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

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**EVIDENCE**

**Thursday, December 6, 2012**

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**Chair**

**Mr. Pat Martin**



## Standing Committee on Government Operations and Estimates

Thursday, December 6, 2012

• (0850)

[English]

**The Chair (Mr. Pat Martin (Winnipeg Centre, NDP)):** Ladies and gentlemen, we'll convene our meeting of the Standing Committee on Government Operations and Estimates. We're very pleased today to continue our study regarding the examination of the renovations and associated costs for the parliamentary precinct renovation project.

We're very pleased to welcome today as our guests, officials from the Department of Public Works, specifically Pierre-Marc Mongeau, assistant deputy minister, parliamentary precinct branch, and I'll let you, Mr. Mongeau, introduce your other panellists. I welcome you and give you the floor to introduce the topic for today.

**Mr. Pierre-Marc Mongeau (Assistant Deputy Minister, Parliamentary Precinct Branch, Department of Public Works and Government Services):** Thank you, Mr. Chair.

[Translation]

I am going to make my presentation mostly in French and my colleagues will speak to you in English.

Thank you very much for inviting us. I am joined today by my colleagues Joanne Monette, Director General, Planning and Operations, Parliamentary Precinct Branch and Ezio DiMillo, Acting Director General, Major Crown Projects, meaning everything to do with the construction.

Once more, thank you for inviting us to speak with you today on the implementation of the long-term vision and plan, or LTVP, a multi-year plan for rehabilitating and modernizing the parliamentary precinct. I am happy to be here to answer your questions, but before I do, please allow me to begin with a brief presentation on where we are at the moment.

I think that you have received our document. We have included some photographs and we provide information on the stage that some of our projects have reached. We show the overview on page 2.

Canada's Parliament buildings are in a state of advanced deterioration that presents health and safety risks to parliamentarians, staff and the public. For example, two weeks after being emptied in December 2010, the West Block experienced a flood so severe that would have shut it down indefinitely. And just this past February, water leakage in the Centre Block caused the failure of one of two transformers providing power to Parliament Hill. We are regularly faced with major issues because of the buildings' advanced age.

The LTVP is designed to address this deterioration, as well as the accommodation needs of a Parliament that has grown considerably since the buildings were constructed in the 19<sup>th</sup> and early 20<sup>th</sup> centuries. To be precise, in 1856 and 1920.

The current LTVP strategy was approved by cabinet in 2007 and again in 2010. It prioritizes the rehabilitation of the West, Centre and East blocks, and is based on rolling five-year programs of work. So we are working in five-year programs, with priority given to the three main buildings on Parliament Hill itself.

This approach offers the government maximum control of the plan by enabling it to set the long-term direction, while establishing clear priorities at five-year intervals and within pre-approved funding envelopes. Individual projects within each program of work are subject to Treasury Board approval. These short and manageable cycles allow us to respond to shifting priorities and permit greater accuracy in determining the requirements of the partners—meaning yourselves—and in developing project costs and schedules.

Slide 3 shows why rehabilitation is required now. The need to rehabilitate and modernize the Parliament buildings has been a long-standing concern, recognized on many occasions, including by the auditor general. Independent technical assessments from 1999, 2006 and 2009 consistently conclude that the condition of the buildings is deteriorating, particularly the Centre Block, which is projected to reach a critical risk of total failure by 2019. I will explain what that means later. But there is a possibility of structural, mechanical and/or electrical failures, which could render the building uninhabitable and require it to be shut down.

Other major issues at this time include the presence of hazardous materials and the need for seismic upgrades to comply with national building codes. The implementation of the LTVP will address these matters; it will ensure the safety and security of parliamentarians and the public, and will provide Parliament with the level of accommodation needed to carry out its duties.

Slide 4 shows an example of the restoration required. The restoration of heritage buildings is a complex, labour-intensive, time-consuming and costly endeavour, but a necessary one, especially in the case of the Parliament buildings. The buildings need to be fully rehabilitated from the inside out. Their exterior masonry is to be repaired and restored, while their internal systems are to be replaced.

Slide 5 describes how, over the years, the department has worked with the Senate, the House of Commons and the Library of Parliament to yield some remarkable achievements. We have completed 15 major relocation projects. All major projects continue to track on schedule and within their approved budgets. In her 2010 report, I remind you—as I did the last time I was here—that the Auditor General recognized the efforts of Public Works and Government Services. She stated that, and I quote:

Public Works had in place generally sound project management practices...The department also developed a costing estimates methodology that takes into account the risks rehabilitation projects are facing...

The words “generally sound practices” are an auditor's way of saying that things are going well.

Similar conclusions were made just this past September by an independent firm that concluded that the department exercised sound project management practices for the six major crown projects it assessed, including the West Block, the Wellington Building and the Sir John A. Macdonald Building.

In 2012, the new Auditor General stated that, and I quote:

Public Works and Government Services Canada adequately planned for and assessed the benefits, costs and risks of its contractor use at the branch or departmental level.

So that was in regard to our use of advisers and consultants for the various projects.

In planning for a major rehabilitation of the Parliament buildings in the United Kingdom, the deputy speaker of the House of Lords recently consulted our team and our parliamentary partners on the work underway here in Canada to see what lessons have been learned so far. The deputy speaker of the House of Lords is from England, of course.

Slide 6 shows the projects that have been completed to date. In the spring of 2006, PWGSC completed the major rehabilitation of the Library of Parliament. The 130-year-old building—the oldest on the Hill—received a complete overhaul of its exterior and interior systems. This work was later recognized with numerous awards for our outstanding efforts in conserving this very important building.

Slide 7 shows the savings we have achieved. As I have already mentioned, between 2006 and 2010, the department completed 15 major relocation projects to support the major rehabilitation now underway. Those projects realized substantial time savings and came in at nearly \$35 million under budget.

Let me mention some of the key relocation projects. Slide 8 shows the key relocation projects that have been completed. A new food production facility was constructed in Ottawa's east end. The building exceeded the planned sustainability target of LEED silver and instead achieved LEED gold. It was completed six months ahead of schedule and \$6.3 million under budget.

