



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

# **Standing Committee on Government Operations and Estimates**

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OGGO • NUMBER 064 • 1st SESSION • 42nd PARLIAMENT

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**EVIDENCE**

**Thursday, December 1, 2016**

—  
**Chair**

**Mr. Tom Lukiwski**



## Standing Committee on Government Operations and Estimates

Thursday, December 1, 2016

• (1205)

[English]

**The Chair (Mr. Tom Lukiwski (Moose Jaw—Lake Centre—Lanigan, CPC)):** Colleagues, we're just a few moments beyond noon, our scheduled starting point. We had a committee in here just before us, so it's understandable but I'd like to get going as quickly as possible.

Minister Brison, welcome again. As we were saying just before the meeting, it looks as if you're becoming almost an honorary member of this committee. I'll have a pin for you the next time you come, just because of that.

I notice that we have new faces with us today. I can only assume that all of the interest is due to your appearance, Minister. That's why we have so many new faces here.

**Mr. Raj Grewal (Brampton East, Lib.):** I thought it was my return to the committee.

It's hard to know.

**The Chair:** Well, there's Raj as well—that's right.

Anyway, Minister, thank you. We understand that we have you until one o'clock.

**Hon. Scott Brison (President of the Treasury Board):** Yes.

**The Chair:** Thank you very much. Let's begin immediately, then, sir.

I understand that you have an opening statement. Please proceed.

**Hon. Scott Brison:** Thank you, Mr. Chair. I'm delighted to be back before the committee. I'm here today with Yaprak Baltacioglu, the secretary of the Treasury Board, and Brian Pagan, the assistant secretary of the expenditure management sector.

Brian is still sporting the last remnants of Movember as he prepares for Manuary. I commend him for his considerable courage.

You're right; I do feel like an honorary member of your committee. This is the fourth time I've been here to discuss estimates reform, and in addition to that we've done technical briefings for members of Parliament and senators, last winter and more recently. As a minister, I feel it's incredibly important to engage Parliament, and the work of parliamentary committees is very important.

[Translation]

As I said the last time I was here, I know Estimates reform is a very important issue for this committee.

[English]

The ability to exercise oversight is the most important role we play as parliamentarians on behalf of Canadians. Mind you, of course and as I've said before, this coming spring, on June 2, will make 20 years since my first election. I spent 16 of those years in opposition and by that time will have spent four years as a member of two cabinets. That informs a lot of my passion for creating a system that works better for Parliament and for parliamentarians.

I believe very strongly that reform is necessary and will provide more meaningful tools for effective oversight by parliamentarians. I want to assure you on the record on one point, and I will repeat the commitment to ministers appearing before committee to defend their estimates—I've said this in the past, and our government has said—this is something we're committed to.

To further strengthen this reform process, our House leader will write a letter to committee chairs committing that ministers will appear on main estimates twice, if invited twice, for instance. We firmly believe that parliamentary oversight and accountability are crucial in our democratic system. Having ministers appear before committee when invited to discuss the estimates is a key part of holding government to account.

Further, my immediate focus for reform is creating better alignment of the budget and the estimates. Recently *The Globe and Mail* editorial, I thought, captured the current dysfunction of the process quite accurately, in saying:

...the current sequence is bad to the point of absurdity, with spending estimates usually coming before the budget, and in a different accounting format, rendering them virtually meaningless. It's a discredited practice that has only served to keep MPs in the dark about how tax dollars are being spent. Almost any improvement will be welcome.

Because of these issues and some of the other ones we've discussed in previous appearances, we're committed to better alignment. Our intention is for parliamentarians to be able to study documents that will be substantially more meaningful than the status quo.

These are not easy changes. Recently the PBO released a report that said our efforts are laudable, but they also expressed some concerns about our current proposal of tabling the main estimates on or before May 1. They expressed concerns about, and I'll quote the PBO, "sclerotic internal administrative processes" of government.

●(1210)

I'm not sure I would have chosen the word "sclerotic", but I can tell you—and this is my second time as a minister— that I get frustrated with the silos within government and the lack of connectivity between government departments and agencies and the inability to work horizontally across government departments and agencies.

Whether or not I would have chosen the word "sclerotic", I think I agree with the PBO that there is a lot of work to be done for our Government of Canada to up its game and to better enable close working...horizontally on important issues for Canadians, and across government departments and agencies.

I understand their position. It does take time to change processes and cultures within government broadly but also within departments and agencies. The estimates process we have now has been in place for a long time. We are working hard, not just in terms of estimates reform but broadly on our results policy, which will focus the work of government more on results than on processes.

