two assistant deputy ministers, and they didn't plan for it properly. They've known this was coming since 1999, and in 2010 they're not ready to roll it out.

In my view, it's fundamentally a question of planning and leadership.

**Hon. Gerry Byrne:** Thank you.

It may be valuable, Mr. Chair, for this committee to ask General Leslie to appear before us on this particular issue, because it is unacceptable.

Also very unacceptable are the circumstances facing aboriginal peoples on reserve. You've mentioned in your audits—you didn't mention, you really laid the groundwork—that structural impediments are really hurting the quality of life, the standard of life, and the ability of our first nations, those on reserve, to be able to raise their standard of living.

Would you be able to express to the committee some of those structural impediments and whether there seems to be, and appears to be, sufficient progress by the government to address them?

**Mr. John Wiersema:** Thank you for the question, Mr. Chair.

I will turn in a moment to Mr. Campbell to help me with this because Mr. Campbell has been responsible for a lot of the work we've done on aboriginal issues in the office. He's intimately familiar with them.

Our report identified four structural impediments. The first one is that most of the services the federal government provides on reserves do not have a basis in legislation. They're not a statutory service. It's not like the Government of Ontario, which has a statutory requirement to provide education services. That does not exist with respect to the services provided on reserve. They have no basis in legislation, for the most part.

The second impediment is the absence of service standards. For most of the programs, what level of service the federal government tends to provide on the reserves is not clearly defined.

The third impediment has to do with the way the programs are funded. Most of the programs are subject to annual contribution agreement funding, which requires that new agreements be prepared and negotiated every year to provide those services on the reserves. By the time they get the money, a big part of the year may have already elapsed.

The last impediment is the capacity of first nations to actually provide those services on reserve. Again, I'll use the example of education. The provincial governments have school boards that work to ensure the education services are provided to all residents of the province. That capacity doesn't exist for the programs on reserves.

If the chairman would allow, I'm sure Mr. Campbell could elaborate, if you would like.

• (1640)

**The Chair:** We're way over, but this is really important. Please do, but be very, very brief.

**Mr. Ronnie Campbell:** I'll give a bit of context; I've heard comments about there being new members.

This piece of work was a follow-up to a number of audits that we've done over the years. At about the midway point of Madam Fraser's term, we did a similar follow-up on aboriginal issues, so we've done one at the end.

Basically what we're saying is that the things that need to be fixed are huge. It's not only a case of fixing what we're already doing, such as reducing the reporting burden and such; there are fundamental structural questions about how we actually fund those things and whether we're going to do them by policy or by legislation.

It's almost a decade's worth of work on our part.

**The Chair:** Thank you very much. That is well over the time.

Going back to the government benches, Mr. Aspin, you have the floor, sir.

**Mr. Jay Aspin (Nipissing—Timiskaming, CPC):** Thank you, Mr. Chair.

As with my two colleagues to the left of me, this is the first time I've appeared before this committee as a newly elected member of Parliament. I would like to congratulate your team, and particularly you, Mr. Wiersema, for your long and distinguished career. Obviously that's the case.

The G-8 and G-20, as my colleague Mr. Shipley has pointed out, was a tremendous undertaking. I mean, it had never been done before. This was big and this was new.

You've obviously done a careful audit. I congratulate you. You picked up some things we can improve on, and the government has agreed to do that.

Could you speak to what you found during the course of this audit on this huge project that had never been done in the world before, the G-8 and the G-20 together? Could you speak to a few things that impressed you?

**Mr. John Wiersema:** Those are tough questions to prepare for, Mr. Chairman. I'll ask Wendy to bail me out on this.

The member points out, correctly, that this was a huge undertaking. There were a number of different summits, and the planning took place over a very, very short period of time. Public servants and others had to do a great deal of work to get ready for these summits. They successfully did so, including requesting the necessary funding over a very short period of time.

We were impressed with how quickly the public servants, once the decisions were made to have the summits and where they were to be held, were able to put the necessary items in place.

Wendy, go ahead.