The former Canadian Museum of Contemporary Photography was converted into four state-of-the-art committee rooms for the House of Commons using funds from Canada's economic action plan. The project was completed on budget in 16 months. It enabled us to advance the completion of the West Block project from 2020 to 2017.

The La Promenade building, the wonderful building we are in today—if I may blow its horn for a moment—was renovated and fit up for 62 MPs' offices and three committee rooms, including this one. The project was completed on time and \$6.4 million under budget. I can assure you that, when we plan for these committee rooms, we imagine from the outset where we are going to be sitting when they are complete. That is what I am doing today.

Slide 9 shows our current work on some very prominent buildings. The work is very visible. The East Block north tower project, for example, is currently underway and on track for completion in 2013. The project will restore the tower and address structural issues with its foundation.

Slide 10 shows the work being done on security measures along Wellington Street. We are working closely with the RCMP on this project. Several security enhancements are being made throughout the precinct to ensure the security and safety of parliamentarians and visitors alike.

● (0855)

This includes the installation of retractable bollards at four vehicular entry points, as well as fixed ones at pedestrian gates. This project is on track for completion in 2013.

By the way, I must thank you for your patience during this project.

The former Bank of Montreal, now named the Sir John A. Macdonald Building across from the West Block, is being rehabilitated to provide permanent space for the House of Commons to replace the former room 200 in the West Block.

The project also includes the construction of an addition to the west of the building that will house support and loading facilities. Work at this time includes seismic upgrades needed to meet today's codes. The project is presently tracking ahead of schedule. Everything should be complete in 2015.

If you go to page 12, you will see that the rehabilitation of the Wellington Building is well underway. It is also on track. It is to be completed in 2016. When complete, it will house 69 parliamentary office units and 10 committee rooms.

Slide 13 shows the West Block. We have a model with us, as well as some photographs. As you are aware, the West Block project is well underway. When complete, the revitalized building will house an interim House of Commons chamber, a number of parliamentary offices and a host of functions from the Centre Block during its rehabilitation. The project will also permanently expand the usable space of the building by 50%.

I remind you that the roof is permanent and that, when the chamber goes back to the Centre Block in a number of years, we will be able to remove the current enclosure around the chamber, the one you can see in the model, and build new floors so that we can increase the number of offices and meeting rooms once again. So we have some flexibility in the way the project will develop. Completion is still scheduled for 2017.

I also want to remind you that decisions regarding the partners' requirements, or specific design elements in the precinct, are not made alone and unilaterally by Public Works. Matters such as these are consulted on with independent experts and carefully vetted by stakeholders at all levels, including the administrations of the Senate, the Library of Parliament, the House of Commons, the Federal Heritage Buildings Review Office and the National Capital Commission.

The department is committed to restoring and preserving Canada's Parliament buildings according to all applicable codes and regulations, and to demonstrating accountability and fiscal responsibility in doing so.

The implementation of these projects and the overall LTVP is guided by a strong oversight and accountability regime that includes a third-party review framework covering areas such as contracting and costing. All major construction contracts are awarded through a transparent and competitive two-stage process that is overseen by independent fairness monitors.

On page 14, you will see that we too understand that concerns for the costs associated with an undertaking of this size are to be expected, especially in a time of fiscal restraint. I am ready to answer your questions on this. Given the complexity of these projects, it is also understandable that there be questions about what these costs include and how they were calculated.

The final slide, slide 14, shows the current project approvals for the major projects currently underway in the precinct, as well as completed project and leases for the West Block rehabilitation program. All major projects continue to track on or ahead of schedule and within budget.

At this time, I am happy to answer your questions. I will call on my colleagues if the need arises.

Thank you very much for your patience, Mr. Chair.

• (0900)

[English]

**The Chair:** Thank you very much for that presentation, Mr. Mongeau. You're right. There are a great deal of concerns and questions associated with what you've told us today.

Linda Duncan will begin for the NDP.

**Ms. Linda Duncan (Edmonton—Strathcona, NDP):** Thank you, Mr. Chair, and thank you very much to the witnesses for coming out on this chilly day. We had summer one day this week.

As you've noted, the Auditor General, in her report in 2010, found that project management was generally sound, but the majority of her report was heavily critical of the overall management system for this project. She reported that control and responsibility should rest with Parliament, not with Public Works and not with Treasury Board. She expressed strong concern that the government's framework provided for very fragmented decision-making, which could cause delays, cost overruns, and general problems in proceeding.

Given what you said, it sounds as if things remain the same. I'll give you an opportunity to advise us what changes have been made

in the government's framework to address the Auditor General's concerns.

• (0905)

[Translation]

**Mr. Pierre-Marc Mongeau:** Thank you very much for your question.

As you just mentioned, the 2010 Auditor General's report had two aspects. One of the elements was the governance, the other was the work done by Public Works and Government Services Canada. In terms of the work done by Public Works and Government Services Canada, I remind you that no recommendations were made. There were congratulations on the various methods that we had put in place to control costs, on the lessons we have learned, and on the management of the buildings and the environment.

In terms of the governance, Public Works and Government Services Canada took action following the report. We acknowledged the report's recommendation on governance, and we looked at other types of governance in other countries. We went to England and Australia to see them. We even checked with governments like those in Ontario and Quebec to find out about systems in place there. In some cases, they had systems like here, with a senate and an elected chamber. In other places, there was only one chamber.

We examined those reports thoroughly. The part of the work that was supposed to be done by Public Works and Government Services Canada was done. Now we have to sit down with representatives of the Senate and the House of Commons to determine the next steps in the examination of the governance.

Having said that, Mr. Chair, I must add that the current relationship between the House of Commons, Public Works and Government Services Canada, the Library of Parliament and the Senate is excellent, which was not always the case. In the past, perhaps there were differences, likely because of different objectives. But today everyone understands that the global financial situation is difficult.