On the specific change we're seeking, in terms of the deadline for the main estimates, we are seeking a two-year provisional change that will allow the Treasury Board and the Department of Finance, particularly, to make substantial changes to how they work together and to operationalize these changes. This gives the department, along with all the departments that, in the budgeting process, are part of this, the time to ensure that substantial portions of the budget are reflected in the main estimates.

Changing the sequence, in and of itself, is a step in the right direction, but the two years gives us the opportunity to operationalize this and to have very high-quality and meaningful estimates documents that reflect budget items.

We have made some progress, particularly in the work between Treasury Board and the Department of Finance. If you recall supplementary estimates (A) for this year, 66% of the items were actually budgetary items. That was up from, I think, 6% the year previous. That indicates a closer working relationship between Finance and Treasury Board already. We view the changing of the sequencing of the main estimates as giving us an opportunity to deepen that co-operation and to strengthen the results of that.

Our goal is to have 100% of the budget measures in the main estimates. This is the case in other jurisdictions, such as Ontario or Australia. Getting the proper sequence in place is the first step in that. I've been clear here before of my admiration for the Australian model, and this is a move in that direction.

The former parliamentary budget officer, Kevin Page, believes that our transitional approach is reasonable. He said, "While I believe Parliament and Canadians should see main estimates before the start of the fiscal year, I support your recommendation that this adjustment may take two years to implement."

We welcome the PBO report. I also want to say how much I value the work of the parliamentary budget office. I have for some time. They do important work and provide important information to parliamentarians.

The PBO has pointed to a fixed budget date as a way forward. Mr. Chair, this is the purview of Finance. There's no requirement to table a budget at a fixed time. That falls under the jurisdiction of Finance. There's no provision in the Standing Orders on that.

What I believe the two-year period will give us operationally is a much closer alignment between the budget and main estimates, both in terms of content and also in terms of the sequencing. I think it's a step in the right direction that would be consistent, I think, with the broader objectives that the PBO would share with our government.

●(1215)

While the normal practice is to table budgets between mid-February and mid-March, extreme situations do arise where the government needs to avail itself of more flexible approaches. Even without a fixed budget date right now, our current proposal will get many budgetary items into the main estimates starting next year, and we'll have a better result in the second budget cycle of this provisional change. The estimates would immediately become a more useful and relevant document for all parliamentarians.

I want to thank the committee for their work on this. I look forward to hearing your advice, and we're always open to the suggestions of this committee. I take your work seriously and, if invited, will be back again. I might even seek an invitation sometime. I enjoy this very much.

One final thing, Mr. Chair and members, the better sequencing and the change we're seeking in terms of moving the deadline for the main estimates provisionally for the next two budget cycles is only part of what we're doing in terms of budget and estimates reform. Having departmental reports that are more informative, meaningful, and understandable is something we're doing as a government, and Treasury Board is helping lead that.

The cash accrual reconciliation and providing that important information to parliamentarians is something we are doing, as is purpose-based reporting, again giving parliamentarians a clearer line of sight into the spending of departments around specific purposes and building on the experience we've had with the pilot project at Transport Canada.

These are things we want to continue to expand and deepen as part of our overall reform of the budget and estimates process as part of our accountability, strengthening the accountability of Parliament but also developing a more results-based approach as the Government of Canada.

Thank you, Mr. Chair.

**The Chair:** Thank you, Minister.

We'll go into our normal rounds of questioning now. Since we're going to end up having another truncated meeting here because it's about 20 minutes after the hour, we'll get as many questions in as we can in our normal rotation.

We'll start with a seven-minute round.

Madam Shanahan, you're up first, please.

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

Thank you very much, Minister, for being with us here again today. You know that this topic of reform of the budget and estimates process is one that's very important to me. I am sensitive, though, to any remarks or commentaries that the parliamentary budget officer made, so I'd like to hear from you a little bit more in response to the report that came out on the 22nd of November, the concerns that the PBO had about this process that we're looking at.

Can you talk to us a little bit more specifically around the timing and the step-by-step process that you're proposing?

• (1220)

**Hon. Scott Brison:** Thank you. I appreciate that.

Again, I thank the PBO for their report. In fact, I'm meeting with the PBO team the week after next, and I will be discussing some of these issues. I've had a conversation with Jean-Denis Fréchette, and I look forward to more.

