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Chair

Mr. Tom Lukiwski

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• (1100)

[English]

The Vice-Chair (Ms. Yasmin Ratansi (Don Valley East, Lib.)): Members of the committee, we have quorum. We will start meeting number 18.

We have before us Minister Scott Brison, President of the Treasury Board; Madame Baltacioglu, secretary of the Treasury Board; Mr. Brian Pagan, assistant secretary, expenditure management; and Renée LaFontaine, assistant secretary and chief financial officer.

I understand, Minister, you have a presentation for a maximum of 10 minutes.

Hon. Scott Brison (President of the Treasury Board): Yes, that's right. It may creep towards 11 minutes, Madam Chair, but it's because I—

The Vice-Chair (Ms. Yasmin Ratansi): You know you have given us only one hour, so we would like you to keep it as precise as possible, please.

Thank you.

Hon. Scott Brison: I shall.

Thank you.

The Vice-Chair (Ms. Yasmin Ratansi): You may begin.

Hon. Scott Brison: Thank you, Madam Chair.

I'm delighted to be here with you this morning.

Today I'd like to focus on supplementary estimates (A), and I look forward to the discussion.

I'm delighted to be joined here by Yaprak, Renée, and Brian, our officials.

[Translation]

As you will see on slide 3 of the deck, supplementary estimates occur three times a year and present information to Parliament on spending that was either not sufficiently developed in time for inclusion in the main estimates, or has since been refined to account for new developments in programs or services. We want to make it easier for Parliament to hold the government to account.

[English]

To that end, I'm pleased to say that for the first time, supplementary estimates (A) compare funding announced in this year's budget with funding requested through this year's estimates. In

the words of the parliamentary budget officer, this provides Parliament with “additional ability to provide scrutiny to the Government’s finances”.

What's more, we're making progress in better aligning the budget and estimates processes so Parliament can approve funding in a more timely manner. In fact, this year's supplementary estimates (A) include funding for 33 items announced in this year's budget. That compares with 11 items in 2015 and six items in 2014.

The PBO has said that these improvements “will ensure parliamentarians are more easily able to scrutinize major legislative aspects of budget 2016”.

We've made considerable improvement in aligning these processes.

[Translation]

In fact, more than 60% of the forecasted expenses in budget 2016 are included in the supplementary estimates (A).

[English]

Madam Chair, the Government of Canada is committed to fulfilling our commitments to Canadians and investing in the priorities of Canadians.

I draw your attention to the major voted items. Some of the highlights include \$1.7 billion in funding for short-term investments in public transit, green infrastructure, and existing programs; \$1.6 billion for affordable housing and social infrastructure projects; almost \$503 million to maintain and upgrade federal infrastructure assets; \$499 million in funding for a new contribution program called the post-secondary institutions strategic investment fund; \$278 million for recapitalization of engineering assets, and for repairs and maintenance of federal buildings to provide a safe, healthy, and secure workplace;

[Translation]

\$254 million in funding related to the assessment, management and remediation of federal contaminated sites;

[English]

—thank you to our translators for their patience—

[Translation]

\$232 million to maintain mission critical information technology infrastructure; \$202 million in funding to address climate change and air pollution; \$150 million to resettle 10,000 additional government-assisted Syrian refugees in 2016;

[English]

\$113 million for non-passenger screening; \$112 million for airports; \$112 million for Canada summer jobs; and \$104 million in funding to support first nations communities in the construction of public infrastructure on reserve through the first nation infrastructure fund.

We seek Parliament's approval of these important investments in Canadians and their communities.

I'd like to walk you through the reconciliation table. This table compares funding announced in budget 2016 with funding requested through the 2016-17 estimates to date.

We begin with the figure for 2016-17 estimates to date of \$251.4 billion.

The estimates exclude some spending that does not require annual spending authority from Parliament, but is reported as government spending in the budget, so we need to account for these items by adding them to our total. The largest is EI benefits at \$21.1 billion. Most EI costs are paid directly out of the EI operating account rather than a departmental appropriation and are therefore not specifically included in the estimates. They are, however, incorporated in the budget.

The next is the new Canada child benefit at \$20 billion. While it's considered an expenditure for government financial reporting purposes, Parliament doesn't authorize annual spending for this item or for other tax expenditures or refundable tax credits.

• (1105)

[Translation]

Other items in this category where spending is not subject to annual parliamentary approval include expenses of crown corporations and revenues credited to departmental appropriations. This category totals \$19.6 billion. We must next account for differences in the accounting basis.

[English]

The budget is present on a full accrual basis, whereas the estimates are presented on a modified cash basis. This results in an addition of \$4.8 billion. One of the objectives of this reconciliation sheet is to try to explain that in a transparent way.

Next is budget 2016 and other measures not yet approved by Treasury Board. These are items that have been approved and earmarked in the fiscal framework, but parliamentary spending authority has yet to be sought for them. This includes the remaining budget 2016 spending measures.

The difference exists because the budget is forward looking and presents expenses anticipated for a given year, while the voted expenditures shown in the estimates refer to amounts that have already received Treasury Board approval as of a particular date. This results in an additional \$4.9 billion to our total.

[Translation]

The budget forecast also recognizes that some amount of spending included in the estimates will lapse at the end of the fiscal year, and either be reprofiled to future years or simply remain unspent. The

subtraction of \$6.1 billion to our total represents the lapsing of authorities that, if used, would have resulted in expenses.

[English]

Finally, we have the last category, "Other". I'll be pleased to explain this more granularly in the Qs and As. This category totals \$1.4 billion and represents a number of diverse factors, including provisions for the cost of future liabilities and cost increases.