I can tell you that, over the last two years, the relationship has improved a great deal, as I told you earlier. Management systems have been put into place. We now have joint committees of the House of Commons, Public Works and Government Services Canada and the Senate. Projects are developed and then sent to review committees. Some projects go before the Board of Internal Economy or the Committee on Internal Economy, Budgets and Administration depending on whether the projects are for the House of Commons or the Senate. On our side, we look for the normal approvals from the House of Commons, from the Treasury Board and from various offices. In a word, the current situation is going very well.

The issues we faced, say, two, three or five years ago have disappeared now. When issues arise now, basically, the clerks of each of the two chambers and I sit down and solve the problems. We find solutions. We are always looking for savings.

[English]

**Ms. Linda Duncan:** I've probably got less than a minute left. Connected to your response, I'm wondering if you could provide us with an outline of the new management framework in response to the Auditor General's report.

Her second major concern was that there's no funding commitment for the long term. As you say, in her report she recommended considering the systems in the U.K., Australia, and the U.S., where they've taken the decision-making away from the government and created a separate entity. I'm wondering if you've given consideration to some kind of an entity, a trust, with a long-term commitment of the dollars.

Are you suggesting that this project may drag out longer because of cutbacks? Is this project potentially at risk because of economic problems in the Government of Canada? Have you given consideration to the importance of this project—which successive governments have committed to, and the public is supportive of—in providing long-term commitment to funding?

**The Chair:** Could we have a very brief answer, Mr. Mongeau?

**Mr. Pierre-Marc Mongeau:** It's a long question.

Right now, the latest thing we have decided to do is to go with five-year tranches. By doing that, we have better control of the spending. We can go back to Treasury Board or go back to cabinet. We have a structure that allows us to give the government the control it wants to have. This is the main thing that we did, to go with a five-year tranches, instead of going with a five-year...

• (0910)

[Translation]

We can provide the documents we have on the current structure, if the committee so wishes.

[English]

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

For the Conservatives, we have Jacques Gourde.

Go ahead for five minutes, please, Jacques.

**Ms. Linda Duncan:** Mr. Chair, can we just confirm that they will send us the framework?

**The Chair:** I think that's what I understood Mr. Mongeau to say, that he will forward the structural framework of the new administration.

Jacques.

[Translation]

**Mr. Jacques Gourde (Lotbinière—Chutes-de-la-Chaudière, CPC):** Thank you, Mr. Chair.

My thanks to the witnesses for joining us today.

The model you have brought is very interesting. I see that the glass roof seems to be in two sections. Can you tell me about the mechanics of the glass roof? I don't think we have ever talked about it and a lot of people are intrigued.

**Mr. Pierre-Marc Mongeau:** Thank you for the question.

In a few moments, I will turn things over to my colleague, Mr. DiMillo, who is responsible for the design and construction of the project.

I would like to emphasize that the object of the model is to show the effect visually. The photos that we are showing you do the same thing. Then I am available if you need any more explanation.

The roof has two levels, which gives us a working space. The first layer, the direct protection, is triple glazed. There is a work area in the middle where we will see the mechanical systems and some other ones. Then there will be what we call the laylight layer, the part you will see.

[English]

Ezio, maybe you could talk about what's going to be happening in this structure.

**Mr. Ezio DiMillo (Acting Director General, Major Crown Projects, Parliamentary Precinct Branch, Department of Public Works and Government Services):** As Mr. Mongeau mentioned, the upper layer is a triple-glass layer, which prevents the elements from getting in. It also soundproofs the chamber. Underneath that, there is what we call a laylight layer essentially forming a pillow. The roof is like a pillow. That's quite beneficial, because we will actually capture heat from the pillow. Even during the winter months it will be capturing heat. It will be recirculated into the occupied space. All the mechanical and electrical systems that are extracting that heat will be ducted down into the actual chamber. That roof will produce approximately 10% of the energy requirements of that building on a sunny day even in the wintertime.

The laylight layer also acts to improve the sound characteristics of the chamber. When you have a large volume of space, managing sound is something you need to consider. The laylight essentially reduces the volume and allows us to control intelligibility.

[Translation]

**Mr. Pierre-Marc Mongeau:** Mr. Chair, I would like to add that the roof is made in such a way as to not be visible from the street. After discussions with a number of our experts, we have come to understand that the heritage value of the building should not be affected or diminished by the addition of the roof. You can see that it is almost horizontal. The roof, as I said, will not be visible from the street so that we can maintain the building's historic character. But when you go inside the Chamber, the roof will be very visible.

**Mr. Jacques Gourde:** Mr. Mongeau, the biggest challenge with this kind of roof—and I have worked in this area—is the weight of the snow. In the event of a heavy snowfall—we often get heavy snow in Ottawa and a foot of snow can fall, melt quickly and still be very heavy—is there a way to make it melt more quickly? Or could there be 60 cm of snow on the roof for four or five days with the potential to cause problems?

**Mr. Pierre-Marc Mongeau:** Thank you for your question.

The roof is reinforced. You can see in the model that, inside, there is a new series of columns, independent of the building, that will hold the roof up.

In terms of the weight of snow, the engineers we are working with are very well-regarded in Canada. The weight of the snow is always calculated when the roof is being designed. We have an independent structure, the roof is reinforced, as are the supports, and there are drainage systems for any water. The roof really is designed to accommodate the entire environment in which it will be built. It will comply with all the codes. It is not a problem for us at all.

• (0915)

[English]

**The Chair:** Be very brief please, Jacques.

[Translation]

**Mr. Jacques Gourde:** You said earlier that the work will be completely finished by 2017. That is what we want, given that 2017 is a very important year for Canada because it is the 150<sup>th</sup> anniversary of Confederation. Will all of Parliament Hill be clear for the festivities, or will work still be going on? Could there be some downtime? A lot of people will be in Ottawa during that time.

**Mr. Pierre-Marc Mongeau:** We are aware that 2017 is an important year. For the buildings, the work is scheduled to end by the spring of 2017. The other work we are doing will allow us to have the frontage and the large lawn that connects the three buildings clear. Our objective is to have that area clear for 2017.

Work will still be going on, but we do not want it to obstruct the front of the buildings.