PBO believes that, in terms of the direction we're taking.... My understanding is that the PBO believes the direction we're taking is the right direction and is supportive. The indication to me, and Brian can speak to this as well based on his conversations, is support of the provisional change.

The provisional change means that we have an opportunity to, over a period of two budget cycles, operationalize this and to give both Finance and Treasury Board, and of course other departments and agencies through the budget process, an opportunity to get this right. Then Parliament can determine beyond that what the best approach will be going forward, and will be able to do so with a better understanding of this period and of the experience garnered from this.

I shared with the PBO some of the success we have had with Finance and Treasury Board recently, and Brian may want to add, based on his conversation with the parliamentary budget officer.

**Mr. Brian Pagan (Assistant Secretary, Expenditure Management, Treasury Board Secretariat):** Thank you, Minister.

Again, the PBO has commended our approach and is encouraging us to move forward. As the minister said, the current sequence of tabling documents is bad to the point of absurdity, so we need to get the timing right and be able to present the main estimates to Parliament after the budget over the next two years. I believe we demonstrated the value of reflecting budget items to Parliament as soon as possible last year through supplementary estimates (A), which were tabled May 10. We brought \$6.8 billion and almost 66% of the budget to Parliament. We would be able to do that on the same basis with the main estimates, thereby making the study of the main estimates more pertinent and useful to parliamentarians.

**Mrs. Brenda Shanahan:** Okay. Thank you.

**Hon. Scott Brison:** Again, this is one of the issues, but I'm looking forward to the upcoming meeting with the parliamentary budget officer. As we move forward on this, I want them to be part of this in terms of sharing our experiences with them. Also, collectively, we can learn from this process as we operationalize

this. We view the work of and the contribution to this discussion by the PBO as being extremely valuable.

**Mrs. Brenda Shanahan:** That's good to hear because when we were hearing from officers and officials from Australia and the U.K. in meetings that the committee held earlier in the year, we heard that there's quite a learning curve there. Mistakes will happen, but you don't want to make too many mistakes. I can appreciate that it's a huge challenge to have previously autonomous departments—Treasury, Finance, and so on—having to collaborate on this.

Can you talk a little bit about the internal processes you may have started already or intend to start?

**Hon. Scott Brison:** Some of the work...there's been some success

**The Chair:** If you can talk in about two minutes or less, Minister, that would be appreciated.

**Hon. Scott Brison:** There has been really good work done. I mentioned the success of how 66% of the supplementary estimates (A) were budget items this year. We believe that this two-year provisional change to the Standing Orders will give us an opportunity to actually build on that, and I'm confident.

Perhaps Yaprak or Brian want to add to this, but there has been real progress made, and this gives us runway to actually deepen that and to have higher quality, more meaningful estimates.

• (1225)

**Ms. Yaprak Baltacioglu (Secretary of the Treasury Board, Treasury Board Secretariat):** I would say that for the past three years there has been closer co-operation between Treasury Board and Finance. Finance benefits from the operational information that we have in Treasury Board, and we benefit from having an earlier challenge function on the budget proposals.

Those internal processes are running well. This next step will allow us to work with the departments so that whatever is going to appear in the budget will have its details examined through the Treasury Board committee of ministers so we can actually get them into the estimates.

I would say that the relationship with and the processes within the central agencies are good. We just have to make sure that we catch up with the rest of the town. These two years are going to give us that kind of a change.

**The Chair:** Mr. McCauley, you have seven minutes, please.

**Mr. Kelly McCauley (Edmonton West, CPC):** Welcome back to the three of you.

Mr. Pagan, welcome back to your moustache. I want to congratulate you on your fundraising for Movember.

**Mr. Brian Pagan:** Thank you.

**Mr. Kelly McCauley:** Actually, I congratulated him on his moustache for Movember and he said, "What's Movember?" Anyway, well done, and well done on your fundraising.

Very quickly, we understand that Stephen Sedgwick has been hired under contract by your office to give advice. Can you comment at all on any internal process reforms that he's recommended, or that he's talked about that have happened in Australia and he's recommending for us?

**Hon. Scott Brison:** In terms of contracting and that, I would prefer—

**Ms. Yaprak Baltacioglu:** No. It's actually a contract of mine. It's ours.

**Mr. Kelly McCauley:** I don't want the details of the contract, but what he's—

**Ms. Yaprak Baltacioglu:** Absolutely. I had met Steve Sedgwick and his colleagues when we went to Australia a number of years back. That was the time we actually spent a lot of time trying to understand the Australian regime. When they explained how their estimates and budgets worked, we were very excited about the opportunities for Canada.