This brings us to the budget 2016 expense total of \$317.1 billion. With the changes we've made in the reconciliation table, we're again improving the openness, transparency, and accountability of our budget and estimates processes together with accountability to Parliament. This is just the beginning. Because of timing issues determined in part by the House's Standing Orders, the budget items for a given year are not reflected in the main estimates for the same year.

Simply sequencing the main estimates presented to Parliament after the budget rather than before would mean that we would not need to table spring supplementary estimates just two months after the main estimates. This would be a big step forward and a significant improvement.

I know that you have been engaged with this as a committee and that you've engaged with representatives from other governments, both within Canada and from other countries, including Australia, to learn about their budget and estimates processes. I look forward to working with you and to benefiting from some of the research and study you're doing on this on how to better align the budget and estimates processes so that Canadians can more easily track how government spends their money and so that parliamentarians can hold governments to account.

I'll conclude my remarks there. My officials and I would be pleased to answer any of your questions.

I understand that was nine minutes.

The Vice-Chair (Ms. Yasmin Ratansi): No, 10 minutes to the dot.

• (1110)

Hon. Scott Brison: She's an accountant. You're an accountant. Don't frig with the accountants.

The Vice-Chair (Ms. Yasmin Ratansi): On the first round of questions, the seven minutes will go to Mr. Whalen.

Mr. Nick Whalen (St. John's East, Lib.): Thank you all for joining us today, and thanks, Madam Chair, for having me speak first.

Rather than getting into the details of supplementary estimates (A), first, it being an election year, 33 new items had to be addressed in supplementary estimates (A) that weren't done in the main estimates. If we move to some type of an integrated approach to the estimates and the budget that had the timing harmonized, what type of a time frame would we be looking at for the issuance of a budget in an election year? What type of measures would we need to have in place, in your opinion, in order to bridge the gap between that period just after April 1 where spending would be somewhat up in the air, and then to get the necessary costing in place that would be necessary for full supplementaries?

Perhaps Mr. Pagan wants to answer that.

Hon. Scott Brison: I can start, and then I will ask Brian to provide some further thoughts.

First, the progress we've made so far has been in part because of a deeper level of co-operation among Treasury Board, Finance, PCO and PMO in terms of the budgeting process. We've been very closely aligned with the Treasury Board engagement throughout in terms of the work, such that when the budget comes out.... You know, we are getting closer to that objective of budget and main estimates simultaneously, as it is in Australia.

The advantages of that are that funds can flow more quickly. In the past there has been an 18-month delay from when a budget comes out and when the funds actually flow. It takes a much greater co-operation between central government agencies, like TBS, Finance, PMO, PCO, but also individual departments. One of the things we're doing, as part of our results and delivery agenda as the government, is actually requiring a more results focus on reporting as we're moving forward. This will require a much more closely aligned process in terms of budgets. As Treasury Board approves expenditures, departments will be required to report on results in a much more robust way than has been the case in the past. There's going to be greater integration going forward.

In terms of the election year, there will always be some challenges around that. We now have fixed election dates, barring any changes on that, but we have fixed election dates. There will always be some challenges as governments become elected, new governments with new mandates, and that will be incorporated into it, as has been the case this year. In fact, despite an election year this year, we've actually seen progress on these.

Brian, you may want to add something there.

Mr. Brian Pagan (Assistant Secretary, Expenditure Management, Treasury Board Secretariat): Thank you, Minister. Thank you for the question, Mr. Whalen.

As the minister has made clear, we've made very good progress in better aligning or integrating, as our Australian friends mentioned, the budget and the estimates process. We believe that by properly sequencing the tabling of the documents so that the estimates come at the same time or slightly after the budget, we can make additional progress.

Using last year, 2015-16, as an example, if we were to have a more integrated process, it's quite conceivable that a fixed election would have no impact on supply in the sense that it is the intention to table budgets, present budgets, in the February-March timeline and

our estimates in the April-May timeline. That's what happened, in fact, last year, and we were able to get through the election process with full supply for departments. They had all the authorities they needed to implement programs and services, and we were able to deliver those programs and services without resorting to extraordinary measures such as Governor General warrants.

Mr. Nick Whalen: To follow up on that, if you were able to consolidate this process so the amount of work that went into the main estimates and the supplementary estimates (A) would happen at the same time, who in government would be doing the costing? Would there be enough time to get all the costing done in an election year between October and February so that the new budget, the new programming and the costing associated with that, could all be baked in, so that at the end of February time frame, say, you could have the budget ready and the full costing done for an integrated main estimates and supplementary estimates (A)?

• (1115)

Hon. Scott Brison: First of all, you are right in identifying that it will take a more constant...a lot of work in a shorter period of time to do that. If it did take more time, Yaprak may want to....

Ms. Yaprak Baltacioglu (Secretary of the Treasury Board Secretariat, Treasury Board Secretariat): Ideally, when programs are appearing in the budget, there should have been a lot of work done to start with, so that is number one. If we can't do everything, then we can use the supplementary estimates as an exception, but at least the majority would be in the estimates and the budget.

Hon. Scott Brison: One of the things, having engaged with the Australians, is they have been quite successful in this, so we would look to their model, as well as some of the provincial models where this has happened and has been working well for some time.

Mr. Nick Whalen: With respect to information on risk and future liability, what do you feel Parliament should be getting to review, maybe in the case of accrual-based accounting in the supply votes, that we are not currently getting? What should we keep from the cash that we currently have that provides us the oversight we need to maintain, if we are going to truly follow the Australian example and have largely accrual-based accounting, except in capital projects where they pull out the depreciation?

