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Chair

Mr. Pierre-Luc Dusseault

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• (1530)

[Translation]

The Chair (Mr. Pierre-Luc Dusseault (Sherbrooke, NDP)): Good afternoon, everyone. This is the committee's fourth meeting. As planned, we will hear from representatives of Public Works and Government Services Canada as part of our study on the renovations and associated costs for the parliamentary precinct renovation project.

We have with us today Joanne Monette, Nancy Chahwan and Ezio DiMillo. We will give them a moment to do their presentation and update us on the parliamentary precinct renovations. Then, as usual, committee members will be free to ask questions. A visit is also planned after the meeting. I'll come back to that a little later.

Without further delay, I'll turn things over to our witnesses. I would like to thank you for being here.

Ms. Nancy Chahwan (Assistant Deputy Minister, Parliamentary Precinct Branch, Department of Public Works and Government Services): Thank you very much, Mr. Chair.

[English]

Good afternoon and thank you for the opportunity to speak with you today on the progress of the long-term vision and plan, or LTVP. We are pleased to be here.

[Translation]

My predecessor appeared before this committee around this time last year to report on the LTVP, and I realize this is a new conversation for a number of us. I will therefore begin with a brief introduction on our responsibilities and the broader LTVP.

[English]

The parliamentary precinct branch has two distinct responsibilities. One is to operate and maintain the precinct, which includes 33 crown-owned buildings occupied mainly by Parliament, the Prime Minister's Office, the Privy Council Office, and a number of commercial tenants. Our other responsibility is to carry out a full rehabilitation of the precinct through the implementation of the LTVP.

The level of deterioration of Canada's Parliament Buildings presents operational and health and safety risks to parliamentarians, workers, and the public. In December 2010, the West Block experienced a flood that could have shut down the building immediately and indefinitely had it still been occupied. Thankfully, it had been vacated a mere two weeks prior. In February 2012 a leak

in the Centre Block caused the failure of one of only two transformers providing the power to all of Parliament Hill.

The LTVP is addressing these issues, as well as the accommodation needs of Parliament, which have evolved considerably since the buildings were constructed.

[Translation]

The LTVP was initially approved in 2001. The strategy has evolved. Since 2007, it has been based on rolling five-year programs of work, with the main objective to rehabilitate the West, Centre and East Blocks.

These five-year programs of work give the government clarity and increased control. They allow us to respond to evolving priorities and permit us greater accuracy in developing project costs and schedules.

[English]

The need to rehabilitate and modernize the Parliament Buildings has been a long-standing consideration, recognized by many as a priority. Independent assessments going back to 1999 consistently conclude that the condition of the buildings is deteriorating, particularly that of Centre Block, which is projected to reach a critical risk of total failure by 2019. This means that major structural, mechanical, or electrical failures could force us to shut down the building. We must also contend with the presence of hazardous materials and the need to comply with modern building codes.

The nature of this work is thus complex and costly due to the age and condition of the buildings and the level of restoration needed. For instance, in many cases this involves removing stones, and then numbering, repairing, and reinstalling them in exactly the same place, as you can see on the slide.

Furthermore the LTVP requires managing a number of interdependent and concurrent projects as illustrated in the work sequencing map on slide three.

Given these complexities, the cost to undertake this work is significant but necessary to ensure a safe and functional work environment for Parliament and the vitality of the precinct for all Canadians.

We take seriously our role as stewards of the investments associated with an undertaking of this scope. This stewardship includes adequate controls and constant efforts to contain costs and identify savings.

About \$1.1 billion was invested in the LTVP between 2001 and March 2013, mainly for the relocation of parliamentary functions and administration to support the work on the main Parliament Buildings, and for urgent repairs and planning initiatives.

PWGSC is authorized to expend an additional \$1.5 billion between 2013 and 2018 to complete all current projects, including the West Block, and to initiate work on the East Block. This budget will also be used to undertake urgent repairs and toward planning future phases of the LTVP, including the rehabilitation of Centre Block.

Cost estimates evolve over time. This can be attributed to asset deterioration or changes to building codes, security, or client requirements. Having said this, in the delivery of 19 projects since 2006, and in collaboration with the House of Commons administration, PWGSC has been able to contain costs and realize savings amounting to more than \$39 million. All major projects are advancing on time and on budget.

• (1535)

The restoration of Canada's Parliament Buildings is governed by a robust accountability regime that includes regular reporting to the minister and Treasury Board Secretariat and a third party review framework covering areas such as contracting and costing.

In addition, all major construction contracts are awarded through a transparent and competitive two-stage process that is overseen and reported on by independent fairness monitors. The first stage is pre-qualification. All firms are invited to demonstrate their interest and submit proposals against mandatory criteria, such as capacity to take on projects of a similar scope and financial ability. The firms that are deemed qualified after this first stage are then invited to submit detailed proposals and are assessed against technical criteria and on the financial merits of their proposal. The successful bidder is chosen on the basis of the best overall technical and financial result.