**Ms. Wendy Loschiuk:** One of the things that really stood out for us was how quickly everyone responded and that the departments were able to work within an extremely short amount of time with very limited information to put together very well-developed plans and budgets. While they were very high and overestimated the costs, given the circumstances of what they had, we felt they were able to come up with workable options and able to keep things moving forward.

They were very focused on what had to get done, and as a result, there was nothing we could see that was not covered off. Perhaps in hindsight more things were covered off than they needed, and they did correct for that as they went along, but certainly they put a lot of emphasis into the areas that they knew from their own experience were going to be the important key areas, especially security.

• (1645)

**Mr. Jay Aspin:** From your observations of the huge audit you conducted—the fact that documentation was not available to determine how the projects were selected, and which the government has agreed to correct—you would agree, should Canada hold one in the next five to ten years, we're in good shape to do it again.

**Mr. John Wiersema:** The documentation issue, Mr. Chairman, relates to the selection of projects for the legacy fund. In my opinion, the lesson learned from that is quite simple. There is a role for public servants to play and they should be allowed to play it to ensure proper processes are followed and that the programs are administered transparently.

**Mr. Jay Aspin:** That's fine. Thank you, Mr. Wiersema.

My point is that with this huge undertaking and the length of time in which it was done, the complexities involved, and the fact that it had never been done before, the government did pretty well.

**Mr. John Wiersema:** Mr. Chairman, with respect to the overall planning for the summits, the preparation of budgets, the preparation of detailed plans for those summits, yes, our audit focused on the planning and preparation for the summits. With the exception of the transparency of the request for funding for Parliament and with the exception of the absence of overall review of the overall cost of the summits, the rest of the audit findings are that the government performed well.

**Mr. Jay Aspin:** Thank you.

**The Chair:** Thank you. Time has expired anyway.

Back to the NDP. Mr. Dubé, you have the floor.

[*Translation*]

**Mr. Matthew Dubé (Chambly—Borduas, NDP):** Thank you, Mr. Chairman.

I would like to thank our guests for their work and for sharing their precious time with us.

One of the most significant aspects of the work we do in this committee involves examining the way money is spent. So, I would like to talk specifically about numbers. Almost \$50 million was spent on these projects. Of that amount, almost \$30 million was spent in the Municipality of Huntsville.

I am looking specifically at the two most expensive projects, including the supposed media centre that ultimately was not used for that. It was made 6,500 square meters larger to include an olympic-size skating rink—I fail to see how reporters would have found the time to play hockey—with a capacity of 1,400. Almost \$17 million was spent on that project. The other one involved a facility at the University of Waterloo that has not been used by students thus far, as reported in an article that recently appeared in the *Globe and Mail*.

The problem with all of this is that I cannot ask you whether we received value for money, because you made the point quite eloquently that this was not part of your mandate and that you did not concern yourself with what happened subsequently. In your opinion, when the decisions were being made as to how the money would be spent, were the proper procedures followed to ensure there would be good value for money, not only in relation to the G8, but also for future generations?

[*English*]

**Mr. John Wiersema:** Mr. Chairman, the first comment I would make is that I am not able to shed any light on how the 32 projects were selected because there is no documentation in the Government of Canada to explain clearly how those projects were selected.

We don't have a mandate issue here, Mr. Chairman. We have a proper mandate to do all the work that we think is necessary. We were not impaired in any way as a result of our mandate.

As to the administration of the contracts, the contribution agreements, they were well administered by the Department of Infrastructure. They ensured that we got what we paid for.

There is the question of why did we pay for these particular items and did we get a good value for money? That brings you back to the selection of the projects in the first place and whether these were the right projects to select for funding. I'm not able to comment on whether these projects were properly selected because there's no documentation to so indicate, but I can say that Infrastructure Canada administered the contribution agreements for each of these projects in a prudent and responsible manner.

• (1650)

[*Translation*]

**Mr. Matthew Dubé:** Thank you.

With respect to project selection, you mentioned in your audit report that the establishment of the G-8 Legacy Infrastructure Fund was made public in February of 2009. However, we have documents dating back to November of 2008 where specific mention is made of pursuing opportunities through the G8 Legacy Fund Project—although I think we can put the word “Legacy” in quotation marks.