Hon. Scott Brison: In terms of the Australian model, my understanding is that they tried to move to one system, but there were some challenges. They pulled back to a modified approach. Brian may want to comment on that further.

The Vice-Chair (Ms. Yasmin Ratansi): In 30 seconds, please....

Mr. Brian Pagan: I will simply say, Mr. Whalen, that the budget planning process includes a risk provision—the Department of Finance will include a component of risk in its budget forecast—and also that Parliament votes the Treasury Board a contingencies vote, \$750 million for government contingencies, which is a release valve for pressures on programs and services.

The Vice-Chair (Ms. Yasmin Ratansi): We will go to the second seven-minute round.

Mr. McCauley, go ahead.

Mr. Kelly McCauley (Edmonton West, CPC): Thanks again for joining us. It is always a pleasure.

I will jump right in. One of Treasury Board's mandates is to ensure that public monies are spent effectively, department by department. I don't want to get partisan, but it will seem that way. We have been chatting about...there is no better word than "debacle" for the infrastructure minister's office spending. No matter how you cut it, \$800,000 is a hell of a lot of money for a small number of offices. We are looking at billions being spent for other programs. How can we be really sure that we are actually going to get proper oversight? I don't blame Minister Sohi, but I do blame the system that allowed \$800,000 to be spent on a few offices. How are we going to ensure that these other billions being spent are going to have proper oversight, so we don't end up discussing this on a much larger scale?

Hon. Scott Brison: Thank you for your question.

Part of this is reflecting a change in the machinery of government in terms of Minister Sohi's department.

Mr. Kelly McCauley: I don't blame him. I blame the system. I want to make sure the system doesn't continue on.

Hon. Scott Brison: I am saying that there is a new minister's office and a new deputy minister's office, and putting them close to the public servants who are actually doing the infrastructure work.... My understanding is that, in the past, the ministers and deputy ministers were not housed in the same location as the public servants. The point is—

Mr. Kelly McCauley: I am sorry to interrupt. It is not a matter of a new office. Even if it was 10 new offices, \$832,000 is still \$80,000 per office. I mean, something went wrong. I am blaming the system, not Minister Sohi. There is something wrong in that it was \$832,000 for furniture. I think it works out to \$30,000 or \$35,000 per employee, just for furniture. When we are looking at billions for other infrastructure, I want to make sure that there is common-sense oversight so that we don't end up on a much larger scale of money that should be used for other services being spent.... I just don't think you can justify \$832,000 on a small number of offices.

Hon. Scott Brison: Again, part of this was because the public servants engaged in designing and implementing the infrastructure programs were not actually housed contiguously with the minister in the past. There is, as you would recognize, a need to invest in offices and improve efficiencies resulting from that. At the Treasury Board, on an ongoing basis, we are engaged in working with every department and agency on these, to ensure that the proper controls are in place.

• (1120)

Mr. Kelly McCauley: We discussed before the \$1.4 million for the Senate appointment process. I don't expect you to have the details now, but would you be able to provide us with a budget, how many people that provides for, and a breakdown of travel, etc.? I wouldn't mind looking at it further. I don't expect you have that information now.

Hon. Scott Brison: I believe we do have—

Mr. Kelly McCauley: Oh, you can provide that later because we're short on time.

Hon. Scott Brison: We do actually have some of that, if you'd like.

Mr. Kelly McCauley: No.

Hon. Scott Brison: But you asked.

Mr. Kelly McCauley: No, there are other things I'd like to get to that are more important, but you can provide it later.

Hon. Scott Brison: I'm so disappointed.

Mr. Kelly McCauley: Oh, I know. I'll get on—

The Vice-Chair (Ms. Yasmin Ratansi): Mr. McCauley, the PCO is coming on Tuesday, so we can ask them the question.

Hon. Scott Brison: But we do have some of that information.

Mr. Kelly McCauley: I'll grab it later.

On the short-term investments, it talks about Health Canada, \$1.7 billion, for myriad different items. One of the items, which is great, is safe water on reserves, etc., but it also mentions other stuff.

How are we prioritizing this \$1.7 billion so that we're not sitting here a year from now and we have a boil water advisory again because some of that money was spent, and it talks about climate change, this and that, which is all well and good, but how are we prioritizing so we're, again, not sitting here a year from now with a boil water advisory because we spent money on an office or something? How are we prioritizing so it's not being spent elsewhere when we have this priority?

Hon. Scott Brison: It's a very important question, Kelly, because one of the things we want to ensure is that as we invest, we do prioritize. The idea that in indigenous communities in Canada today people don't have drinkable water is something that is just unacceptable.

Mr. Kelly McCauley: I agree. I want to make sure we're going to provide that and the money doesn't go for peripheral items—

Hon. Scott Brison: That is something I'm working closely on. We are working closely with Carolyn Bennett's department.

You mentioned also some other things in terms of climate change. Some of the issues around climate change and remediation are important because that can actually affect water systems as well.

Mr. Kelly McCauley: Oh, I realize that.

Hon. Scott Brison: You have to do both, but you've hit a really big priority, I know, for our Minister of Finance and for our Minister of Indigenous and Northern Affairs, for the whole government, the Prime Minister. This whole issue of potable water—

Mr. Kelly McCauley: You realize I'm just setting you up for a future meeting when we say, hey, we have a boil water advisory.