Furthermore, our work in the precinct is subject to various levels of audit and evaluation, including from the Auditor General and the private sector. PWGSC also has in place a strong integrity framework that demonstrates our commitment to ongoing monitoring of procurement activities with a view to ensure the highest standards of integrity, protect the interests of taxpayers, and reinforce ethical behaviour.

[Translation]

Over the years and in concert with our parliamentary partners, we have yielded some truly remarkable achievements. In addition to realizing substantial time and cost savings already mentioned, I would like to add that in 2010, the Auditor General reported that PWGSC “had in place generally sound project management practices” and “developed a costing estimates methodology that takes into account the risks...”.

Similar conclusions were made in September 2012 when an independent firm concluded sound project management practices, systems and control were in place in all six projects it assessed. Also in 2012, the Auditor General stated that “PWGSC adequately plans for and assesses the benefits, costs and risks of its contractor use.”

More recently, PricewaterhouseCoopers found that all amounts invoiced by the construction manager for the West Block between June 2011 and December 2012 are in accordance with the terms of the contract.

[English]

The four projects on slide 7 represent key milestones in the delivery of the LTVP, and demonstrate once more modern-day functionality, timely delivery, and savings for taxpayers.

Work is now focused on initiating the rehabilitation of Centre Block. To do so, interim accommodations must first be secured for the Senate and the House of Commons. To this effect, the Sir John A. Macdonald Building is being rehabilitated to replace the former room 200 in the West Block and provide permanent ceremonial space for the House of Commons. I had the honour of revealing the designs earlier this year to the Honourable Diane Finley.

The project includes constructing an addition to the west of the building with support and loading facilities. Demolition of the existing heritage building is complete and interior fit-up is well under way. The project is half done and on track for completion in 2015, the bicentennial of Sir John A. Macdonald's birth.

The renovation of the Wellington Building is also on track. Demolition and abatement are complete and interior fit-up has begun, to support the House of Commons starting in 2016.

The West Block project, undoubtedly the most complex endeavour to date, is also advancing as planned. Demolition and abatement are substantially complete; masonry rehabilitation has begun.

As you can see on the design boards, the building will house an interim House of Commons chamber in the courtyard. It will also house a number of offices and functions during work on the Centre Block. We look forward to showing you the work under way.

The critical path project is on track for completion in 2017, a fitting contribution to the celebration of Canada's 150th anniversary. PWGSC is working towards clearing Parliament Hill of major construction activities for this momentous occasion.

• (1540)

[Translation]

I would like to share some examples with you on the innovative approach that has allowed us to maximize efficiencies in the delivery of the LTVP.

[English]

Until recently, the LTVP provided for West Block and East Block to be rehabilitated first to accommodate people and functions from Centre Block, an approach that included consideration for constructing an interim Senate chamber in the East Block similar to what is being done in the West Block. This approach proved to be technically complex.

As you may be aware, Senate functions, including the chamber, will now be relocated to the Government Conference Centre. Its proximity to the Hill and ability to accept functions from Centre Block, especially the chamber, makes the former train station an ideal fit.

This approach is the most cost-effective solution. It will enable the needed rehabilitation of a 101-year-old heritage building while providing an interim home for the Senate.

The approach will allow the work on Centre Block to advance ahead of 2019. As such, significant costs associated with the original solution and timeline can be avoided. It also reduces the amount of disruption on Parliament Hill at one given time.

As we proceed with urgent masonry work on the East Block, we know that interior building systems can endure to 2030 with regular maintenance.

[Translation]

With a clearly defined approved plan under way for the relocation of functions from the Centre Block, PWGSC is now planning its major rehabilitation. The project is in the early pre-planning stage, which is focused on identifying the scope of work based on the state of the building and clients' requirements. Estimates are in development and will be refined as assumptions are validated and the project moves into implementation.

[English]

As we proceed with this very important undertaking, and on behalf of Minister Finley and Deputy Minister Michelle d'Auray, I look forward to continued collaboration with our parliamentary partners.

We are fully committed to leveraging lessons learned from projects like the West Block and Wellington Building, and to taking advantage of new opportunities to create efficiencies for the overall delivery of the LTVP.

At this time, I would be happy to answer your questions.

Thank you.

[Translation]

The Chair: Thank you for your very interesting presentation.

We'll start the questions with Mrs. Day.

Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP): Thank you, Mr. Chair.

Good afternoon. I would like to thank the witnesses for being here. The committee wanted to hear what you had to say about this.

My first question has to do directly with the file. On page 8, you state that "PricewaterhouseCoopers found that all amounts invoiced by the construction manager for the West Block between June 2011 and December 2012 are in accordance with the terms of the contract." On page 6, you state that there was an additional \$1.5 billion in expenses for 2013 to 2018. It was in accordance until 2012, but the expenditures just increased. What happened?