[English]

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

For the NDP, we'll have Denis Blanchette.

[Translation]

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

My thanks to our guests.

Can I talk about the costs? These projects represent a good deal of money, after all. At the public accounts committee, we have seen a major increase in renovation costs for the West Block. I see your defensive move on page 14. I understand it. You were expecting this question, of course.

I would like to understand how the costs evolved. How is it that, under the heading “West Block Rehabilitation”, there is a whole other building? In “Completed Projects and Leases”, what is really for the West Block and what is for other projects? How is it that everything is wrapped up into one?

**Mr. Pierre-Marc Mongeau:** Your question has two parts: first about costs and second, from Public Accounts, about the amount of a little more than \$1 billion.

If I may, I will deal with the cost management system first.

Costs have changed over time. It is important to understand that our process includes two major stages, planning and execution. Planning is what allows us to consider evolving needs and translate them into renovations to a building. In recent years, there have been changes of direction in the requirements we have to deal with. It bears saying that this project began around 1997. It had been in the

works since 1991, but I am talking about the West Block itself. The deterioration has increased over time, exponentially so every two or three years, especially the masonry. So the associated costs increase as well.

In addition, changes were made to the Building Code, especially in regard to earthquakes. There are more requirements in that area. So each time we do renovations, we have to make sure that we meet the requirements.

Since 2001, there have been a lot of changes in security rules. Events like those in 2001, among others, mean that we have to increase the level of security. There are new requirements for parliamentarians. It all drives up the costs.

**Mr. Denis Blanchette:** I am aware of all that, except that, as of 2005—I do not want to go back too far—the cost was under \$800 million. That amount has now increased. So could you talk about what has happened recently? I have no problem with the rest. I would like to know where things stand at the moment.

**Mr. Pierre-Marc Mongeau:** That is a very good question, Mr. Chair.

The program you mentioned, the West Block program, includes projects that have been done in recent years as well as the project itself. If we calculate the amounts for the projects that have already been included, we can see the entire program in the public accounts.

Now, the program you mentioned, the West Block program that is currently underway—and therefore locked in—comes to \$863 million. That is the amount I am evaluated on. Part of that amount of \$863 million goes to construction contracts. It also includes consultants' fees and all the third parties we want to analyze things. We also include contingencies.

So the West Block renovation project will cost \$863 million and will be finished in 2017. Other projects were added to it. For example, last year, the Sir John A. Macdonald Building project increased the amount of the program by \$99 million.

There was also movement in the Clarica Building, for example. We had to vacate the La Promenade Building and sign new leases as a result. The costs of those leases are included in the program. We renovated the La Promenade Building and then moved people from the West Block to La Promenade.

That entire process is included in the program. We also had some obstacles to deal with. For example, the Southeast Tower was rehabilitated a few years ago because we could not wait for the approval of the entire major project that we are talking about. The tower had serious problems. The masonry work was falling off and the foundations were not solid. So we had to step up the pace. We got that project going more quickly. So it is not part of the \$863 million, but it is part of the \$1.1 billion.

It is just a question of managing various projects.

Mr. Chair, if the committee so wishes, I can give you the exact list of projects included in the public accounts amount.

• (0920)

[English]

**The Chair:** I think that would be helpful for us to better understand how the prices evolve.

For the Conservatives, we have Ron Cannan.

**Hon. Ron Cannan (Kelowna—Lake Country, CPC):** Thank you, Mr. Chair.

Thank you to the witnesses for being here again today.

To follow up on Mr. Blanchette's comments, to date have you been approved for \$1.6 billion approximately? If we're adding the two numbers on slide 14, that's \$1.1 billion and \$425 million. Is that what has been approved to date?

[Translation]

**Mr. Pierre-Marc Mongeau:** For the West Block program, the projects approved are in the order of \$1.171 billion. Those are approved projects. For the Wellington Building rehabilitation, the \$425 million is in the overall rehabilitation budget. Once again, that includes contingencies, consultants' fees and the like. My budget for the West Block, the project that Mr. Doucet was talking about, is \$863 million. The Sir John A. Macdonald Building rehabilitation comes to \$99 million.

Those three amounts are final and approved, for all the renovations to be completed.

[English]

**Hon. Ron Cannan:** When you say it's on time, on budget, and on scope, is it based on those numbers?

[Translation]

**Mr. Pierre-Marc Mongeau:** That is correct. When I tell you that the projects are on time and on budget, I am basing that comment on the preliminary projects approved by the Treasury Board. They are the amounts on which we can be judged.

[English]

**Hon. Ron Cannan:** They won't be going up. Can you guarantee that?

[Translation]

**Mr. Pierre-Marc Mongeau:** We have put in place measures to guard against the unexpected. We have learned lessons over the years that let us clearly understand how masonry works. National and international experts are working on different projects, mainly on the roof and the building's historical issues. We are very sure of what we are doing.

[English]

**Hon. Ron Cannan:** We started talking about this in 1997. Is it fair to say, then, if you had started earlier, the cost would have been a lot less if we hadn't procrastinated for this long?

• (0925)

[Translation]

**Mr. Pierre-Marc Mongeau:** Thank you for your question.

As I said at the beginning, the program today is different from the one we started with. It was modified along the way. Changes were made and things were added. For example, we will have 30 additional members of Parliament. That was not foreseen. We now include it in our projects. It will not bring about an increase in the overall cost, but factors like that mean that the project evolves over the years, right up to the point that project approval is obtained. We have that now for the three big projects.

[English]

**Hon. Ron Cannan:** With respect to the bollard security measures that are taking place right now, when in 2013 will they be wrapped up?

[Translation]

**Mr. Pierre-Marc Mongeau:** We are looking at the spring of 2013, before the tourist season starts, Mr. Chair. That is our objective.

[English]

**Hon. Ron Cannan:** We won't have a police officer sitting in a car on Wellington, going forward for 10 metres and in reverse for 10 metres.

[Translation]

**Mr. Pierre-Marc Mongeau:** The requirements in terms of the security bollards come from the RCMP. They asked us to do that work. With them, we specified the number and type of bollards we needed. The decision was based on operational requirements. We did it to meet the RCMP's needs.