I appreciate that. I'm glad it's a priority—

Hon. Scott Brison: It is a priority, and we will be working with the ministries to address that.

Mr. Kelly McCauley: Perfect. I think I have time probably for one last quick question.

Under Foreign Affairs, there's \$31 million for the softwood lumber issue, legal, etc., etc. Is this money that is just set aside now, when the process has been going...? The deal expired a year ago, eight months ago. Is this brand new money for a future dispute?

Hon. Scott Brison: The deal expired on October 16, I believe, and there's a year where the provisions of the deal are still in place and during which obviously there's a priority. It expired three days before the election. I know that Minister Freeland and her American counterpart Michael Froman are to report back on the structure and key elements of what they're working on.

Mr. Kelly McCauley: Is this money for the intent of when it expires?

The Vice-Chair (Ms. Yasmin Ratansi): That's it, Mr. McCauley.

You can answer the question later.

Hon. Scott Brison: We would hope that we can have a deal that continues to be in the interests of the Canadian industry.

The Vice-Chair (Ms. Yasmin Ratansi): Thank you, Minister.

Hon. Scott Brison: We can come back, but Minister Freeland's actually more closely engaged.

Mr. Kelly McCauley: [*Inaudible—Editor*]

The Vice-Chair (Ms. Yasmin Ratansi): You're running into the seven minutes of Mr. Weir.

Hon. Scott Brison: Oh, sorry.

Mr. Erin Weir (Regina—Lewvan, NDP): Thank you, Minister Brison.

I just want to pick up on this discussion about the Australian model for consolidating the estimates with the budget. I think everyone agrees that it would be desirable to better align the main estimates with the budget, but it was very apparent in our discussion with Australian officials that they still have supplementary estimates. I'm just wanting you to confirm that in what you're suggesting, would you still envision having a series of supplementary estimates over the course of the year and the same sort of accountability process around them?

• (1125)

Hon. Scott Brison: Yes, there will always be something. There will be unforeseen circumstances. There will be something that we need to address, something that does not make it into the mains. There will be. We would like to see them become smaller over time, but there will always be something.

Mr. Erin Weir: Okay, thanks.

On the supplementary estimates we're considering today, there is a comparison of the forecast expenditures in the budget versus the main estimates, which no longer includes spending on employment insurance benefits. The parliamentary budget officer described this change in the presentation of the main estimates as one that did not increase transparency, so why did the Treasury Board exclude planned EI spending from the main estimates?

Hon. Scott Brison: I'm going to ask to defer to Brian on this, but in my opening statement I addressed this point. I'm not sure whether you were here for that.

Brian, you may want to expand on that.

Mr. Brian Pagan: Thank you.

There were two points. First of all, in his report on supplementary estimates (A) on May 18, the PBO was quite complimentary or encouraged by the fact that we've included a reconciliation table that allows one to crosswalk between the accrual budget and the cash estimates. There are a number of reasons why there are differences, and this committee heard on Tuesday some of those differences with regard to Australia where they plan on accrual and they control in cash. That is one important difference.

Another is the spending universe. Quite simply, the processes, the budgets and the estimates, do serve two fundamentally different purposes. The budget is completely forward looking and encompasses all known or anticipated expenses of the government, whereas the estimates only include the cash required for departments to deliver their programs and services, and we heard that is similar to the Australian approach.

Because of that, there are certain elements where departments don't require cash. Employment insurance is part of that. It is not funded out of the consolidated revenue fund. It is funded through a specified account for EI, and therefore it is excluded from the estimates, but through this reconciliation we have backed it back in so that one can do a comparison of total expenses in the budget and the numbers presented in the main estimates.

It is fundamentally that difference in terms of purposes of the document and the fact that quite simply, some elements of government spending are not included in the estimates because they don't require appropriations.

Hon. Scott Brison: In the past without the reconciliation table, this would be buried and not provided in the same manner that we're providing, which makes it easier for you to ask that question or to have that information.

Mr. Erin Weir: Yes, my sense is that prior to 2014-15, planned EI spending would have been included in the main estimates. I take the point that if the cash is now coming from a separate account, maybe that's not technically required, but the point would be that we should err on the side of maximum transparency, and I think you're trying to suggest that this reconciliation table does that, but that's what I'm driving at.

Hon. Scott Brison: Yes, and as you look at the budget and estimates processes, these are recommendations you can look at, and this is something we would be interested in the committee's view on, actually.

Mr. Erin Weir: While we're on the topic of employment insurance, I do have to ask about Regina's continued exclusion from the temporary extension of benefits. The government brought in this extension of benefits as a response to the downturn in oil prices. There are eight employment insurance regions across Alberta and Saskatchewan. At this point seven of them are included in the benefit extension. Does it seem reasonable to you that Regina is still left out?

Hon. Scott Brison: It would seem reasonable to pose that question to Minister Mihychuk.

Mr. Erin Weir: I have tried to do that.

Hon. Scott Brison: In about three hours you'll have an opportunity to do that in question period. She sits right next to me in the House, so give me a heads-up if you want me to let her know you're going to be asking her.

• (1130)

Mr. Erin Weir: Okay. Very good then.

Hon. Scott Brison: I just want her to be well prepared for your question, Mr. Weir.

Mr. Erin Weir: Okay, you've got a heads-up that is something we're interested in.

I asked another of your colleagues, Minister Foote, about problems with the Phoenix pay system, but of course, the Treasury Board is the federal government's bargaining agent, so it's legitimate to ask you as well.