Ms. Nancy Chahwan: Thank you for your question, Mrs. Day. It is important to make this clarification.

The PricewaterhouseCoopers audits basically covered the invoice period, which includes a significant sample of invoices from the construction manager for the West Block. We plan to broaden the scope of the audit to our two other major projects, the Wellington Building and the Sir John A. Macdonald Building. We have already started working on that.

I would like to clarify something about the \$1.5 billion mentioned on page 6. That amount does not represent an increase in costs. It is simply the amount approved by the Treasury Board for the next phase of the LTVP from 2013 to 2018.

As I explained a little earlier, we now have five-year work programs, and the \$1.5 billion represents the value of the work planned for 2013 to 2018.

● (1545)

Mrs. Anne-Marie Day: Renovations to the parliamentary precinct requires a number of specialized trades. It's our history. Similar buildings exist in other Commonwealth countries. Have you compared costs to see if we are on the right track? Does this kind of work cost more here? Does it take longer? Do our different climate conditions cause delays? Are there problems with asbestos, for example?

Ms. Nancy Chahwan: Thank you for your questions.

I'll start with your question about trades. We do in fact have the opportunity to call on a number of specialized construction trades because Parliament Hill is a very specific and complex site. These realities and this need to rehabilitate historic heritage buildings exist in other countries around the world. We have a number of exchange programs with other countries to share best practices. I can proudly tell you that other countries turn to us to see how we are doing things. And those countries note that our projects are done on time and on budget.

We are working a great deal with the industry to implement apprenticeship programs and to ensure continuity and sufficient access to experts. So far, these elements have not created any issues in delivering our projects.

You are right to speak about asbestos. Obviously, asbestos is found in buildings this old. We have solid asbestos management programs that are compliant with federal and local legislation. We are taking all the precautions necessary to safeguard the health of our employees and workers on the site.

Mrs. Anne-Marie Day: I was elected in 2011, so fairly recently. Construction on the buildings was under way at the time, and it is ongoing. I am aware of the deadlines, and I see that you are on budget and on time.

Are we facing any particular problems, such as stability issues with the ground on Parliament Hill? Aside from asbestos, are there any problems specific to Parliament Hill?

Ms. Nancy Chahwan: Rehabilitating buildings and heritage buildings of this age comes with some particular challenges. We are doing extensive studies before going ahead with the work to ensure that we know the condition of the building and of the surrounding ground.

I'll turn to my colleague, Ezio DiMillo, who can give you a more precise answer.

[*English*]

Mr. Ezio DiMillo (Acting Director General, Major Crown Projects, Parliamentary Precinct Branch, Department of Public Works and Government Services): Thank you for the question, Mr. Chair.

We do significant investigations prior to doing any work. Boreholes are taken, and samples are taken. Engineers look at the results of this information to determine rock depth, rock quality, if there are any contaminants, and so on. This is being done all around the West Block. You may have seen trucks doing that type of investigation.

At this point, we haven't discovered anything out of the ordinary. Of course, when we're doing the rock excavation, it will require rock anchors, but this is normal, and they are used in most construction projects that do rock excavation.

[*Translation*]

The Chair: Mr. Trottier, you have the floor for five minutes.

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

Ms. Chahwan, you said in your presentation that \$1.1 billion was invested between 2001 and 2013. For the period from 2013 to 2018, \$1.5 billion is expected. What are the initial estimates of costs related to all these projects after 2018?

• (1550)

Ms. Nancy Chahwan: Thank you very much, Mr. Trottier.

Mr. Chair, there is no set cost for the long term vision and plan. In 2001, we established a 25-year vision. We quickly realized that this approach included challenges regarding cost predictability. Starting in 2007, the government approved a realignment of the strategy. Now, the approach favours five-year plans, which allow us to have a better predictability of the costs and deadlines, and enables us to better track the progress of these projects. It is difficult for me to provide a cost estimate after 2018 at this point.

Mr. Bernard Trottier: After 2018, the main project will surely be the renovation of Centre Block. What other projects are planned for 2018 and subsequent years?

Ms. Nancy Chahwan: You're quite right, Mr. Trottier. The project is basically to proceed with the renovation of Centre Block, which is in itself extremely complex. In fact, we are not going to proceed the same way as we did for West Block, where we were literally able to empty all the rooms and practically rebuild the whole thing from the inside out. We have to ensure that all the artwork, for example, is preserved.

The feasibility studies, planning and steps, point by point, for Centre Block should take several years. When the building is ready to be used again, we will follow the sequence and ensure Parliament's duties are repatriated and, then, we'll ensure that optimal use is made of the spaces we have renovated on Wellington Street, in particular.

Mr. Bernard Trottier: When do we foresee Centre Block resuming its parliamentary functions?