We engaged Steve Sedgwick. He retired from the Australian public service. We engaged him on an advisory committee to me on the renewal of the policy suite of the Treasury Board Secretariat. It's anything from HR, to procurement, to estimates, to everything.

**Mr. Kelly McCauley:** So a wide range....

**Ms. Yaprak Baltacioglu:** He is on a wide range.... My committee has a number of people, including the former Auditor General Sheila Fraser, etc.

Steve Sedgwick has spoken to all deputies, and he is basically giving us operational advice in terms of things that we haven't been doing, for example how to keep budget secrecy while being transparent internally.

**Mr. Kelly McCauley:** It sounds like he is doing quite a wide range....

Last time we all appeared together—I think it was a couple of weeks ago—I expressed, I'll be honest, apprehension about the manner in which we are going about achieving the desired outcome of clarity in the alignment. I specifically questioned whether we are putting the cart before the horse by moving the date, which of course will have consequences, prior to reforming the system.

Although, I have to stress again, we do support the alignment and anything that increases oversight and scrutiny, I just want to reiterate, for the record, my concerns that without requirements to table a budget by a specific date, there is no guarantee that the budget and the estimates are going to align. Estimates, of course, are paramount, so much so that we actually have Standing Orders about them and the role of the ultimate authority on government spending, which is why we are here.

Therefore, in pursuing the alignment, it seems rather inconsistent to choose to modify the variable that we say should not be changed. We want to move the estimates, but we still have the variable of the budget, which can change at any time.

Again, I just want to express my concern that we are attacking one thing when we could have a moving budget that could just throw the alignment out. I'm just questioning what obstacles to the alignment

require the estimates to be moved, considering that the budget could be any time of the year.

**Hon. Scott Brison:** First of all, getting the sequence right is important.

If you look at the last period.... I have budget dates from 2006 to 2016: in 2007, March 19; in 2008, February 26; in 2009, January 27; in 2010, March.... There was an unusual one in 2015, April 21, but if you look at the custom, there is a range that is the practice. The range is quite standardized.

I get your point, totally. I believe that getting this sequence right... May 1 will provide a better opportunity, over the next two budget cycles, to help ensure, first, that the estimates follow the budget, second, that the estimates are meaningful because they include the majority of budget items—and I ultimately want to see all of the budget items in there—and third, I think, Kelly, that after this provisional period we will see an operationalizing of this as part of the budget process, not just in Treasury Board and Finance but across the government, which will make it more obvious what potential other changes could occur in the future.

Again, I've been transparent in terms of my admiration for the Australian model. It takes time to get there, and we need some time to actually work this through the system.

• (1230)

**Mr. Kelly McCauley:** We all appreciate a lot of what the Australians have done, and again, I appreciate your thoughts and your desires on the estimates reform. We know that alignment change is needed, and we support the measures that are going to give effective oversight to improve scrutiny.

We've heard several experts at PBO and others voicing great concerns about your proposed changes, though, and something as important as estimates and spending—which, you could argue, is the very reason, under our Westminster system, that we exist.... These are important voices that we would like to be heard.

In light of such, I am going to put through a motion. I don't have it written in French, so I'll just read it. In light of the minister's comments and in light of the seriousness of this matter as it relates to Canadian democracy, I'd like to move:

That the Committee invite:

The Parliamentary Budget Officer, Jean-Denis Fréchette;

The former Parliamentary Budget Officer, Kevin Page; and

Michael Wernick, Clerk of the Privy Council and Secretary to the Cabinet

to appear as witnesses in relation to the Committee's current study on Estimates Reform before making any recommendations.

**The Chair:** All right.

Mr. McCauley, this is a motion you've just made in both official languages.

For the benefit of the committee, from a procedural standpoint, normally motions require 48 hours' notice before they can be dealt with. The only exception is when a motion is made based on the material we are studying in committee. In this case I would find this to be in order, but I'm going to consult with my clerk just to make sure I'm making the right decision. I'm going to suspend for about 60 seconds.

My clerk has informed me that this motion is in order. I believe it's being distributed now—or has been distributed—in both official languages. The process will be that we will have debate on the motion.

Mr. McCauley, you have made the motion. I invite you to speak to it, but I also invite others who wish to speak to put their hands up so we can identify them, and we'll have a speakers' list.

Go ahead, Mr. McCauley.