It also says that the goal is

[*English*]

“to provide the greatest possible level of support”.

[*Translation*]

The word “possible” is an indication that nothing was certain at that point.

Based on your experience, would you say that striking a committee in West Parry Sound to provide ideas about a project that had not even been made public yet is an appropriate way of receiving submissions in exchange for federal funding?

[*English*]

**Mr. John Wiersema:** Mr. Chairman, I'm not able to comment on when submissions for funding were submitted because I wasn't able to audit the submissions for funding. There's no documentation in the Government of Canada.

With respect to the broad question of whether there are discussions of upcoming government programs that may not have yet been officially announced or approved by Parliament, I believe that the legacy fund is probably not unique in that respect, and I believe that discussions take place with stakeholders about the possibility of a program, sometimes before the program has been finalized and goes through Treasury Board approval and the subsequent funding by Parliament. So I don't believe this particular case was unique in that respect.

**The Chair:** You have 20 seconds.

[*Translation*]

**Mr. Matthew Dubé:** My colleague showed you the document that was used. You mentioned that the information made available was not satisfactory. Which documents did you obtain, and why were they not satisfactory?

[*English*]

**Mr. John Wiersema:** I believe, as Ms. Loschiuk has indicated, Mr. Chairman, that when we approached the minister's office for documentation we did get copies of the application form. A blank application form didn't help us very much in determining which projects were submitted and how they were selected. There was a small amount of additional documentation that also existed in the records of the departments and therefore didn't shed any additional light for us on the actual selection of the projects. The documentation we received from the minister's office was quite limited and for the most part also existed in governmental records.

**The Chair:** Thank you.

The time has expired.



[*Translation*]

**Mr. Matthew Dubé:** Thank you very much.

[*English*]

**The Chair:** We're back to the government benches.

Mr. Dreeshen, you have the floor, sir.

**Mr. Earl Dreeshen (Red Deer, CPC):** Thank you, Mr. Chair, and thank you very much to our witnesses.

Mr. Wiersema, I also agree you've had a distinguished career. I have had an opportunity to be here on this committee and to hear some of the reports that you and your team have put forward. I certainly do appreciate them.

I'm actually going to go to chapter 4 and deal with first nations.

Mr. Campbell, I know we will most likely be dealing with those things.

I spent some time on the aboriginal affairs committee, and I know many of the issues that were brought up in chapter 4 are things that have been talked about afterwards and are starting to be addressed. Certainly, as we recognized in the AG report, it's looking at what has happened in the past. I know Mrs. Fraser was looking back a number of years and saying there have to be some changes. Certainly as far as our government is concerned, the comments are important. We are trying to focus, though, on where we are going to go and on the forward working relationship we have with aboriginal people.

Again, I suppose, the feeling is there. I know on the committee there is a strong and ongoing commitment for improving the lives of aboriginals. There is progress that has been made: achievements in economic development, infrastructure, and education—I'm a former teacher, so I have a lot of interest in that area—as well as changes that have been occurring as far as water in communities is concerned, child and family services, other active measures, and associated land claim settlements. These are some of the things that are to take place, but as Mr. Wiersema was saying, there are these impediments there. Some of them, of course, are associated with how fast one can move on some of those particular issues. Part of it is that I would like a discussion on how you see those particular impediments and how we can improve that.

We know there has to be collaboration with first nations in order to move onwards on any of the types of projects we have. We agree to develop the implementation plans with other federal organizations. These are parts of the things we are looking at. I am specifically looking on page 44 at the recommendations we have in paragraph 4.86, where we speak about the plans, the specific goals, the targets, the action items, and the timelines for achieving results and indicators for measuring progress.

I am curious if perhaps you can speak to some of the implementation plans that are associated with the responses you see.

• (1655)

**Mr. John Wiersema:** Mr. Chairman, very quickly, I think the member is correct. There are areas in which conditions on reserves are improving, but I would indicate that overall it's getting worse out there. The housing shortage, for example, has increased to 20,000 houses from some 9,000 the last time we audited it. The education

gap between first nations people on reserves graduating from high school compared to the Canadian population is widening.

There are areas where it is getting worse out there. There are areas of improvements, but there are areas where it's getting worse as well.