Ms. Nancy Chahwan: Mr. Chair, the verb "foresee" is really appropriate, given that we are still in the pre-planning stage. We expect work to start in 2018, as I mentioned in my opening remarks. We are unsure about exactly how long the work will take, but we expect it to take at least 10 years.

Mr. Bernard Trottier: That's a rather extensive range of projects. Is there a way to review the plans so that they can be completed sooner? We're talking about 30 years or even more, aren't we? Could the development be done quicker so that the new precinct is ready sooner?

Ms. Nancy Chahwan: Thank you for giving me the opportunity to answer this question.

Mr. Chair, so far, PWGSC has adopted very innovative approaches in order to realize projects. Since the long term vision and plan program for the parliamentary precinct was adopted, we have been able to speed up the process and reduce time frames for a number of our projects. I can tell you about West Block, for example. It has taken three years less than expected, simply because we sped up the rehabilitation of committee rooms at 1 Wellington Street, where the Canadian Museum of Contemporary Photography used to be, and because we used a new approach for hiring people from the private sector. We are now using an approach based on construction management.

[*English*]

This construction manager approach in itself allowed us to gain another year. We have several other projects that I can give as examples. They will show that we were able to achieve significant savings in time, which of course translates into savings in dollars.

[*Translation*]

Mr. Bernard Trottier: Is the work being done in front of the Supreme Court part of this group of projects?

Ms. Nancy Chahwan: No. The work being done there is not part of the long term vision and plan for the parliamentary precinct.

Mr. Bernard Trottier: Right.

There will also be more connections between the various buildings. Is that part of these projects?

Ms. Nancy Chahwan: There will, especially on the Hill, particularly with the new visitors welcome centre, which will be underground. A number of phases will correspond to each building. I'm not sure I fully understood the question.

• (1555)

Mr. Bernard Trottier: Okay.

Thank you, Mr. Chair.

The Chair: Mr. Blanchette, you have five minutes.

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

I'd like to thank our guests for being here.

This is a fairly enormous job. You spoke during your presentation about renovating the Conference Centre before it houses the Senate. I think that's a new strategy to meet the 2019 deadline.

What is your expected time frame and cost for the centre?

Ms. Nancy Chahwan: The Government Conference Centre is another example of an innovative approach. We adjusted the strategy, which had Treasury Board approval. Now we are going to be able to move up the start date for work on Centre Block.

This project is estimated at \$190 million and includes major investments in built heritage. We're talking about upgrading to comply the National Building Code and current accessibility and safety codes. The work on these buildings will be there for generations to come, even after the Senate's functions have moved back to Centre Block.

Mr. Denis Blanchette: What is the plan when the Senate returns to East Block? What is your strategy to ensure that the building can be used again easily without investing too much to meet new needs?

Ms. Nancy Chahwan: Thank you for the question.

It's an important point that we looked at. We'll be able to give you much more specific answers once we have finished the design work. As you may know, we issued a call for tenders for the choice...

Mr. Denis Blanchette: When is the design work planned?

Ms. Nancy Chahwan: I am talking about design work for the interior of the Government Conference Centre.

Mr. Denis Blanchette: What is your timeline on that?

Ms. Nancy Chahwan: We have put it out to tender. We expect to award a contract for detailed design early in 2014. About a year after that, we will have a very specific idea of the design for the interior.

My colleague can give you details on the functional program that we are currently planning for the interior. I would like to stress the fact that we are doing everything we can to develop a functional concept that we can subsequently reuse. That is one of our guiding principles.

[*English*]

Can you answer about the functional program, please?

Mr. Ezio DiMillo: Thank you for the question.

Yes, the program for the building while it's occupied by the Senate will contain the Senate chamber, 21 offices, and two committee rooms. All of the mechanical and electrical systems, life safety systems, etc., will be replaced in the building. They have gone well beyond their useful lifespan. We are designing the systems that are being put into the building to be as flexible as possible for reuse in the future for multiple potential uses.

[*Translation*]

Mr. Denis Blanchette: Of course, buildings this old have to be brought up to code, and there is a cost for that. Do you have an idea of what will have to be done to bring these buildings up to code?

Ms. Nancy Chahwan: We are bringing the buildings into compliance with the National Building Code, as revised. This involves making significant changes. For example, the 2005 seismic requirements for the buildings are key elements, key considerations

in our work. I do not have the precise estimates with me because it is very difficult to isolate that element from the rest of the consolidation and refurbishing work on the building envelope or from the modernization of the ventilation system. But I can assure you that it is one of our projects. It is a significant aspect of the work that will not only keep our heritage buildings intact, but will also protect the health and safety of the occupants.

● (1600)

Mr. Denis Blanchette: I would like to take advantage of your presence to ask a question about the Supplementary Estimates (B). I feel you are qualified to answer.