**Mr. Kelly McCauley:** Thank you, Mr. Chair.

The importance of the PBO speaking, I think, is evident just from the well put together report that he's made. He's also put together quite a few criticisms—I wouldn't say serious criticisms but some criticisms—about moving forward.

The reason I want to have Mr. Wernick here is that the PBO states:

Before agreeing to the changes proposed by the Government, parliamentarians may wish revisit the core problem that undermines their financial scrutiny: the Government's own internal administrative processes.

That's what you were referring to, I think, with the term "sclerotic". I think we need to address and hear about that. Again, it's about putting the cart before the horse.

There are a couple of other quick quotes from the PBO that I just want to mention. He states it is "unlikely that delaying the release of the main estimates by eight weeks would provide full alignment with the budget." Again, I think it's important that we hear from him specifically on that.

There are other points the PBO has made that relate to what's been said last month:

The Government asserts that Parliament does not play a meaningful role in financial scrutiny. PBO disagrees with this view. ...parliamentarians have performed a commendable job of asking pertinent questions in standing committee hearings, Question Period and Committee of the Whole.

I think what the PBO is saying is that, despite all the obstacles thrown up, parliamentarians, current and past parliamentarians, when in opposition, have done a very good job. I think what he is saying is let's not affect the Standing Orders, change the very reason that we exist, for an issue that doesn't exist as much in his eyes.

That's why I'd like to have the PBO here specifically, and Mr. Wernick, to address his comments asking what the point is of addressing this when we're not addressing the main problem, which is our own internal administrative processes. Then Mr. Page has dealt with us before and has commented on these changes. I only saw very briefly parts of Mr. Page's commentary on the proposed changes, and I think I agree with what he says. Yes, he wants to see it moved forward, but I think I recall that he had some very specific comments or criticisms that we need to hear as well before we make such drastic changes to our system and our Standing Orders.

• (1235)

**The Chair:** Thank you, Mr. McCauley.

I have a speakers' list, just so committee members are aware: Mr. Clarke, Mr. McColeman, Madam Ratansi, Mr. Nater, and Mr. Blaikie, in that order.

Go ahead, Mr. Clarke.

[*Translation*]

**Mr. Alupa Clarke (Beauport—Limoilou, CPC):** Thank you very much, Mr. Chair.

If the committee will allow me, I intend to expand somewhat on certain aspects. I want to take the time to talk about many of the concerns we have on this side of the room.

We feel relatively uneasy about this estimates reform. I have spoken about it to the minister a few times during our recent meetings. I'm a Conservative member, so I may be a little bit biased, but basically, as a member of Parliament, I think we need to take all the precautions necessary when we decide to embark on reform of this scope.

For the past two months, the government has been saying that this is a minimal bureaucratic reform designed to make it easier to examine supplementary estimates. However, it seems to me that this is a far-reaching reform that will probably completely change the way government is accountable to members of Parliament and, ultimately, to Canadians through the existing parliamentary processes.

I would like to review the most important parts of the report tabled by the Parliamentary Budget Officer on November 22. However, before I do that, I would like to reiterate what I said to the minister a month ago. We think that this reform contains two fundamental premises in the face of parliamentary democracy. One is about content and the other about form. Let me explain.

In my view, the first premise relating to parliamentary democratic accountability, that of content, is accountability for numbers. While it is extremely important, it is not ultimately what has enabled parliamentarians and MPs since 1867 to ensure that the government is held maximally accountable for its budgetary actions to voters, parliamentarians and officials, if only for appropriations.

This is my understanding of it. I may be wrong, and I sometimes even wonder whether I'm a little bit crazy, but the Parliamentary Budget Officer's report somewhat reinforced my madness. So I think we want to work on the government's accountability for these numbers and the content of the government's accountability.

Let's also consider the other premise—the format—which may sometimes be seen as less important than the content. But I find it very important and extremely worthwhile for all of us, for Canadians and for the work of MPs. It isn't accountability in terms of numbers, but in terms of the government.

Mr. Brison, I think it would have been wise to say right off the bat that this was a vast parliamentary reform. I also think it should be part of vast consultations with Canadians.

We may think that the best way for the government to be accountable is with numbers, but we think that, for the past 149 years—soon to be 150—it is rather the government's responsibility and accountability for the format.