Employees of the RCMP depot in my riding have contacted my office about problems getting paid. Some government departments have even had to start issuing emergency cheques. I'm wondering what actions you've taken to resolve this issue and ensure that the government pays our public servants correctly and on time.

Hon. Scott Brison: Thank you for the question.

The previous system was 40 years old. This is a new system, and as with most new IT systems, there are some challenges. We inherited some of these challenges. We're addressing them.

It was launched in two phases, in February and April 2016. We're working through those challenges. The staff at the Miramichi pay centre have received training and we've beefed up resources and are working closely with them to ensure that they have that. They are working on it. It's Minister Foote's department. You're quite right that it's something we're engaged in. I would urge you as a parliamentarian to bring any of these issues to our attention. We will take them to Minister Foote's department, Public Services and Procurement Canada, and we will take them to the Miramichi centre. We do want to know if there are issues. We recognize there are issues, and we're working through them, but we want to know, so please bring them to our attention.

The Vice-Chair (Ms. Yasmin Ratansi): For the last seven-minute round, Mr. Drouin.

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): I'll let Mr. Grewal start, and then I'll take over.

Mr. Raj Grewal (Brampton East, Lib.): Thank you.

Thank you, Minister, and your officials, for coming today. We really appreciate it.

Supporting our post-secondary institutions across the country is extremely important. It's extremely important to the government's growth agenda and the innovation agenda. In the supplementary estimates, we've dedicated about \$499 million to a post-secondary institution strategic investment fund. Minister, can you please outline what the program is all about and what the requirements are for the money to be distributed? I know Brampton has applied to the post-secondary institution fund, and we're hoping it gets approved in the coming months.

Hon. Scott Brison: In our universities and colleges across Canada, we have a lot of antiquated infrastructure. In fact, a lot of these research labs were built in the 1950s and 1960s and need significant upgrades. This specific program, this expenditure, is part of a \$2-billion investment that was committed to as part of budget 2016. It is going to really move the needle in helping to modernize research facilities at university and college campuses across Canada.

The response to this has been exceptional. In fact, the criteria for it require the work to begin and be completed within a fairly short time. There are two things. One, it's going to result in a more competitive and modern research infrastructure on Canadian universities and colleges. Two, it will be quite stimulative because it will result in shovel-ready and shovel-worthy projects. We are hoping it will create jobs and growth, and building a more competitive research environment will create more jobs and growth in the future.

Mr. Raj Grewal: Thank you, Minister.

Hon. Scott Brison: I would urge you, if there's a specific application, to talk to Minister Bains.

• (1135)

Mr. Raj Grewal: I know him just a little bit.

Minister, the Canada summer jobs program has been expanded under our government, and it's done a phenomenal job, particularly in my riding in Brampton East, where 145 jobs have been created. If you don't have the numbers now, I'm sure you can get them for us. How many jobs will be created this year? How does this increase compare with previous years? What is the government's plan going forward for maintaining the program?

Hon. Scott Brison: First of all, creating summer jobs for young Canadians is really important. It allows them to gain experience and to pay for their post-secondary education. After the financial crisis of 2008, we lost about 300,000 jobs for young Canadians. That was one cohort that didn't really come back during the recovery, and it has remained a real issue. The previous government reduced the number of summer jobs created by the program to the extent that in 2012-13 it was creating half the number of summer jobs that it was creating in 2005 before the financial crisis. We saw this, so we're effectively doubling the number of summer jobs being created, from 34,000 in 2015 to about 70,000 in 2016.

Mr. Raj Grewal: Sorry, Minister, not to cut you off but I have to pass it on to my colleague. I don't want to be rude.

Hon. Scott Brison: I'm sorry to hear that.

Mr. Francis Drouin: Sorry not to cut you off, but I'll cut you off.

Thank you, Minister, for being here and for being available to this committee.

I want to get back to the aligning of the estimates process with the budget. If we were to change the Standing Orders, has your department done an assessment on how long it would take to adapt to these changes?

Hon. Scott Brison: We're being quite ambitious in terms of some of the changes we can move on. We're working with the House leader and affected departments, including Finance. I think we can actually move quite quickly in the coming months on some of these. We intend to do that.

Yaprak may want to add to that, but we're moving on this.

Ms. Yaprak Baltacioglu: As the minister said, it depends on when we're allowed to do that, but we will work very hard on the budget process. Hopefully, the first ones we will table will have way more on the budget side and the year after that, probably we'll go to, hopefully, 80% or 90%. But as you said, there will be supplementary estimates for the unforeseen things.

Mr. Francis Drouin: One of the things we heard two days ago with our Australian counterparts was about the way they were reporting on information. In terms of the way we do our DPRs and RPPs, is the department contemplating perhaps changing the way we do this? If so, can you explain how you could make those more transparent?

Hon. Scott Brison: We are working on modernizing—I don't want to say revolutionizing, but in some ways it is—and moving forward in terms of changing the way we establish metrics and measure results. Right now the processes, including for the program architecture, the whole way we do it, are focused on process and not on results. We are moving towards a results-focused approach. At some point I want to come back to this committee and go through that more thoroughly.

I'm coming back to the committee on June 21, I think, on the budget estimates process. Perhaps at that time we can talk a little more about some of the results framework. I think that would be appropriate, if it's fine with the committee, to talk about that. It is a huge shift in how governments, from ministers to public servants, get results on behalf of Canadians and parliamentarians can hold us to account for that.

Can we incorporate that then in—

The Vice-Chair (Ms. Yasmin Ratansi): We're going to the five-minute round now.

I have to keep you on time otherwise we won't get through them.

