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# **Standing Committee on Access to Information, Privacy and Ethics**

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**EVIDENCE**

**Monday, March 23, 2015**

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**Chair**

**Mr. Pierre-Luc Dusseault**



## Standing Committee on Access to Information, Privacy and Ethics

Monday, March 23, 2015

• (1530)

[English]

**The Vice-Chair (Mrs. Patricia Davidson (Sarnia—Lambton, CPC)):** That being said, I will declare that we are in public.

The first item on the agenda is committee business, and the first speaker is Mr. Angus, please.

**Mr. Charlie Angus (Timmins—James Bay, NDP):** Madam Chair, I would like to bring forward a motion that's been passed to my committee colleagues:

That pursuant to Standing Order 108(3)(h), the committee undertake a study on the report of the Conflict of Interest and Ethics Commissioner entitled: *The Finley Report March 10th 2015*; that the committee include in its study the Prime Minister's guidance document to Ministers, Ministers of state, and Parliamentary secretaries; that the committee include in its study broadening section 7 of the conflict of interest act; that the committee invite as part of the study the Conflict of Interest and Ethics Commissioner of Canada, MP Peter Kent, MP John Baird, Minister Finley, PMO Chief of Staff Ray Novak, Nigel Wright, Rabbi Mendelsohn, and Mr. Paquette who was the Senior Assistant Deputy Minister at HRSDC; and that the committee report its findings to the House.

I think the request is fairly straightforward. Ethics Commissioner Mary Dawson has made a finding against Minister Finley and it has raised a number of questions regarding this very important project funding, how the funding was dealt with in this case with the Rabbi Mendelsohn proposal, which was pretty much at the bottom of 167 applications. How it was moved toward the top is a question Mary Dawson was unable to get complete answers to, but she raised a number of questions.

I'm going to go through them quickly, so as not to take too much of people's time.

She recommended on a number of occasions that section 7 be broadened to cover all cases where preferential treatment is found; therefore, we had talked about the issue of section 7 in the review.

She states that this project received preferential treatment. She says that Nigel Wright told the commissioner that he was taken aside by Minister Finley and approached to ask if this project was politically important. Her findings are:

It was clearly inappropriate that the funding went to the Markham project.

The one conclusion that I can draw is that Ms. Finley clearly afforded preferential treatment in relation to the Federation's Markham proposal in singling out that proposal for an external evaluation and ultimately for funding.

Ms. Finley's decision to fund it was improper within the meaning of section 4 and that she should have known that, in making the decision, she would be in a conflict of interest under subsection 6(1).

The funding decision may have been influenced by political considerations, but the reasons why this proposal was given preferential treatment remain unclear.

I think that last part is why we need to look at this, to reassure the public that very good projects, funding pots of money like this, are not interfered with politically to allow projects that shouldn't be approved to get ahead of projects that have met all the legitimate requirements.

For that reason, I would like to have our committee deal with this. This is within the purview of our committee. Mary Dawson reports to our committee. We have dealt with the issue of conflict of interest at this committee. I think this would be a good study. It would be a timely study.

Again, with this project coming up for a new round of applications, we need to reassure the public that whenever money is being spent, the people who are receiving that money are not just insider friends but rather the people who really should receive the money, and that the projects that are given money are actually able to meet their requirements and fulfill their duty.

In this case, we saw that \$1 million was handed to a project that wasn't planned. It fell through, and it cost the taxpayers \$50,000. We need to do better.

**The Vice-Chair (Mrs. Patricia Davidson):** Thank you, Mr. Angus.

Next on the list is Mr. Calandra.

**Mr. Paul Calandra (Oak Ridges—Markham, CPC):** Madam Chair, I thank the member for that.

As you said in the House and on other occasions when we've had an opportunity to talk about this, and as alluded to by the member opposite, this was a report that was done by the commissioner who spent, if I recall correctly, up to three years investigating and looking into different aspects of this. The minister herself acknowledges the fact that she was acting both in good faith and within her discretionary authority as a minister.

The underlying principle here was to ensure that people with disabilities had access to a community centre. I know the area obviously very well, being a member of Parliament just east of that area. It's outside of my riding, but just east of there is an extraordinarily busy community. Anybody who knows Markham or knows that area in particular will understand that this particular part of the country has grown at some of the fastest rates that we have actually ever seen in terms of population. There is a great deal of demands for services, and services for people of different abilities, in that area.

Also, as highlighted in the report, the minister herself had never met any of the individuals who were involved, so there was obviously no profit motive on this. The commissioner did identify some areas which the minister has agreed with, and with that we have decided to move forward.