**Mr. Earl Dreeshen:** Mr. Campbell, would you like to comment on the department's responses and action plans? Also, too, perhaps you could tie in the impediments you spoke of. It is one thing to say there is this problem, but you also spoke of the impediments that exist.

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

One of the things that I think is important to state, and we've stated it in our report, is that fundamental change is needed in how governments tackle the terrible conditions on reserves. Having said that, we also say that these are complex issues. As auditors, there is an accumulation of 10 years of work. We've brought it to you to say that in some cases you can't get there from here. We talked about the reporting burden, but the fundamental thing is how we will be funding those programs in the first place.

I recall being at this very committee, Mr. Chairman, many years ago—I think Mr. Williams was in the chair at the time—and having a discussion with the First Nations Health Council, and the issue about there being no legislative base. I recall senior officials from government eventually saying a bureaucrat would much rather a legislative base than the types of bases they have.

There is no doubt in our mind that solutions will be very difficult to reach. The member mentions relationships with first nations. That takes you into a world that's not the auditor's world. It's a world of policy and politics. A lot of the solution is there. Not only that, when you are looking at education, where are the educators in the country? They are in provincial regimes—and the health professionals and the social workers.

One of the things we say in the report is that, wherever they are found, the solutions are found in looking for fundamental change—maybe not the small increments, but the fundamental change—and bringing together not only first nations, but reaching tripartite agreements, which we recognize as not easy at all.

**Mr. Earl Dreeshen:** One of the other things that was mentioned—

**The Chair:** I'm sorry, Mr. Dreeshen, time has expired. Actually, it's quite a bit over.

Thank you very much.

That exhausts the speakers' list and the rotation that we have built into our routine proceedings.

We have a half hour left in the scheduled meeting. Some of the options that come to mind are that we could adjourn, we could allow another few rounds at a reduced time, and/or we could swing into a steering committee that would allow us to begin the process of selecting the chapters.

Might I suggest maybe a version of both? If we do six rounds at two minutes, that would ensure everybody gets an opportunity to get in the round and it would still leave us 15 minutes or so to go in camera and at least determine what our process is going to be for the selection of reports. As you know, we had a consensus process last time. Whether or not that's what we're going to do again, we haven't yet determined, so that needs to be done.

Those are my thoughts. I'm in the hands of the committee.

Mr. Byrne.

• (1700)

**Hon. Gerry Byrne:** I think we should use this time expeditiously and get on with it. Let's offer some more questions to those appearing before us and hear some answers. Let's move quickly.

**The Chair:** Okay, thanks.

Mr. Saxton.

**Mr. Andrew Saxton:** Mr. Chair, we have no objection to doing what you suggested as well, a sort of hybrid—do some more questions and then perhaps move into steering committee at quarter after, as you direct.

**The Chair:** Thanks.

I must say that I prefer that because it allows us to use as much time as possible to get questions in the public session, but it also allows us to get some of our homework done to determine how we go forward.

Do I have agreement for that? We'll do six rounds at two minutes, and then I'll take a motion to end this public session and we'll go into the steering committee, which is done in camera, and then begin talking about our process of chapter selection.

For the public, the step after this concerns all these chapters we have in this report. The committee makes a determination, as we do with every report, on how many, if any, of these chapters we're going to hold hearings on. That process and decision will flow from today's hearings.

With that, I will immediately put us back in rotation and start with the government benches, so the floor is open to a government member.

I recognize Mr. Saxton. You have the floor, sir.

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

Our government put forward the Federal Accountability Act. I want to ask the interim Auditor General, can you explain for the committee what this legislation has done to improve the auditing of the federal government?

**Mr. John Wiersema:** Thank you, Mr. Chairman.

I do not have the legislation in front of me, so I am doing this from memory. I believe the Federal Accountability Act provided a basis in

legislation for the establishment of internal audit functions in all our departments and agencies, so the requirement for internal audit now exists in federal legislation.

I believe the Federal Accountability Act also put in place the requirement that departments establish departmental audit committees with independent external members. I believe this has been a significant enhancement to improved public administration as well.