It's now a five-minute round for Mr. Blaney.

• (1140)

[Translation]

Hon. Steven Blaney (Bellechasse—Les Etchemins—Lévis, CPC): Thank you very much, Madam Chair.

Mr. Brison, welcome to our committee.

This morning, I am concerned. Just like me, you attach importance to our two official languages, French and English. You know how important it is for our public service to be perfectly operational in both official languages. However, there are some very troubling reports.

According to a report obtained under the Access to Information Act, the machine translation software does not work at all. Public servants are not happy with it. That's the first problem.

The other problem is that Public Services and Procurement Canada is saying that everything is just fine, and that the software is working well. There is a problem with that machine translation software, which has caused a second problem that I would describe as serious. The software is so bad that our officials are going on public networks to translate government documents, which is a security issue, Mr. Minister.

Can you reassure us this morning as to the steps that will be taken to address the shortcomings of the machine translation software?

Hon. Scott Brison: Thank you for your question, Mr. Blaney.

I recently appeared before the Standing Committee on Official Languages, where we also discussed this matter.

We want to ensure that the public service as a whole has a translation system that works well. The software should be used for comprehension, not translation, purposes. It is important to make that distinction, but we must recognize that we need to use it.

When I discussed this matter with the Commissioner of Official Languages, Graham Fraser, he told me that it's sort of like the invention of the tractor—

Hon. Steven Blaney: I'm sorry to interrupt you, but I have five minutes only, Mr. Minister.

Could you tell me which measures will be implemented to correct the situation?

Hon. Scott Brison: First of all, the software should be used for comprehension.

Hon. Steven Blaney: So you will tell officials how to use the software. However, will the software be improved?

Hon. Scott Brison: We have actually worked with the former department of public works and government services, which is now called Public Services and Procurement Canada. As Graham Fraser said, it's sort of like the invention of the tractor—

Hon. Steven Blaney: There will be many of them on Parliament Hill today, Mr. Minister.

[English]

Hon. Scott Brison: I'll speak English for a moment.

It's like the invention of the tractor. You still need somebody to drive the tractor, and that's the importance. These tools are to be used in a way that can help us understand but not necessarily for the translation.

[Translation]

Professional translators often use the same tools for their work. In addition, the officials of Canada's public service use the comprehension tool a million times a week. I think you will agree with me that it has its purpose.

[English]

Hon. Steven Blaney: I'm not reassured, Minister, because at this point I see no reason why our civil servants wouldn't go to a useful public tool, and this is causing a threat to security.

Minister, if I may, I want to tell you—

[Translation]

Hon. Scott Brison: We inherited this matter from the previous government.

[English]

Hon. Steven Blaney: You've been in power now for six months, Minister. It's up to you to take the responsibility. I'm not taking responsibility.

I find my colleague is very indulgent with ministers: \$243,000 for furniture. You are a minister. I was a minister. We had about 10 employees. It means \$24,000 per employee for furniture. Is it granite? What is it that costs so much?

When you're a minister, you get into the office of the former minister. You say \$800,000 for a new office and you see no problem. I'm concerned about that. This is taxpayers' money.

The Vice-Chair (Ms. Yasmin Ratansi): Please give a very short answer, Minister.

Hon. Scott Brison: It won't be that long before you have the opportunity to ask Minister Sohi in question period.

The question on translation is important. I'm not being partisan when I say we've inherited a situation. I want to be clear that we're not going to back away from the appropriate use of technology. To ensure first class translation for our public servants I take as a priority.

Mr. Blaney, I learned French as an adult here in Ottawa. I remember when you first arrived in Ottawa, and you have done an exceptional job in English. I've noted that as a member but also—

• (1145)

Hon. Steven Blaney: It's because we spoke together at the gym.

The Vice-Chair (Ms. Yasmin Ratansi): Thank you.

Mr. Ayoub, you have five minutes.

[Translation]

Mr. Ramez Ayoub (Thérèse-De Blainville, Lib.): Thank you, Madam Chair.

Welcome, Mr. Minister. We are always happy to welcome you. I will try not to be too partisan, but it is tempting.

The Standards Council of Canada is asking for \$1,945,000. We know that climate change has not been a priority over the last 10 years. There have certainly been a lot of savings achieved in looking for pollution for 10 years. We have received a 10-year legacy from the former government.

Could you tell me what the Standards Council of Canada intends to do with that money? In my humble opinion, those are not exorbitant amounts for tackling that big problem. Could you further clarify this issue?

Hon. Scott Brison: As you said, it is paramount for us to do something about climate change. As a government, we have to reduce our greenhouse gas emissions, as well as to green our operations. Our priority is also to raise this issue with other governments and the private sector.

As a government, we have many opportunities to improve our approach, whether in our buildings, our operations, our trucks, our cars, or our procurement in general.

Public Services and Procurement Canada plays a very important role in the government. Our Parliamentary Secretary, Joyce Murray, is truly a leader in terms of

[English]

the greening of government operations. As we move forward, this is going to be part of...we will be investing more, and we'll be investing smartly. It doesn't necessarily mean spending more sometimes.

[Translation]

By making our buildings more eco-efficient, we reduce our energy costs. If we consider the

[English]

life cycle costing and not just upfront costing as a practice, it creates greener procurement. This is something which, when I was minister of public works in Paul Martin's government, we worked closely on with Environment. You can, just to put it in perspective, have a significant positive impact on reducing the cost of government if you build and renovate more with greener approaches.