The members on this side obviously will not be supporting this motion. We think it has been dealt with. We thank the commissioner for her very extensive report and we on this side will not be supporting the motion going forward.

With that, Madam Chair, I seek to move in camera for discussion on another topic.

To my colleague in the Liberal Party, I will withdraw my motion for now and allow the member an opportunity to speak.

• (1535)

**The Vice-Chair (Mrs. Patricia Davidson):** We have two people on the list and you wish to go back on after those two then.

Madam Borg.

[*Translation*]

**Ms. Charmaine Borg (Terrebonne—Blainville, NDP):** Thank you, Mr. Chair.

I would like to thank my colleague for allowing me to speak to this motion, which I consider very important. Once again, I am disappointed to see that the Conservatives are protecting their own, but that does not really surprise me.

We have witnessed preferential treatment and inappropriate use of public funds. Funds were allocated to a project that was 164th on a list of 167 projects. I know that the region in question is growing and that there is a need for a project like that, but the fact remains that it did not receive good ratings. However, the government still decided to move forward with it. The government is simply forgetting about the other 160 applications and is pushing this project forward because of a political interest connected to the approval of the project.

Unlike what Mr. Calandra said, the government did not answer all the questions we asked in the House. The government keeps giving us the same answers. As members of the committee on ethics, we have a duty to study the issue and obtain answers for the taxpayers who are paying taxes. The funds must be earmarked for projects that are worthwhile and that meet all the criteria. A project must not be approved just because it comes from a friend of the Conservatives.

Ms. Finley repeatedly said that there was no personal gain at stake. I would say that there is a political gain and we have a duty to study the issue.

I don't want to take too much time, but let me add that I am very disappointed to see that the Conservative Party does not want to get to the bottom of things in order to put an end to partisan patronage and ensure that Canadian taxpayers' money is used properly.

• (1540)

[*English*]

**The Vice-Chair (Mrs. Patricia Davidson):** Thank you, Madam Borg. Mr. Simms.

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.):** Thank you, Mr. Calandra, for the withdrawal.

I'm looking at the circumstances that were outlined by my colleague from northern Ontario, and I'll leave it at that because a lot of good points were brought about because of that. I'd like to get to the bottom of this in the sense that when you take a particular project that is so low on the list regarding requirements and so forth, how does a minister use the process that's used? I'd like to hear a minister talk about how they use this process.

In addition to that, though, I notice the PMO staff listed here and personally, I don't mean to sound too far-reaching, but I would like to hear the Prime Minister talk about this and his involvement. I wonder if they are open to a friendly amendment to allow the Prime Minister to come and talk about how he feels about certain projects. I'm assuming he had some knowledge of this as he defends the minister.

**The Vice-Chair (Mrs. Patricia Davidson):** Are you proposing an amendment?

**Mr. Scott Simms:** Please.

**The Vice-Chair (Mrs. Patricia Davidson):** Would you tell us the wording of that amendment, please.

**Mr. Scott Simms:** Following "Minister Finley", add "Prime Minister Stephen Harper", preceding "PMO Chief of Staff Ray Novak".

**The Vice-Chair (Mrs. Patricia Davidson):** Mr. Angus.

**Mr. Charlie Angus:** Are we discussing the motion now?

**The Vice-Chair (Mrs. Patricia Davidson):** Are you agreeable to a friendly amendment?

**Mr. Charlie Angus:** I think it would be problematic to bring the Prime Minister in at this point. I think the Prime Minister does have a lot of issues. I believe that if we heard from Ray Novak and from Nigel Wright, and by a minister of the crown, we should be covered off, but I don't think it would be appropriate at this point to bring in the Prime Minister. I'm sorry.

**Mr. Scott Simms:** It's disappointing, but it was friendly and the response was also friendly, so that's fine. It's too bad.

**The Vice-Chair (Mrs. Patricia Davidson):** Do you have any further comments or are you through with this?

**Mr. Scott Simms:** No, I'm going to leave it at that right now in support of the original motion. It's unfortunate we couldn't add the Prime Minister, but that's okay.

**The Vice-Chair (Mrs. Patricia Davidson):** Mr. Calandra.

**Mr. Paul Calandra:** We're ready for the question....

**The Vice-Chair (Mrs. Patricia Davidson):** Okay. You are moving that we go in camera, which is not debatable.

**Mr. Charlie Angus:** A recorded vote.

(Motion agreed to: yeas 5; nays 3)

[*Proceedings continue in camera*]







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