You are asking for an additional \$896,000 in the Supplementary Estimates (B). What is that for exactly? Why are you asking for that amount given that you operate with a multi-year envelope?

Ms. Nancy Chahwan: The Supplementary Estimates (B) just give PWGSC access to the amounts that the government has already approved. This is not new money, or money in addition to the project estimates that we gave you a little earlier.

The \$896,000 represents 0.3% of the LTVP, which, for 2013-2014, is \$261 million. The money is required for a preliminary analysis of the government conference centre, for operational support and for the operation and maintenance of the food production facility.

The Chair: Thank you.

Mr. Cannan, you have the floor.

[*English*]

Hon. Ron Cannan (Kelowna—Lake Country, CPC): Thank you very much.

I commend you and your team. It's an ambitious project. I had a chance last year to tour the facilities, so I'm looking forward to this afternoon to see the update.

Maybe you could inform the committee whether you're on schedule and if everything is moving according to the timeline we had last year. I believe the West Block was scheduled to open in the spring of 2017, and the Sir John A. Macdonald Building in early 2015.

Could you clarify how we're doing? Your notes indicate a budget. Are you on schedule to meet those opening dates?

Ms. Nancy Chahwan: Thank you very much for your comments and your question.

Mr. Chair, we are very proud to say that despite the scope of this endeavour, our projects are indeed progressing on time and on budget, including the Sir John A. Macdonald Building for early 2015, as a date for the end of construction, and 2017 for the West Block. We have in place sturdy systems of performance management and oversight to ensure that we will remain on schedule and on budget until the delivery of the construction project.

Hon. Ron Cannan: For the new West Block, where the House of Commons will be relocated for eight to ten years, or maybe even more depending on the timeline of the Centre Block completion, how many seats have you instructed the chamber to hold?

Ms. Nancy Chahwan: We are already working on the impact of the Fair Representation Act on the requirements of our client. For the West Block, the design for the interim chamber is taking these requirements into consideration.

Hon. Ron Cannan: So at least 338 is what you're saying.

Ms. Nancy Chahwan: Yes, that is what I'm saying.

Hon. Ron Cannan: The design is very complicated. As it is a heritage building, we have to weigh the cost of maintaining it. It was never an option to knock these down and rebuild. Is that something that you or the design team considered?

Ms. Nancy Chahwan: In this case, it was not. On the option of the rehabilitation, I will turn to Ezio, but I want to insist on the fact that we at PWGSC consult experts. We set engineering design workshops to make sure that our design options are challenged by the best experts and third party experts, including our internal experts.

Ezio, please.

Mr. Ezio DiMillo: Thank you.

Mr. Chair, obviously, heritage buildings are classified buildings. Knocking them down is something that we did not consider because of the importance of these iconic structures. As my colleague mentioned, we looked at many, many options for the design of the buildings, and for all of the buildings we organized design review committees. We brought in architects from other provinces and from the private sector to challenge the designs and to ensure that we are putting forward the best, most cost-effective option.

• (1605)

Hon. Ron Cannan: I wouldn't advocate knocking them down. I was looking more at the cost of rebuilding a heritage building versus building something new. How much more is it to restore a heritage building?

Mr. Ezio DiMillo: If I understand the question, it's basically to build a similar building.

Hon. Ron Cannan: Yes, how much would it be if you knocked it down and started from square one? It's like renovating a house versus knocking it down and building a new one. Renovating is a much more difficult task. I've done renovations of a private residence, and I know the aesthetic aspect is important. That's part of the heritage preservation, but there's a cost as well, not only in time but in dollars. We want to reaffirm to Canadians that it's the right thing to do.

I encourage all Canadians to come and tour the Parliament Buildings. It makes you proud to be a Canadian. We want to

continue that heritage and tradition for our children and grandchildren, the future generations.

Ms. Nancy Chahwan: Because of the LTVP premise of preserving the heritage for generations to come, we did not cost certain options, like levelling the buildings on the Hill and reconstructing new ones. We went to great lengths to preserve as much as we could of that heritage, including numbering the cement blocks on the West Block and reinstalling them exactly where they went. All these options have received approval from the National Capital Commission and from the federal heritage buildings review office.

Hon. Ron Cannan: I have two quick questions.

On environmental savings and to preserve our operation and protect our infrastructure while maximizing energy efficiency, have you been able to incorporate the new energy savings into the restoration of the building?

The other one is on the infrastructure. Some of the buildings form a retaining wall around the perimeter. What's the status of the upgrade of the foundations not only of the building, but around the perimeter of Parliament Hill?

Ms. Nancy Chahwan: I will start with the question on sustainability. We endeavour to adopt as many of the requirements as possible that are now included in the updated national building code. We are proud to say that during the implementation of the LTVP, the modernization of the building systems will provide us with a higher energy efficiency than prior to the rehabilitation.