I would like to quote a paragraph on page 13 of the report released on November 22 by the Parliamentary Budget Officer. It seems to reinforce—

• (1240)

[English]

**Ms. Yasmin Ratansi (Don Valley East, Lib.):** On a point of order, Mr. Chair—

**The Chair:** Madam Ratansi.

**Ms. Yasmin Ratansi:** —the minister is here only for an hour, and this is basically a dilatory way of continuing.

**Mr. Alupa Clarke:** No. This is a research, I'm sorry.

**Ms. Yasmin Ratansi:** It is a point of order. You're not the chair.

**The Chair:** I will determine whether it's a point of order. I'll hear you out.

**Ms. Yasmin Ratansi:** I'm raising a point of order saying that the minister is only here for one hour. We'd like to hear the minister so that we can make our judgments.

**The Chair:** That is not a point of order.

Whether you appreciate it or not, under the Standing Orders and procedures of this committee, this member is allowed to speak. We have a motion before us. Whether he chooses to filibuster, and it certainly appears like he's going down that road, it's certainly within the rules. I understand your frustration, Ms. Ratansi.

**Ms. Yasmin Ratansi:** Okay.

**The Chair:** He's operating within the rules.

**Ms. Yasmin Ratansi:** Fair enough. If that's what they want to do, then that's fine.

I'll raise another point of order, later.

**The Chair:** Mr. Clarke.

[Translation]

**Mr. Alupa Clarke:** Thank you, Mr. Chair.

Ms. Ratansi, thank you for mentioning this.

I will, however, quote from page 13 of the Parliamentary Budget Officer's document, which seems to confirm what I'm saying, that accountability should not be focused on numbers, but on the ostracizing of the government in our committee meetings.

[English]

**The Chair:** Mr. Clarke, excuse me.

Mr. Drouin, on a point of order.

[Translation]

**Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.):** I understand what my colleague is saying, but he isn't speaking to the current motion.

**Mr. Alupa Clarke:** I'm getting to the matter of the Parliamentary Budget Officer.

[English]

**Mr. Francis Drouin:** No. He's not speaking to the motion. I think we should call the question. He's not speaking to the motion.

**The Chair:** We are not allowed to call the question procedurally.

There are requirements for speakers to be both relevant and non-repetitive. I have heard relevance to date, but, Mr. Clarke, I would

concur with Mr. Drouin that you must make sure that all of your comments, and any comments from anyone who wishes to speak to this, are about the motion itself, which is calling upon this committee to invite three particular witnesses to hear evidence on the minister's proposal.

With that in mind, I will ask you to continue. Please observe the rule of relevance.

[Translation]

**Mr. Alupa Clarke:** On the contrary, what I'm referring to absolutely is what we're discussing today.

I'm getting to the Parliamentary Budget Officer's report of November 22, 2016. I'm sorry if I sometimes go off on philosophical tangents; it's the academic in me.

I will start by quoting what I think confirms the fact that accountability must not be focused on numbers, but on the the fact that the government is shunned for three months every year.

In his report, the Parliamentary Budget Officer stated, “The [current] Government asserts that Parliament does not play a meaningful role in financial scrutiny”. He adds, “PBO disagrees with this view”. Isn't that interesting?

I'll continue.

We note that notwithstanding the Government's performance information of admittedly poor quality, and their inability to reconcile the Government's spending proposals, parliamentarians have performed a commendable job of asking pertinent questions in standing committee hearings, Question Period and Committee of the Whole.

That's fundamental because it's what we're talking about right now. The performance information would be of poor quality and would not be aligned with the budget.

I'll continue with the quote.

Based on our day-to-day work with parliamentarians, PBO believes that through this challenge function, the Government's financial plans have been rendered more transparent (and perhaps even coherent).

This passage, which is in the conclusion of the Parliamentary Budget Officer's report, touches on the essential point I was talking about. We are trying to confront two premises: responsibility for numbers and responsibility for the departmental banishment. According to him, whether the numbers are accurate or not or whether they are of poor quality is not what matters and isn't what should be a priority. What should be a priority is the three-month process in which parliamentarians can make the government accountable by ostracizing ministers in committees of the whole, for example.

I will quote the passages in the Parliamentary Budget Officer's report that I think are the most important. These passages should no doubt be heard by the Canadians listening to us right now, who probably haven't printed the report and haven't received it at their homes, either.

My employees always say that I am a bit lost in philosophical history, and that I always come back to the founding of Canada and parliamentary democracy.



The start of point 2 in the report, which is titled, “Context”, reads as follows: “The cornerstone of our parliamentary democracy is that no laws can be imposed on the public without the consent of their elected representatives”.