[English]

**Hon. Ron Cannan:** I think it would be a better use of resources. Great.

We briefly chatted before the meeting about electronic voting. This would go through the Board of Internal Economy, and then it would have to be approved by the House leaders. Is that how it works?

[Translation]

**Mr. Pierre-Marc Mongeau:** The approval process of projects for the House and the Senate actually goes through the administrative committees for whom we work. There is the House, the RCMP and us. The House of Commons provides those committees with ideas. We look at how they can be made possible, but, ultimately, we get the technical requirements from the House of Commons or from the Senate. Their administrative groups tell us what the needs are. In the case of the House of Commons, we go through the Board of Internal Economy, their own administration.

The House of Commons has a very solid information technology organization. It was once led by Louis Bard and now it is led by Stéphan Aubé. They know your requirements well and they tell us what they are so that, subsequently, we can turn them into reality.

[English]

**The Chair:** Thank you, Ron. You're well over your five minutes.



**Hon. Ron Cannan:** Thank you very much.

**The Chair:** We have a bit of a gap in the agenda now, so I'd like to ask for two points of clarification just before we go to Costas.

First of all, the first point that Ms. Duncan raised, I believe, was regarding what I've always considered to be a dog's breakfast of overlapping jurisdiction in the administration. She has asked for a flowchart, if you will, that would identify, ultimately, who has primacy in the management of this huge project. We've counted the House of Commons, Public Works, the Senate, the Library of Parliament, the Department of Canadian Heritage, the National Capital Commission, the City of Ottawa—

**Ms. Linda Duncan:** The RCMP.

**The Chair:** —the RCMP, and security for both chambers. It's an overwhelming number of cooks in the kitchen spoiling the broth. That's the way some people have put it over the years. I'd like further clarity on that. Who has ultimate primacy over this decision-making process?

Second, you said the shape of the roof was structured.... I was very surprised to see the profile of the roof. I think it's an engineering marvel that you can span that kind of distance with such a low profile. Why is it that you can't see it from the road? Whose idea was it that you shouldn't be able to see this glass structure from the road? I'm thinking of the Louvre in Paris which is a pretty nice heritage building. It added a magnificent glass triangle which complements it. The international community agrees that it has complemented the architecture, not taken away from it.

Was it Heritage that demanded this incredibly expensive glass option as opposed to a gabled peak skylight, which would cost about one-third of the amount, I would think?

• (0930)

[Translation]

**Mr. Pierre-Marc Mongeau:** Thank you. I am sorry. I will give you the clarification you need.

I will ask my colleague Ezio to answer the question about the roof. As to the governance, I am sorry that I was not clear. I will give you the list of committees. All the stakeholders are part of various committees that, in turn, are supervised by steering committees. Decisions are made in groups in which all sectors are represented.

[English]

**The Chair:** If I could just interrupt you, I think the point Ms. Duncan was making is that in England they've put it all together under one...and I think it's the parliamentary architect's office. Instead of having a whole series of meetings with representation from all these various agencies, they have one. It's the same thing in the United States. They have their office of the architect of the Capitol or something like that. It's one person, one office, handling the administration of the maintenance and operations of the precinct. Here everybody and their grandmother needs to have a say. They argue and fight, and there's power broking going on, etc.

**A Voice:** What's wrong with grandmothers here?

**The Chair:** I have nothing against grandmothers, but keep them out of our....

I didn't mean to interrupt you, but it must be frustrating for all of you to have to consult to that extent for a simple decision. There's that joke about a camel being a horse designed by a committee. Well, we have a whole series of committees, and we're ending up with some pretty strange architectural choices, I think, as a result.

[Translation]

**Mr. Pierre-Marc Mongeau:** Thank you for the question.

As I mentioned at the outset, we have looked at various models and we are ready to continue the discussion with the Senate and House of Commons representatives. We are in a holding pattern.

I will give you the structure. There are not that many committees and consultations go on very positively. In fact, the picture I want to leave you with is that relations are very good. Discussions go on between the partners and the major priorities are understood.

Ultimately, there are two separate roles. The role of the House, the Senate and the Library of Parliament is to establish your needs and requirements. Then you have Public Works, whose job is to turn those requirements into reality within federal government rules, meaning the cabinet, the committees and the Treasury Board. Those are the two major roles and responsibilities. The RCMP and the Federal Heritage Buildings Review Office work with us to improve the project. We are not in a confrontation situation.

I should tell you that the final authority is the government when it approves the five-year plans. When we submit memoranda to cabinet or Treasury Board requests, it is the government's decision whether or not to award mandates and contracts, or to give us directions. That is the way things work at the moment.

[English]

**The Chair:** I think that answers my question. Thank you.

Maybe later you could comment on the roof. Was it Heritage that wouldn't let you put a normal peaked roof on or was this an architectural design? Maybe you can answer that in the context of other questioning, because I've taken up too much time now and it's actually cost us time.

**Mr. Jean-François Larose (Repentigny, NDP):** Mr. Chair, on a point of order, I verified with the clerk the last time this happened when the Liberals weren't here. He confirmed that for questions, the process is supposed to be opposition, government, opposition, government. The fact that he's not here right now isn't my problem. Normally, we should have the questions right now rather than the government, because it becomes unfair that they have two questions back to back.

**The Chair:** In this case, the chair has taken some liberties. I've actually used up the time that would normally be allocated to the Liberals at this particular juncture.

**Mr. Jean-François Larose:** I respect you, Mr. Chair, but you don't count.

**Voices:** Oh, oh!

**The Chair:** Thank you. That very well sums it up and shows who really runs things around here.

It's actually now the Conservatives' turn.

In the future, as a matter of policy, you're right. The questioning does go, opposition, government, opposition, government, regardless of which party is representing the opposition. We'll try to stick to that in the future.

Costas Menegakis.

• (0935)

**Mr. Costas Menegakis (Richmond Hill, CPC):** Thank you, Mr. Chair.

Thank you to our witnesses for being here today.