I would also mention that we were able to achieve LEED gold certification for the full production facility, for example. All our designs are set to meet 70% of the green globe standard, which are sustainability targets for heritage buildings, and that is approximately equivalent to LEED silver. We are using elements such as a green roof on the Sir John A. Macdonald Building, water-saving plumbing systems, and heat recuperation, including in the new chamber in the West Block.

Regarding your question on the slope, we have made progress in that regard. We have sought advice from experts on the best approach to stabilize Parliament Hill's escarpment, giving priority to the health and safety of passersby and users. A decision was rendered to carry out priority work associated with that stabilization. That work was completed in September 2013 at a cost of \$1.2 million by—

[*Translation*]

The Chair: Thank you. Unfortunately, I have to interrupt you.

Mr. Byrne, the floor is yours.

[*English*]

Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.): Thanks, Mr. Chair.

Thank you very much for your presentation. I'm curious. How would you describe the depth of the pool of available, qualified contractors for this particular type of work? Outside of the more conventional trades such as plumbing, electrical, and HVAC, this requires some specialized stonework and some other specialized historical trades. Is there a deep pool, or is it somewhat limited?

• (1610)

Ms. Nancy Chahwan: Mr. Chair, we have been very fortunate in our competitive processes and tenders in the sense that we have received a high interest from the industry, and our competitive processes have all borne good results for us.

I will turn to Ezio DiMillo once again to answer this in detail.

Mr. Ezio DiMillo: Thank you for the question, Mr. Chair. It is a very good question.

We have been fortunate that our construction managers were able to get the required resources. Of course, masonry has been talked about considerably. It's a very artisanal trade. We have a sufficient number of masons on the projects at this point, although we are getting close to the limit of what is available in this region. However, at this point we have no reason to believe this is an issue.

Certainly for all the other trades, some of the more traditional trades such as electrical, mechanical, etc., we don't foresee any issue at this point.

Hon. Gerry Byrne: Thanks very much.

Would you categorize the contracting process as being consistently or regularly put out to tender, or have there been relatively significant instances where contracts have been offered on a standing offer or a rollover of an existing offer, as is a frequent contractual process?

Ms. Nancy Chahwan: Thank you very much for this question.

Mr. Chair, at PWGSC we are very committed to maximizing the use of fair, open, and competitive processes to choose the contractors we work with. I can say that even the use of standing offers does not preclude the element of competition, since standing offers themselves are first subject to a public tender.

We do use our open system, buy and sell, to advertise the possibilities. Even in the cases where we have chosen a project construction manager, for example, PCL for the West Block, the contract with the construction managers includes very specific terms and provisions requiring the tendering of subcontracts, depending on the value of those subcontracts.

Hon. Gerry Byrne: Thank you very much.

Would you be able to inform the committee on the magnitude, the number of complaints that may have been received from prospective bidders or those who have felt aggrieved?

Ms. Nancy Chahwan: Thank you for the question.

Since I have been with the branch, I have not seen or heard any. I will turn to Joanne Monette to answer this question.

Ms. Joanne Monette (Director General, Planning and Operations, Parliamentary Precinct Branch, Department of Public Works and Government Services): Thank you for the question, Mr. Chair.

No, I don't believe that we've received many complaints, unless they're in the larger projects. On the smaller projects I look after, the day-to-day operations, I have not received any complaints.

Hon. Gerry Byrne: Thank you.

I think that's the best indicator. There's the competitive bidding process, and then there's the complaints process, and if you're not receiving any complaints, that's very healthy news.

My final question is on 2017, which is of course the centrepiece here. It's the 150th anniversary. We appreciate there may be a bit of a rush to get things done in time for that particular celebration so that the Hill is clean and clear for Canada Day and for the summer tourist season.

Can you provide the committee with some assurance that things are being properly planned for that, and there won't be an overload of expenditure to try to meet those deadlines?

Ms. Nancy Chahwan: Thank you very much for your question.

Mr. Chair, as I mentioned in my opening remarks, the West Block will be completed by 2017, in time for those celebrations. That includes the visitor welcome centre, which will be underground. The work on the East Block will not have started. There will be minimal visual work on the west pavilion of the Centre Block at that point. The work and the scaffolding around the East Block will be towards the east, and it will not be visible from the main grounds of Parliament Hill. This will be achieved without any significant acceleration, or any undue acceleration, of the work.

• (1615)

Hon. Gerry Byrne: Thank you.

Thanks, Mr. Chair.

[*Translation*]

The Chair: Thank you, Mr. Byrne.

Ms. Ablonczy, you have five minutes as well.

[*English*]

Hon. Diane Ablonczy (Calgary—Nose Hill, CPC): Thank you for coming. This is exciting. It's always exciting to see things grow.