Those are two provisions of that legislation. As I'm sure the member is aware, it was quite a long and complex piece of legislation. But those are two things that I believe specifically deal with strengthening the audit function in government.

**Mr. Andrew Saxton:** Thank you. And as you said, it has made significant improvements in internal auditing of government. Thank you very much.

Thank you, Mr. Chair.

**The Chair:** There is still time left on the government clock.

Mr. Dreeshen.

**Mr. Earl Dreeshen:** Good. I have an opportunity to get this question in. You were also talking about legislated standards and that this was one of the impediments that was involved.

We've talked about water and waste water systems on reserves. The government does have a bill that we're looking to re-introduce that addresses this concern, the proposed Safe Drinking Water for First Nations Act. Can you explain why this process might be more effective than some of the other concerns you had about the way in which programs are being delivered?

**The Chair:** Mr. Campbell.

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

As I understand it, the proposed legislation would allow for the creation of regulations and the ability to bring into play provincial legislation that would provide a regulatory regime surrounding water on reserves for the first time. The concerns that were raised in our report were that once the bill gets passed and the regulations get written, the government is looking to have a phased-in approach under which they would also have to apply for funding to do it. So notwithstanding the great progress that's been made there, it looks like it could be many years before people in communities can expect those standards to be in place.

**The Chair:** Thank you.

Sorry, time has expired.

Over to Monsieur Caron; you have the floor, sir.

[*Translation*]

**Mr. Guy Caron:** Thank you, Mr. Chairman.

I would like to use my remaining time to come back to an answer you gave to my colleague with respect to the internal review.

If I am not mistaken, you mentioned that you were unaware of an internal review having been carried out at Infrastructure Canada regarding the G8 Legacy Infrastructure Fund. Did I get that right?

[*English*]

**Mr. John Wiersema:** Yes, you did, Mr. Chair.

[Translation]

**Mr. Guy Caron:** Do you agree that such an internal review did not take place?

[English]

**Mr. John Wiersema:** I'm not aware that an internal audit has taken place of the G-8 legacy infrastructure fund, Mr. Chairman.

•(1705)

[Translation]

**Mr. Guy Caron:** Had there been such a review, would you have heard about it and been made aware of it?

[English]

**Mr. John Wiersema:** It is possible that the government has undertaken an internal audit or its own review of this and has not shared that information with the Office of the Auditor General. We have not specifically posed the question to the government, so that would be a question you'd have to confirm with government officials.

[Translation]

**Mr. Guy Caron:** My second question is also connected to a question you were asked earlier by my colleague, but I will pose it in more general terms.

What limitations apply to a minister's involvement in a department's internal review process? How far can he go and where should he draw the line with respect to an internal review process?

[English]

**Mr. John Wiersema:** I believe a minister could quite appropriately call for a review or an internal audit of some aspect of his or her department's operations. I do not believe there are any prohibitions on that, nor would it necessarily be inappropriate.

[Translation]

**Mr. Guy Caron:** When a review such as this is underway, to what extent can the minister get involved in it? Where should he draw the line? Are there limits that should be respected with respect to an internal review process, once it is underway?

**Mr. John Wiersema:** Thank you for your question.

[English]

The question is somewhat hypothetical. I am not aware of any specific rules in government, nor do I believe the government needs any specific rules, that would govern the extent of a minister's involvement in an internal review or an internal audit of the department.

It would be unusual. The minister and the deputy minister of the departments are the recipients, the clients, of the reports. But I'm not aware of any rules as to whether or not that minister should or should not participate and the degree to which they should participate in those audits or reviews.

**The Chair:** Thank you.

Mr. Kramp, you have the floor, sir.

**Mr. Daryl Kramp:** Thank you, Chair.

Mr. Campbell brought back a little bit of history with Mr. Williams and with regard to the educational file on first nations, and, quite frankly, it is tremendously disturbing. I can recall sitting on that committee back then with Mr. Christopherson. At that point, for the previous 20 years we hadn't been able to close the education gap. Here we are seven or eight years later and we still have significant difficulties.

So I'm deeply disturbed, as I think most Canadians are. Quite frankly, all of the partners, whether you're first nations, province or federal...there is obviously shared jurisdiction.