• (1150)

[Translation]

In addition, as a government, with green procurement, we can also create a lot of economic growth in green industries. We are working in close co-operation with Innovation, Science and Economic Development Canada, given that this department is mandated to promote green industries.

Reducing our greenhouse gas emissions while driving economic growth in the industries of the future, the green industries, is a key focus for our government.

[English]

The Vice-Chair (Ms. Yasmin Ratansi): Thank you, Minister.

We go to Mr. McCauley, for five minutes.

Mr. Kelly McCauley: Getting back to the \$31 million for the softwood lumber, is that money already spent, or is that in the budget for the year? I know negotiations are ongoing, but is this future money for a possible legal dispute?

Hon. Scott Brison: I'm going to confirm with Brian. I believe this is for what we anticipate will be—

Mr. Kelly McCauley: Future costs?

Hon. Scott Brison: —for the negotiations. I believe that's the case, Brian.

Mr. Brian Pagan: Thank you, Mr. McCauley.

The costs this year are the anticipated costs for this year. It's an annual appropriation.

Mr. Kelly McCauley: I picked that up already in the back and forth. That's perfect.

Mr. Brian Pagan: It sunsets in March, and there's a one-year extension.

Mr. Kelly McCauley: No, the \$31 million, so that's for this year's involvement and not just in the future for a dispute. Perfect.

Getting back to the Canada summer jobs program, and you may not be able to answer this, but we know it's been doubled, and I've heard from quite a few different constituencies, where they were not for profits, etc., that they were cut from 16 weeks to nine weeks, and then money was allocated, but not approved.

In my riding, for example, we had 650 allocated. We had more than that for requests. People who were approved were cut back, and every single one was cut back from 16 weeks to nine weeks. I've heard this from quite a few constituencies across the country, but then \$150,000 was left unused. We've heard a lot, that it's doubled, it's created this and this, but in quite a few constituencies when we spoke to them, their comment was, "We don't know, that was the direction."

Hon. Scott Brison: It's a significant increase in terms of—

Mr. Kelly McCauley: I'm just trying to figure out who decided to cut—

Hon. Scott Brison: This is the first time, Mr. McCauley, that I've heard this specific concern. Can you provide us with more details? You said several constituencies.

Mr. Kelly McCauley: Yes, I'll send it to you.

Hon. Scott Brison: If members of Parliament.... This is good information, so we want to know that.

Mr. Kelly McCauley: I'll send it to you.

Hon. Scott Brison: Please do, and also to Minister Mihychuk as well. We do want to know if there's a lag, if you will, in terms of the operational side of this.

[*Translation*]

Hon. Steven Blaney: Madam Chair, I wanted to point out that we are in favour of the requests presented to us today and we intend to support them.

Mr. Minister, we are just by Wellington Street, where a demonstration is getting under way. Just now, in your remarks, you mentioned tractors. Very shortly, the street will be packed with tractors. Farmers from the Bellechasse region, for which I am the MP, will be among the protesters.

Yesterday, during question period, your government reiterated its support for supply management. Clearly, as the saying goes, it is good to walk the talk. Are you able to tell us whether your department will help find a solution, which is ultimately very simple,

to reclassify diafiltered milk? Is your department handing that matter?

If not, as an MP and minister from a rural area, are you going to push for a solution to this situation, which is having a real impact on the market? We are talking about a milk cartel. These are dairy farmers who live in your riding. They are working families. Could you give us some indication today as to how your government will respond to the calls from these farmers who have taken to the streets of Ottawa?

Hon. Scott Brison: Thank you very much for your question.

We support—

[*English*]

Hon. Steven Blaney: —supply management

[*Translation*]

or "gestion de l'offre" in French.

Hon. Scott Brison: —supply management. For a long time, the government and the Liberal Party have supported supply management. As an MP representing a rural riding where supply management contributes significantly to our local economy, I fully recognize the importance of supporting it.

During the negotiations of free trade agreements, such as the one with the European Union or the Trans-Pacific Partnership, there is always pressure to eliminate or reduce supply management. As a country, it is important that we protect our program and continue to negotiate agreements in order to expand our international opportunities for Canadian exports. I think it is possible to have both, and I am not giving in to the temptation to be partisan.

However, I think that our record as a party, and the previous models—

• (1155)

Hon. Steven Blaney: Mr. Minister, you have an opportunity to prove it by taking action.

Ms. Yasmin Ratansi: I'm sorry, but your time is up. Thank you.

Hon. Scott Brison: Yes, and we will continue to do so. Did your Conservative colleague sign—

Hon. Steven Blaney: He did a very good job protecting our farmers when we formed the government, and he took concrete action on the pizza kits less than a year ago.

[*English*]

The Vice-Chair (Ms. Yasmin Ratansi): Thank you, Mr. Blaney.

We're going to the last five minutes. Mr. Whalen, I understand you're sharing your time with Mrs. Shanahan.

[*Translation*]

Mr. Nick Whalen: Yes, Madam Chair.

If I still have time, I will share it with Mrs. Shanahan.

[English]

Mr. Brison, like Mr. Blaney, I'm very interested in correcting many of the mistakes that we inherited from the previous government. We've made over 300 promises. We've done many of them over the course of the first six months, but I know there are so many more errors that we need to correct, not only in official languages but in many areas.

At the same time, and with so many new programs, I do want to make sure that we don't make matters worse. I want to have an understanding on how we are going to have quantitative metrics associated with programs and products that we develop for constituents. The particular question that I want to know the answer to is whether these performance metrics are going to be developed by Treasury Board in some type of a strategic plan, or whether they are going to be developed independently by the parliamentary budget officer and reported that way. I don't mean to be too partisan about it, but I'm trying to create a stick to beat myself with. I want to know how we're going to have metrics to make sure the government can be held to account.