That said, I know very well that the objective of this reform is not to ensure that legislation can be adopted without the elected officials

• (1245)

[*English*]

**The Chair:** We have a point of order from Mr. Whalen.

**Mr. Nick Whalen (St. John's East, Lib.):** Mr. Clarke has again stopped speaking to the motion before us about calling the witnesses and is now speaking again to the proposal being put forward. He's not speaking to the motion.

**The Chair:** I believe, Mr. Whalen, that the proposal asking this committee to bring forward witnesses is about the proposal that the minister has made. They are interconnected in my view.

While, yes, you can argue that speakers should deal directly with the motion calling for these three witnesses to come forward, I believe that Mr. Clarke is talking about the reasons why witnesses should be appearing before this committee based on the proposal that the minister has given us.

**Mr. Nick Whalen:** With respect, Mr. Chair, I challenge you on that. He was speaking to that at some point, but then he shifted back and he began to speak at length about the proposal coming from the Treasury Board Secretariat. I just want to challenge you on that.

**The Chair:** That's fine. As I have already mentioned to Mr. Clarke, and I will mention again the rules of relevance, I have not found him straying too far, but certainly if he does, I will interject.

**Mr. Nick Whalen:** I challenge you, so can we put this to a vote?

**The Chair:** Certainly.

You can challenge my ruling of relevance, but that does not prevent Mr. Clarke from continuing his dissertation.

The challenge is to my ruling that Mr. Clarke was speaking irrelevantly to the motion. Do you want to phrase it in any other manner, other than that you disagree with my ruling?

• (1250)

**Mr. Nick Whalen:** I won't waste the time.

**The Chair:** Okay.

Mr. Clarke, we've had two interventions now about relevance. Again, you were straying a little bit, but you need to make sure that whatever your comments are, they are to the motion before us.

Please continue.

[*Translation*]

**Mr. Alupa Clarke:** I am quite sure, Mr. Whalen, that I'm addressing this motion.

Our motion invites the Parliamentary Budget Officer to appear before this committee. But since we don't form the majority on this committee, I want to ensure that the Canadians listening to us right now can see, through the record of our discussion, the Parliamentary

Budget Officer's concerns, should you vote against this motion and should he not appear before us.

On page 4, the Parliamentary Budget Officer writes:

Parliament has established the Business of Supply to administratively manage the consideration of the new revenue-raising measures (such as taxes and tariffs), as well as disbursements of the money it collects...

This passage is very interesting and very important. According to a Rousseauist vision of life, we want to argue that many democratic actions can help to change society, but in reality, in our democracy, two fundamental actions are making progress, namely, the election held every four years, and finances, including the budget choices made by Canadians and MPs.

I think the Parliamentary Budget Officer is trying to clarify or strongly support that, under the pretext of a call for clarifying accountability for numbers, we should never set aside and forget the importance of the process of making ministers accountable for their budget decisions.

[*English*]

**Mr. Nick Whalen:** Again, I have a point of order, Mr. Chair.

Again, Mr. Clarke has strayed from speaking about whom he wants to call, the motion before the committee, and is again speaking to the issue of whether or not the motion and proposal from Treasury Board Secretariat is a good idea. This is the third time now that Mr. Clarke has strayed back into the debate of the previous issue and not the motion before the committee.

**The Chair:** Thank you, Mr. Whalen. Again, I'm listening intently. I understand your frustration.

Let's be quite clear about this. We all know what's happening here. The opposition is using the procedural tactics that are at their availability. They are certainly within their right to do so. As one who has engaged in filibusters before, at one time going on for over eight and a half hours in committee, I'm intimately aware of how these things work and what the rules are from the chair.

There is, certainly you must admit, a connection between the proposal the minister has put forward and the motion put forward by the opposition, because they are interconnected. Because this motion is speaking to the fact of hearing witnesses dissect, if you will, the proposal by the minister and provide evidence to this committee whether or not the proposal is reasonable and should be acted upon, Mr. Clarke is referencing that.

To be able to say that you want him to be specific to just the motion is perhaps a little extreme, because if he strays beyond what the minister has said, or if he strays beyond commentary made by the parliamentary budget officer, or reference to any of the witnesses' observations, then I would agree with you that it's not relevant, but I haven't heard anything that strays too far yet.

Mr. Clarke.

[*Translation*]

**Mr. Alupa Clarke:** Thank you, Mr. Chair.

I will reassure you by reading two more passages that I think are the most important in the report. We're still talking about major democratic reform, Mr. Ayoub. I'm not sure if you know, but that's what's going on right now.