My concern is this. Mr. Campbell, we now finally have some tripartite agreements. We have six of them in place now. Is this a step forward?

**Mr. Ronnie Campbell:** Yes, Mr. Chairman, I believe it is. I know that sometimes they are politically difficult to get to, but you also see them in child and family services as well. So you're beginning to see the emergence of bringing the provinces to the table.

**Mr. Daryl Kramp:** Right. Well, I'm greatly heartened that Minister Duncan has struck up a very sound working relationship with the AFN now on a joint action plan. Do you have any information on that at all yet, or is this something that you'll obviously be, hopefully in the future, auditing with more positive results?

**Mr. Ronnie Campbell:** That's correct, Mr. Chairman. We have no information on that. We haven't done any audit work there yet.

**Mr. Daryl Kramp:** Have you—

**The Chair:** Sorry, Mr. Kramp, but it goes fast.

**Mr. Daryl Kramp:** Okay, thank you very kindly.

**The Chair:** Over to Mr. Angus.

You have the floor, sir.

**Mr. Charlie Angus:** Thank you.

This has been an excellent discussion, and I'm very pleased that you have clarified the role of our civil servants and the excellent work our civil servants do. We certainly are pleased that we have a very clear picture of their role and that they have acted appropriately.

It seems wherever we come on this, though, we keep falling down into this black hole of lack of accountability, where it all went wrong, and it continues to fall back to the member from Parry Sound, Tony Clement, who did not provide you with the documents and who made the selection process outside the bureaucracy. Do you believe it's important to have bureaucratic oversight for programs such as this giant, double hockey arena that he passed off as a media centre? Would that have changed if there had been bureaucrats involved?

**Mr. John Wiersema:** Mr. Chairman, I believe there is an appropriate role, an important role, that officials can play in the administration of programs like this. I wouldn't characterize it as an oversight. I believe the role of the officials is to ensure that transparency and accountability and due diligence exist in the selection of the projects for funding.

• (1710)

**Mr. Charlie Angus:** So they were deliberately removed from the process for reasons that we still have not had a clear answer on.

I'd like to ask about this internal review audit because our documents show that they were concerned. There was an internal review document at Infrastructure Canada that actually suspended the spending until they could find out how the money was being spent. Mr. Clement said that he was working on it. Now, that wasn't his department. Would it be very unusual for a minister to tell local officials that he would be intervening in order to find out what's going on in an internal audit in another department?

**Mr. John Wiersema:** I'll perhaps ask Ms. Loschiuk to clarify, but I'm not aware that Infrastructure Canada has done an internal audit.

**Mr. Charlie Angus:** You've said that, but our documents show that they had begun an internal audit, and Mr. Clement said it was unacceptable and he was working on it. So an internal audit wasn't done. We're not sure how that was stopped, but our documents show that he was informed that an internal audit had taken place.

**Mr. Andrew Saxton:** A point of order. I think Mr. Angus is leading the witness. He's trying to get something—

**Mr. Charlie Angus:** This isn't a court.

**The Chair:** Order, please.

**Mr. Charlie Angus:** This isn't Perry Mason.

**The Chair:** Order.

I hear your point of order. I don't agree with the point of order.

You are just about out of time, Mr. Angus, so if you could wrap up...and a short response, please.

**Mr. Charlie Angus:** I turn it over to you, Mr. Wiersema.

**Mr. John Wiersema:** Mr. Chairman, I am not aware of the specific documentation the member refers to, so I don't feel comfortable commenting on documentation that I don't have in front of me and that I don't recall having seen. I'm prepared to pursue it with the member outside this meeting if he would like.

**The Chair:** Very good. Thank you both.

Ms. Bateman, you have the floor.

**Ms. Joyce Bateman:** Thank you, Mr. Chair.

Through the chair, just a question to clarify

[*Translation*]

for my colleague, Mr. Caron.

[*English*]

You were talking about the internal audit, albeit a hypothetical one, and that you weren't aware of subsequent internal audits. If you could clarify...because I so appreciate the comments you made earlier about the positive improvements that have occurred in the Government of Canada—particularly since your last review in 2004—the substantive changes. This is good management practice, this is good for transparency, and this is good for the public and for government itself.