I may have mentioned this before in committee. I don't want to sound like a broken record, but I've been around here for a while and I'm sad to see our wonderful heritage buildings that I think are really the envy of the world—and I've seen quite a few parliament buildings around the world, as have you—sort of erode and fade and be neglected, so I'm really excited about what you're doing. Congratulations, all of you, on being at the helm of such a wonderful project for Canada.

I note that part of your mandate is to maintain the historical and architectural integrity of the buildings. I'm going to make five points, hopefully quickly, and then you can give me your thoughts.

I've seen some buildings, and I won't mention them on the record because it may be not nicely taken by some, where traditional or old architecture tries to be married with some glass and steel modernism. In my humble opinion, that doesn't work. It does a disservice to both of these wonderful forms of architecture. I'm looking at what you're doing and I think you've avoided that, but I wonder what you think about that.

I also noted that accurate costings and project timelines are an important part of what you're doing. Others have mentioned this, but I would emphasize it. I sat on the Treasury Board for a while. It's so frustrating to see that government.... You know, we're leaders of the country, and yet we never seem to get our act together, and I am not referring to any particular government, but I mean government in general, as far as getting these big projects done on time and on budget. I really hope we can do it this time and prove that the wheels of government can actually operate in an efficient and effective manner. I'm cheering you on in that regard. I really hope there's some real commitment to that.

I will now turn to your interventions to stop or reduce continued deterioration. It is really sad. I remember once I came to work in West Block and the corridor outside my office was blocked off because the ceiling had fallen in. My assistant was pregnant at the time, and she quickly secured a move out of the building because she was concerned about the asbestos. This is not the way the premier organization in the country should be operating.

I wonder what your communications plan is to let Canadians know. We're spending billions of dollars here. We're taking many, many years. We're doing a great thing. I bet you there's not 0.1% of Canadians who have the faintest idea what's going on, and I think they should know. Hundreds of thousands of people come to see our Parliament Buildings every year. We're proud of them; as I said, they're some of the most stunning in the world. However, we're not telling Canadians how committed we are and the exciting plans we have to renovate them. What are your communication plans?

My last point is the decision-making. Some of the problems we have in being efficient in government is that there are too many cooks in the kitchen. Everybody's waiting on another department, or another group, or another team, to make a decision and then we try to coordinate them. Who's wielding the whip on this? Where does the buck stop to say, "Either you decide or I'll decide for you, and we're going to get on with this"?

Ms. Nancy Chahwan: Thank you very much.

[*Translation*]

The Chair: You have about a minute left, but I can give you a little more time, given the number of questions that you were asked.

Ms. Nancy Chahwan: Thank you; that is kind of you, Mr. Chair.

● (1620)

[*English*]

Thank you for your comments. We certainly share your excitement.

All the team in PWGSC is mobilized, knowing that we are working on securing the legacy of built heritage for generations to come. We are also committed to doing so in a fiscally responsible

manner and to demonstrating that with all transparency, Mr. Chair, to the taxpayer.

The point about the heritage buildings and how we balance between new and old architecture is an interesting one that has been tackled by architectural associations and heritage associations. The challenge is to work both with form and function. However, we make our decisions based on consultation with industry experts. The designs have to be approved by the National Capital Commission as well as the federal heritage buildings review office, which provides advice and recommendations on protecting the heritage character without limiting us to returning it and restoring it exactly to the way it looked before. I believe these provide us with good guidelines in terms of how to balance this design.

In terms of the communications plan to Canadians, we invest a lot of energy both in collaboration with our parliamentary partners to make sure that the public, including the visitors to Parliament Hill every year, are aware of the work that is ongoing and the investment the government has decided to make to preserve this heritage. For example, we have a very extensive website that includes a description of each of our projects and the commitment of the scope and the budget, as well as the timeline. We have also used visible sites, for example, Hill Centre, to provide educational information to the public regarding the work that we are undertaking.

[*Translation*]

The Chair: Thank you for your answer.

The floor is yours, Mr. Martin.

[*English*]

Mr. Pat Martin (Winnipeg Centre, NDP): Thank you, Mr. Chair.

I wasn't going to intervene, Madam Chahwan, but at the risk of being a bit of a buzzkill, with all due respect, I really feel I have to challenge both the tone and the content of some of your remarks.

I've watched this project balloon and swell and explode in proportion and expense. I'm a carpenter by trade. I understand the difference between renovations and restorations, but there's almost a rule of thumb that everything on Parliament Hill costs ten times as much and takes ten times as long. Speaking on behalf of taxpayers and people in the industry, frankly, it's extremely frustrating.

I want to point out the inherent contradiction in some of your remarks. First of all, you said that you're "on time and on budget", in kind of a cheerleading tone. Then in the same sentence almost you said that the cost estimates, of course, "evolve over time". In other words, the budget is whatever it costs and the timeframe is however long it takes. Of course you're on time and on budget with this ever-moving scale. It takes longer and costs more every year that ticks by. It was under construction when I got here in 1997, and it was under construction when Diane got here prior to that.