First of all, Mr. Chair, let me say that we always value your input and, at least speaking for myself, you count.

**An hon. member:** Ah, that's very kind. You get six minutes for that.

**Mr. Costas Menegakis:** I have a question now for our witnesses.

I'm going to preface it by saying that when a country bids for the Olympic games, they get a response as to whether or not they will have them about seven years ahead of time, and in the seven years, they build an entire infrastructure and host the biggest extravaganza in the world. I'm looking at the West Block, and from 2011 to 2017 is six years, for one building. Now, I'm sure there are good reasons.

Could you elaborate on why it's taking so long for this project? It's one project, and I'm curious as to why it's taking so long.

[Translation]

**Mr. Pierre-Marc Mongeau:** Thank you for the question.

If we continue with the Olympic Games analogy, we do not have just one project on the go, we have several. If you walk along Wellington Street, you will see all the scaffolding. Several projects are happening.

There are a number of reasons why we need several years for the West Block project. First, we took out the hazardous materials and gutted the interior. That needed a lot of time. We have approved methodologies, but gutting buildings like that takes a lot of time. Additionally, in spite of all the lessons we have learned, when some walls are opened up, we realize that there is more work to be done than we thought. We built it into our contingencies, but the demolition takes an extremely long time.

There is something else that takes a lot of time—rehabilitating the masonry. Earlier, we showed you some photographs. The masonry must be removed stone by stone in almost 50% of the building. That means we need experienced masons. We take photographs of the wall, we take out the cement, we remove the stone and, from time to time, we can see that the structure is beginning to fall apart. It all has to be scraped clean and—because it is a historic building—the stones have to be numbered so that they can be put back in the same place. We redo the interior wall, we redo the exterior wall, and, if some stones have rotted, we cut new ones from the large blocks we have already bought. Then we put the new stones in place to be uniform. We put it back in the same state and the same original position. That is the historical option. That is how historic buildings have to be renovated. It takes time. We do the exterior masonry work first; then we do the interior masonry work.

There is another reason we need more time. We are also going to have to rehabilitate the brickwork in the interior court. Then we will have to start building. Some things can be done together, other things cannot. We have to make sure that the interior masonry has been completed before we can start building the roof and the columns. It takes time, expert workers and specific skills because it is a huge building.

In fact, we do not see the period from 2011 to 2017 as being so long after all.

[English]

**Mr. Costas Menegakis:** Your response is basically that the main consideration involves restoring a historical building. That's the uniqueness of this, right? It's the historical aspect that's taking that long.

Is there a large pool of skilled trades available for this kind of work? Are they part of the normal tendering process?

[Translation]

**Mr. Pierre-Marc Mongeau:** There will be close to 250 specialized masons on the building site from all over Canada. The company that is currently working on the site is providing us with the expertise we need. We will have a lot of artisans working on redoing the interior moulding. We will need a lot of specialized workers who will have to have significant technical knowledge. They are currently on the job market.

With respect to the contractual procedures, we do not hire plumbers directly. We go through our construction manager, PCL, to hire subcontractors. All of that is done according to the correct and recognized contractual procedures.

• (0940)

[English]

**The Chair:** You have 30 seconds.

**Mr. Costas Menegakis:** Can you elaborate on what strategies you've undertaken to improve the energy efficiency of the buildings in the parliamentary precinct?

**Mr. Pierre-Marc Mongeau:** In 15 seconds that's tough. That would take two hours.

[Translation]

It's like my colleague said. There is the issue of triple glass in the roof. Heat recovery is important to us. We will be able to play with sensors that will allow us to adjust the temperature based on where people are. There are other elements that we can use to detect movement and determine if an office is empty. At that point, the lighting will dim.

We are in the process of integrating all the codes and going beyond all the building codes or energy savings codes required of us.

I know I don't have a lot of time, but I could tell you one last thing. Among our architects and engineers, we have international engineers who have worked on similar roofing projects in other countries and that have been involved in other major projects. We are learning a lot from them. At the same time, we are making sure we respect every state-of-the-art environmental component and even go a little beyond that, as I said.

Being able to ultimately add 50% more space is also a savings. This may not be a sustainable savings. It's a savings that will enable us to eventually free up leases that we have in the city and bring certain groups back into our buildings.

In short, some savings will be environmental and others will eventually be purely operational ones that will take place within this new project.

Sorry for the short answer.

[English]

**The Chair:** We can learn more about that in the context of other questioning.

Next we have Jean-François Larose.

**Mr. Jean-François Larose:** Just to put it on record, Mr. Chair, even though I said you are on neutral ground, your questions are always appreciated. I just wanted to clarify that.

[Translation]

My first question has to do with the 2012-2013 Report on Plans and Priorities. According to the report, urgent work is planned in order to preserve buildings under the recapitalization program. I would like to hear more about the health and safety problems.

Could you tell us about the essential health and safety components?

[English]

**Mr. Pierre-Marc Mongeau:** I will probably ask my colleague to talk more about the recap process.

[Translation]

Mainly, I can tell you one thing.

For example, look at what is under way on the East Block tower. It is covered in white sheets. We had trouble with the masonry on that part of the tower. It was falling apart. The foundation was less stable, as well. The structure of the roof and the roof itself were less solid.

That is part of the work we are doing quickly. We aren't waiting to have the project approved. We get this done quickly.

**Mr. Jean-François Larose:** Has an evaluation been done for all the buildings you have?

**Mr. Pierre-Marc Mongeau:** Yes, we have evaluations. We are creating what we call building management plans. These are evaluations for each building. We do evaluations regularly.

I'll hand things over to my colleague.

[English]

Maybe you can talk about the BMPs and the process we have.

**Mr. Jean-François Larose:** Could I have specifically, point by point, exactly what it is we mean? What's being touched by these works?

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

On a five-year basis, we do building condition reports on each one of our assets. They identify the areas that need to be looked at urgently. And we take health and safety quite seriously.