I'm curious. You don't receive all the internal audits, do you? You audit on a test basis. You don't have resources to look at every

internal audit, so it would be quite normal, I think. It seems abnormal for you to not see the internal audit, but there are probably all kinds of internal audits you don't see. Am I correct? I'm just curious.

**Mr. John Wiersema:** Yes, Mr. Chairman. Very briefly, the member is correct. There are dozens if not hundreds of internal audits conducted in government each year. In many cases, we work with those internal auditors. We need that work to help us with our work, but we do not get involved with every single one of those internal audits.

I would say, however, that the government's policy on internal audit requires that all finalized internal audit reports be transparently disclosed on the website. We don't look at them all there either. We don't have the capacity to look at them all, but all completed internal audits, under government policy, are posted on departmental websites.

**Ms. Joyce Bateman:** Thank you very much for that clarification. The more, the better, in my view. Is that a reasonable assessment? Internal audit strengthens the process, strengthens the management processes?

**Mr. John Wiersema:** Asking an auditor if more audits are a good thing, Mr. Chairman....

**Ms. Joyce Bateman:** It takes one to know one!

**Mr. John Wiersema:** I'll stop there, Mr. Chairman.

[*Translation*]

**Ms. Joyce Bateman:** Thank you.

[*English*]

**The Chair:** We're out of time on that round, so nice ending.

The last speaker for today's hearing will be Mr. Byrne.

**Hon. Gerry Byrne:** Thank you. It was getting lonely there for a while, Mr. Chair.

I hope this committee reflects on the perspectives and the wisdom that was offered by the interim Auditor General in terms of our selection of chapters, of issues, that we study.

I hope we do not move in camera while we do that, Mr. Chair. I hope we have an open and transparent discussion as to what exactly we should discuss, but I hope we operate on the basis that we will look at everything, that we'll try to budget time, but everything is available to us and that there will be no closure on the types of issues that we as a committee will look at. I'm sure the public will be interested to see what we produce at the end of the meeting in terms of our agenda going forward.

I want to move very quickly.

You've outlined, Mr. Wiersema, a very stark circumstance regarding first nations on reserve. You have indicated to us, to Parliament, through your report that anything less than a legislative base in response to some of these issues will probably not produce the required results. Would that be a fair categorization? In terms of a government response to this issue, you're looking for a legislative basis on which to respond to some of these key issues.

• (1715)

**Mr. John Wiersema:** I would prefer to characterize it the way we've characterized it in our report, Mr. Chairman, that in our opinion one of the structural impediments to significant fundamental change that Mr. Campbell referred to that's needed here is the absence of a legislative basis for many of the services provided. I'd prefer to characterize it as a structural impediment.

**Hon. Gerry Byrne:** I'm reading that as it would be very valuable in terms of taking a situation that seems almost hopeless to some and providing a sense of hope, if the government were to respond in that way.

Let me also be specific on another issue.

**The Chair:** Very quickly.

**Hon. Gerry Byrne:** If there are further budget cuts within the Department of Aboriginal Affairs and Northern Development, can we realistically advance the quality of life of first nations living on reserve?

**Mr. John Wiersema:** Mr. Chairman, I will try my best to be brief in response to that.

The question of the level of funding the government provides for aboriginal issues on reserves is fundamentally a policy question.

The structural impediment we identified in our report is to provide some predictability and stability in that funding. It makes no sense to us to provide funding to aboriginals on reserve for education services through annual contribution agreements. You're going to need education next year too.

The issue of the level of funding, I believe, is best left to government and members of Parliament to determine.

**Hon. Gerry Byrne:** Great. Thank you.

**The Chair:** Thank you both very much.

That ends the round and that ends our public portion.

I'm asking the steering committee members to please stay behind.

Again, for the purposes of everyone here, the steering committee will meet in camera, as it always does. It's not a decision-making body; it only makes recommendations to the main committee.

We will commence that once we clear the room.

Thank you all very much.

The meeting stands adjourned, and we'll reconvene as the steering committee in two minutes.

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