The other contradiction I have to point out in the time I have is this idea of pre-qualifying your contractors. How then do you explain having to run off this company with connections to the Hells Angels who couldn't comply with the basic requirement of the stonework? They had to be fired. Granted, you have PCL there now, the best construction company in North America if not the world, I would concede, but with regard to this pre-qualification idea, how did we wind up with organized crime on the job? In the place with the highest security in the land, you have these guys with biker connections.

The last thing I'll say, and maybe it's been my favourite bugaboo from day one, is how did we ever wind up with this extravagant opulence, this almost audacious impracticality of putting a glass roof on the House of Commons in this climate? How a cracked room full of chimpanzees ever decided that was a good idea is beyond me. This isn't the Winter Palace of imperial tsarist Russia; this is a temporary House of Commons. And it's a temporary move; it's not even permanent.

Can you confirm one thing for me? I understand that now they've designed a glass roof, they've learned that because of the sunshine, the TV cameras can't operate properly. Therefore, we now have to design a great big screen to cover up the glass. Wouldn't asphalt shingles have been more practical if you're going to have to cover up the glass roof anyway?

My specific question, I suppose—and I'm not even going to have time to touch on the asbestos abatement—is with regard to the cost factor associated with the glass roof. What is it? What was the additional expense to go to glass instead of conventional? Is it true that you now have to find some way to shield us from the glass roof or the televised documentation can't go on in the House of Commons?

• (1625)

[*Translation*]

Ms. Nancy Chahwan: Thank you for letting me know that I have another two minutes to answer those questions, Mr. Chair.

[*English*]

Thank you for the opportunity to answer this, Mr. Chair, and to clarify my earlier statements.

I would reiterate that we are very much committed to delivering this project in a fiscally responsible manner. I believe that the examples I gave earlier about cost and time savings speak to that commitment. There are different elements that influence the costs, and I will give examples of what those are and how we work on cost containment.

First of all, we have improved predictability—

Mr. Pat Martin: Mr. Chairman, not to interrupt, but we have so little time.

I don't really need the talking points about an open-ended cost. I think I've made my point, and there's really nothing you can say that can explain the way the costs have exploded. It's not your fault.

However, I would like a specific answer to the specific question about this glass roof, this ridiculous audacious glass roof.

Ms. Nancy Chahwan: Very well, we will go to the roof.

If I may just say that when we say we are on scope and on budget, we're referring to the approved baseline cost by the government—

Mr. Pat Martin: —which grows as we speak; every day it seems it is more.

Ms. Nancy Chahwan: Thank you for that.

Regarding the roof, which I understand to be your main question, I will turn to Ezio DiMillo to give you more details about the technical specifications of that roof, but I do wish to mention that we have come to the conclusion that this was the best option after an evaluation of several other options, including a copper roof, for example. The decision to proceed with a glazed roof has been supported at many levels of approval, and relating to the incremental cost, it has proven to be minimal.

Ezio, please, can I ask you to address this?

Mr. Ezio DiMillo: Yes, thank you for the question.

Mr. Chair, the design of the roof was provided by world-class Canadian architects. They have looked at other examples of glass roofs elsewhere in the world, in fact, in a number of countries, and they've actually also used a louvre system in order to control light. This is not something new.

The glass roof was also challenged by the design review committee. As I mentioned earlier, we had a design review committee that brought in Canadian architects from all walks of life, the private sector, universities and so on, who came in and challenged these designs. The design that was put forward was not only accepted by the design review committee, but it was also accepted by the National Capital Commission, our House of Commons, and the Public Works people. Various stakeholders were involved in the decision-making process and the design that was put forward was accepted by all.

The glass roof will actually have some benefits as well. It will recapture heat. Up to 10% of the building's energy needs will be captured. During winter months when you have the sun shining in through that glass roof, we will be drawing that warm air from that area at the top of the roof and recirculating it through the building. This is a sustainability measure. There are a number of advantages. The glass roof is also allowing what is a courtyard at this time to continue to be a courtyard in the design of the West Block. This was one of the visions that all of the stakeholders had for this project as well.

[*Translation*]

The Chair: Thank you for your answers and for coming here today. That is the end of the testimony.

Since we are going to visit the West Block, I should tell committee members that two green buses will be outside the Centre Block and they are reserved for our exclusive use.

In preparation for our study of the Supplementary Estimates (B), you may put specific questions to departmental representatives through the clerk, who will make sure that they get to the appropriate people. In that way, we will be able to hear the answers to those questions at the appropriate meetings.

That brings the official part of today's meeting to an end. We will meet outside in the green buses.

My thanks to Ms. Monette, Ms. Chahwan and Mr. DiMillo for joining us today. I am sure we will meet again.

(Meeting adjourned)

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