Hon. Scott Brison: I thank you very much because results-focused government is something that's really important, which we want to demonstrate to Canadians. They provided us with a mandate to implement a progressive and ambitious program, and we have to deliver it.

I think that in politics and in government we usually focus on policy assuming that the execution of the policy will go fine, when in fact that usually doesn't happen. We are trying to focus more on execution. There is a new agenda and results committee of cabinet, and a new unit within PCO led by Matthew Mendelsohn, focusing on that, as well as the Clerk himself and the team at PCO. This is a whole-of-government approach that we are working on with each department and agency.

Treasury Board is central to this. There's the flow of new investments through which we have an opportunity to play a role in terms of establishing metrics with the department and measuring results. It's also the stock that is huge, about \$250 billion per year. As we work with departments and agencies over a period of time to evaluate that stock, we can really make government a lot more efficient and effective.

For governments at all levels—I believe in Canada, it's around 35% of GDP—simply operating government more efficiently and being more results focused can really make a big difference in terms of the productivity of the country, in terms of wealth and prosperity.

I commend to you a speech I gave this week to 700 executives in the public service at APEX. I commend to you any of my speeches. They're really good.

Some hon. members: Oh, oh!

Hon. Scott Brison: But this one, I believe, we've put up. Even my deputy, who's really difficult with me sometimes, said it was pretty good.

I was just joking, but it did lay out broad strokes.

I want to come back to this committee to go through some of the reform within government. From a parliamentary committee perspective, I think it is really your wheelhouse in terms of effective operations of government. This is something that I really do want to come back to. I can give you a better overview on the 21st when I'm back on that.

● (1200)

The Vice-Chair (Ms. Yasmin Ratansi): Ms. Shanahan, you have one minute and fifteen seconds for questions and responses.

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): Thank you very much, Chair.

Minister, I also have the pleasure of sitting on the Standing Committee on Public Accounts. It has come to my attention that when we receive the volume of public accounts, it's difficult to tease out the program spending. I would just like to hear from you, especially with the cross-department initiatives that we have, on how we are going to tease out that program spending and what level of reporting we are going to see.

The Vice-Chair (Ms. Yasmin Ratansi): You have 30 seconds, Minister.

Hon. Scott Brison: We have a pilot program right now with Transport Canada. There are specific programs for which we are providing more granular information. It's a pilot, but it's something we intend on expanding, so that's something. Take a look at Transport Canada. We can direct you exactly to that, if you would like.

That was a good question.

The Vice-Chair (Ms. Yasmin Ratansi): Thank you to the Minister. Thank you to the witnesses.

Mr. Erin Weir: Just hang on, Madam Chair. I think we're not quite done the rotation here.

The Vice-Chair (Ms. Yasmin Ratansi): The time's up.

Hon. Scott Brison: I think I might.... I'm not sure what's—

The Vice-Chair (Ms. Yasmin Ratansi): Can you give him three minutes?

Hon. Scott Brison: Sure.

The Vice-Chair (Ms. Yasmin Ratansi): Okay, Mr. Weir, you have three minutes.

Mr. Erin Weir: Well, thank you.

On this theme of efficient operation of government, Treasury Board has put Transport Canada under special oversight. That had prompted me to ask you before about Regina's Global Transportation Hub which received millions in federal funding, and then bought land from businessmen linked to the governing Saskatchewan Party for more than double the publicly appraised value. The provincial government, to which I believe you have deferred, claimed that this purchase was based on a private appraisal, and the CBC filed an access to information request for that document.

Since we last discussed this matter, CBC has reported that the Global Transportation Hub is refusing to release the private appraisal because it “could be expected to harm the reputation and cause financial loss to the preparer of the appraisal”. At what point will the Treasury Board intervene to safeguard federal tax dollars?

Hon. Scott Brison: Well, my understanding is the provincial government has referred this to the provincial auditor general. Obviously, the provincial auditor general is looking at that, and I don't want to prejudge that.

We work in partnership with provincial governments, and provincial governments play an important role. The actual execution of a transaction of this nature is clearly in the purview of a provincial government. Again, the provincial government has referred to the auditor general, and we don't have a rapport with the auditor general at this point.

Mr. Erin Weir: The concern is the provincial government refusing to provide the information. I guess another fact would be that it charged CBC \$180,000 for its access to information requests. I think by any standard that's just excessive.

At some point I wonder if the federal government would come to a determination that perhaps the province isn't being forthcoming with the information necessary to investigate this project, which does entail a lot of federal money.

Hon. Scott Brison: I find your question quite provincial in that it is more of.... Look, I appreciate your persistence with this issue, Mr. Weir, but again, right now, if there's a governance issue, it is a provincial governance issue. The provincial auditor general is looking at this.

I'm a federal member of Parliament, as are you. You're a citizen of that province. You should have a conversation with the provincial government.

Mr. Erin Weir: Sure, but there are federal tax dollars at stake here

The Vice-Chair (Ms. Yasmin Ratansi): Mr. Weir, we're finished. We're finished.

Hon. Scott Brison: But we also actually want to allow the process that has been established by the provincial government to look at that to come to its natural conclusions as well.

The Vice-Chair (Ms. Yasmin Ratansi): Thank you, Minister.

Thank you to the witnesses, and thank you to the committee.

We're meeting this afternoon in room 237, so we'll see you then.

This meeting is adjourned.

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