**Mr. Ramez Ayoub (Thérèse-De Blainville, Lib.):** We've been listening to you religiously for too long, Mr. Clarke.

**Mr. Alupa Clarke:** Thank you.

I will read you the most important passages, and then I will give Mr. McColeman the floor because he is next on the list of members who need to speak.

What is the principle of requesting departmental accountability in committees of the whole or committees like the ones reviewing the supplementary estimates?

The Parliamentary Budget Officer asserts that, and I quote, "When considering the Government's proposals—

• (1255)

[English]

**Ms. Yasmin Ratansi:** He wants you to keep on talking.

[Translation]

**Mr. Alupa Clarke:** Thank you very much, my esteemed colleague. I appreciate it very much.

I'll start again. The passage reads as follows:

When considering the Government's proposals, it is essential to compare them against core principles of parliamentary review of spending, which enhance Parliament's ability to hold the government to account.

According to Her Majesty's official opposition, any reform that would impair the allotted time, which has been a three-month period for almost 150 years, would hamper this basic principle of accountability on the part of the government.

I will read you the last quote and stop there, which will please my government colleagues. So here is another quote from the Parliamentary Budget Officer that I think is fundamental:

That said, Parliamentarians will need to determine whether the cumbersome workaround of creating a new interim estimates, appropriating money based on the previous year's financial estimates, releasing a new main estimates in May and eliminating the spring supplementary estimates, is the best approach to meet their needs.

You have to understand that we're talking about 13 pages here. If the Parliamentary Budget Officer has managed to use 13 pages to outline the problem of two fundamental premises that are at odds with each other, it is imperative that he appear before our committee and explain to us in more detail what exactly he means and what his most obvious conclusions are, notwithstanding what is written here.

Thank you for giving me this time, Mr. Chair.

[English]

**The Chair:** Thank you, Mr. Clarke. I'm sure the members of the committee appreciate your comments as well.

Next on my speaker's list I have Mr. McColeman.

Mr. McColeman, I note that we're about five minutes away from the time at which we're scheduled to adjourn. In your comments,

please, sir, I suppose if I call for brevity it might be lost on you. Nonetheless, the floor is yours.

**Mr. Phil McColeman (Brantford—Brant, CPC):** Thank you, Chair.

To speak directly to this motion, getting more explanation from the current parliamentary budget officer, the former parliamentary budget officer, and Michael Wernick is really the logical way to go once you read the current report by the PBO.

I'm going to highlight some sections of the report. I'm certainly not in agreement with comments that have been made earlier today that this report is complimentary. It's far from complimentary of this process. When I read it and reread it, I highlighted and underlined the key areas where I will make the case as to why we need the parliamentary budget officer to come here as a witness on this, which are as follows.

I'll read from section 1, which is the executive summary. It's on page 3, the first section of the report. The report says:

In the case of purpose-based appropriations, PBO notes that the last time this issue was studied, parliamentarians recommended approving money for each program within a department and agency. The Government now proposes high-level appropriations that would provide discretion for departments and agencies—

**The Chair:** Excuse me, Mr. McColeman.

Do you have a point of order, Madam Ratansi?

**Ms. Yasmin Ratansi:** On a point of order, Chair, we would like to support this motion with an amendment that PBO Jean-Denis Fréchette, former parliamentary budget officer Kevin Page, and the Clerk of the Privy Council come before us at the next meeting.

**The Chair:** First, are you proposing it as a friendly amendment?

**Ms. Yasmin Ratansi:** Yes.

**The Chair:** We first have to see whether it is accepted by—

**Ms. Yasmin Ratansi:** We're accepting your proposal, and we can vote on it today.

**Mr. Kelly McCauley:** I may not know the rules well. I don't know that you can.... Can you call a point of order to make an amendment?

**The Chair:** Let me just consult with my clerk, please.

Ms. Ratansi, Mr. McCauley is quite correct. You cannot make an amendment on a point of order.

**Ms. Yasmin Ratansi:** We are saying we approve; we agree—

• (1300)

**The Chair:** That is not a point of order.

**Ms. Yasmin Ratansi:** Okay. Fine. It's not a problem. They don't want it. It's 1 o'clock; we're done.

**The Chair:** All right. Seeing that it is 1 p.m. and I know the minister's time is tight, Mr. McColeman, we'll have to interrupt your comments while we excuse our witnesses and adjourn the meeting.

Thank you, once again, minister.

The meeting is adjourned.







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