What I look after is a program called recap, which is the recapitalization program. We also, on an annual basis, do building management plans, which allow us to plan for all of our projects. We put forward a budget and talk about all of the work we want to undertake. All the health and safety components are under my recap project. When we do the studies on the buildings, they identify what work needs to be done, and then we program for it.

As Mr. Mongeau just mentioned, we have done the towers. Currently we're looking at doing a project on the tower on the East Block. We've also done work on the elevators in the Confederation Building. We've just replaced 200 windows in the Confederation Building as well.

● (0945)

[Translation]

**Mr. Jean-François Larose:** Does that specifically have to do with health and safety problems because of asbestos? It's a serious problem we have in our old buildings.

**Mr. Pierre-Marc Mongeau:** Thank you for the question.

We have a management plan for asbestos. As you know, East Block was being renovated, and the asbestos we found there has been removed. Asbestos and all other hazardous products are currently controlled. We have management plans for asbestos and other hazardous products.

Asbestos is not currently a danger. It is encapsulated and controlled. Instead, we are talking about other products. The issue in Centre Block is much less serious than in West Block.

**Mr. Jean-François Larose:** An article that appeared recently—and I think you know about it—implied that there was no control over the asbestos-related files. I'm a little confused. You seem to be downplaying asbestos, and you don't seem to be monitoring the tonnage. You don't seem to have a record of what has been removed or installed. I don't understand.

**Mr. Pierre-Marc Mongeau:** Mr. Chair, I would like to remind you that we take health and safety very seriously and that we put in place every measure necessary in that respect.

[English]

Joanne may talk about how we manage the asbestos and all the dangerous products.

**Ms. Joanne Monette:** We actually have asbestos management plans for all of our buildings. You are correct, sir, that all our buildings have asbestos in them, except for three buildings. Currently, we have assessed them. We go in every year to ensure that the asbestos is still encapsulated. When we do minor repair projects, replacing a duplex outlet, for example, and there's asbestos there and there is a chance that it's not encapsulated, we remove the asbestos before we do it. We check our plans every single year.

We have a plan, as I mentioned, for every one of our buildings, and we ensure that the asbestos is encapsulated. Right now, in the majority of the buildings, it is in the mechanical rooms and around the piping. Some is in the floor, but unless you take a drill and hammer up the floor, it's not a hazard to anybody.

**Mr. Jean-François Larose:** Centre Block has been evaluated as having asbestos. Do you have an idea of what the quantity is and how much needs to be taken out?

**Ms. Joanne Monette:** I don't have that information with me, but we do have a plan that we could provide to the committee, if you're interested.

**Mr. Jean-François Larose:** Could you say it would be a....

[Translation]

There are imponderables when it comes to costs. Do you think that's controllable? Do you know exactly how much asbestos is in Centre Block? Do you think there will be some surprises? We're dealing with unexpected situations with the old buildings because of their age.

**Mr. Pierre-Marc Mongeau:** Mr. Chair, we have an asbestos management plan that indicates where the asbestos is and what steps to take to restore the situation. We set out all those steps in the methodology that we use in our building management plan.

[English]

Joanne, maybe you could tell us if you have these numbers, or the way you manage that.

[Translation]

With respect to asbestos and hazardous materials, regular analyses are done. That way, we ensure that everything is under control. It's important for us.

**Mr. Jean-François Larose:** Could we get the plan?

[English]

Could we have that?

**The Chair:** Certainly.

[Translation]

**Mr. Pierre-Marc Mongeau:** We can send you those documents.

**Mr. Jean-François Larose:** Very good. Thank you.

[English]

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

Just to add one point along the same line of questioning, one of the unions involved in the renovation came to me recently and said that the asbestos removal workers were not certified to remove asbestos. I went to the minister about that. She investigated and found that, indeed, the general contractor had hired a subcontractor who was employing workers not certified to remove asbestos. That has been corrected, we understand.

Do you have something to add to that, sir?

• (0950)

[Translation]

**Mr. Pierre-Marc Mongeau:** Thank you for telling us about this situation. We have made some checks and it turns out that the main

reason the general contractor made that mistake is this: the employees who work in Ontario must have their Ontario certification. But the contractor had hired workers from Quebec, who had Quebec certification, which is not recognized in Ontario. There were three cases of this, but the situation has been rectified since then. In this case, it was more the interprovincial recognition of certifications than lack of skill that was at play.

Thank you, Mr. Chair.

[English]

**The Chair:** I could say more about that, but it's not my place.

Mike Wallace, it's your turn.

**Mr. Mike Wallace (Burlington, CPC):** I think that's a great example of interprovincial barriers to mobility of labour, which we need to get rid of, but that's a different topic for a different committee.

I want to agree with my NDP friends across the way. Linda Duncan said she doesn't think it's an outrage that we are renovating historic buildings. She thinks Canadians would appreciate that, and I absolutely agree with her. Mr. Martin said he doesn't think West Block is fit for habitation, and I think he is probably right.

I'm glad we're doing this work. I appreciate the effort. Based on what I've heard today, it sounds like we have a plan and that the plan is on budget and is working. There has been some discussion, some concern, about decision-making, but it sounds to me like we are moving forward, based on what's happening on the Hill and just off the Hill across the street on Wellington. There's lots of activity, so we're moving forward.

The one question the chair asked, I don't think you got a chance to answer. It's about the shape of the roof, which is likely a heritage issue. You cannot see it from the road. This is to preserve the heritage aspect of the building. Is that not correct?

[Translation]

**Mr. Pierre-Marc Mongeau:** Mr. Chair, I will ask my colleague Ezio to answer the question. He is an expert on this and worked on implementing this project.

[English]

**Mr. Ezio DiMillo:** That's quite right. We did not want to have the roof over-exposed. We wanted to make sure the design was compatible, subordinate, and distinguishable. In fact, the National Capital Commission has three sight cones that mandate the height of new construction in the area of the Parliament Buildings, and we needed to respect those sight cones, so this did restrict the elevation of that roof.

We work with the FHBRO, the Federal Heritage Buildings Review Office, and the National Capital Commission. We have conducted a number of design review committees. We work with the parliamentary partners as well in completing these designs and moving forward with them. The roof has been modelled by experts in Guelph, Ontario. There was a question asked earlier about snow. A scale model of this structure has been modelled in Guelph, Ontario, for snow loading, wind loading, and so on. Very detailed engineering has been done on the structure, and the glass roof has been designed to easily handle snow loads. It has been designed so that it is easily maintained as well.

About the height of the roof, you're quite right. We are restricted, and rightfully so, I believe, because we want to be compatible, subordinate, and distinguishable. These are basic design elements that we want to respect when we're adding a construction to a very important heritage building such as this.

**Mr. Mike Wallace:** I think these are the most important heritage buildings in Canada. When people from my riding of Burlington who haven't been here before visit here, they are amazed at the buildings. Many people think they're older than they actually are. When I was on council, built heritage was one of the committees I was on, and we made sure to save as much built heritage as we could in Burlington. We don't have a lot of it in this country. We're a new country, and we need to preserve what we have.

My office is in East Block. Is it in the next tranche of things to do? Could you give me a heads-up about what might be happening to East Block?

• (0955)

**Mr. Pierre-Marc Mongeau:** The actual plan now is that we have vacated the West Block.

[Translation]

Our objective is also to empty out East Block eventually and transfer its occupants to the buildings we are currently renovating. While we are renovating Centre Block, the occupants of each side of the building will be transferred to the two new buildings that will have been renovated. Once Centre Block has been renovated, we will bring back everyone who was temporarily housed in East Block and West Block. It will be a few years before we empty East Block. Until then, you can leave your papers on your desk.

[English]

**Mr. Mike Wallace:** I'm happy with that.

Thank you.

**The Chair:** You're right on five minutes. That's great. Thank you, Mike.

Linda Duncan, for the NDP.

**Ms. Linda Duncan:** I noticed in your brief you mention that an audit was done in September. Is that the audit that was commissioned in August? If so, could you advise us on the details? If it isn't, could you tell us what's the state of the audit that was commissioned in August of this year? What are the terms of reference? Could we please receive those? If the audit has been completed, could we please be provided with a copy?

In keeping with that, I'm going to throw out a few questions for you.

The minister has announced new guidelines for the scrutiny of subcontractors and contractors. Are the newly expanded anti-corruption guidelines and rules being applied to the current contractors and subcontractors, and have any exemptions been granted under the precinct contracts?

[Translation]

**Mr. Pierre-Marc Mongeau:** With respect to audits, our team was given two internal audit mandates. The first mandate was the one I spoke about in the presentation. The mandate was to audit our project management to see if there were things we could improve when it comes to following up on our own processes. We got the results a short while ago, and we will make sure we put it on the website. However, if the committee wishes, we can send you the terms of the contract, the contract and the results.

The second request has to do with the audit of payments. We haven't started that yet, but we will shortly. In the contract concluded with the manager responsible for construction, one clause indicates that PWGSC reserves the right to audit contracts, payments, and so on. We simply do due diligence, as set out in the contract. This firm will audit the accounts and verify whether we have paid as required. That's part of our internal management. We can submit the terms for this file as well, but we don't yet have the results because it will be starting shortly.

The new integrity framework is relatively new. Offhand, this framework does not cover companies that are already working. Companies that have already signed contracts do not come under this new framework because we must respect the contracts that people already have. I must tell you that the major contracts relating to work on Parliament Hill have been signed with companies like PCL. These companies are not currently accused of anything.

[English]

**Ms. Linda Duncan:** My understanding is that in 2005, and I believe it was when the Conservatives took over government, there was a controversy about a contractor and that contract was ended. I'm puzzled. Are you now saying the government will not end any contracts even if any kind of corruption is found?

• (1000)

[Translation]

**Mr. Pierre-Marc Mongeau:** You'll recall that I came and spoke about this contract two years ago. The reason why the contract was terminated at the time was simple. The general contractor who won the invitation to tender was unable to meet the objectives of the contract quickly enough. Therefore, PWGSC withdrew the contract because the contractor was not meeting his obligations. We contacted the surety company, which completed the work.

It was mainly a matter of non-compliance. The contractor's work was unsatisfactory. That's why we terminated the contract at the time.

[English]

**Ms. Linda Duncan:** This is a long-term plan and a lot of renovations are going on, such as at Promenade and Wellington buildings in the meantime as we clear everybody out of other buildings. Does your long-term plan include cost recovery? Are you going to return any of this space? We're only getting 30 more MPs. Are you going to return some of this space to private enterprise to recover some of the costs of all these renovations? Is that in your plan?

[Translation]

**Mr. Pierre-Marc Mongeau:** Mr. Chair, if I have understood the question correctly, I would say that we still need a lot of temporary offices. We have two options.

The first is to renovate the buildings that belong to Public Works and Government Services Canada, like the La Promenade Building or the Wellington Building. We are killing two birds with one stone: we renovate the buildings that need renovating, and we use them as temporary spaces in some cases.

The other option is to find more flexibility. To do this, we will take out leases with the private sector. Ultimately, our objective is to reduce the number of leases with the private sector as much as possible in order to return to our own buildings. But we still need the flexibility that these leases in the private sector offer.

Furthermore, it's rather rare that we rent out government buildings to private organizations. We can do it for businesses, but we generally don't do business in the private rental market.

So our buildings will be used for the staff of our partners or for the staff of Public Works and Government Services.

The leases will be used because of their flexibility. Eventually, our goal is to reduce the number of leases as much as possible by using our own buildings.

[English]

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

Thank you, Ms. Duncan.

For the Conservatives, Mr. Peter Braid.

**Mr. Peter Braid (Kitchener—Waterloo, CPC):** Thank you, Mr. Chair.

Thank you to our representatives for being here this morning, for sharing these very comprehensive plans, and for managing these critically important projects.

I have a couple of questions. First of all, I'm curious to know if you have calculated the number of jobs that will be created as a result of all of these projects.

**Mr. Pierre-Marc Mongeau:** I have some numbers. As we speak, there are more than 500 people working on the West Block, the Wellington Building, and the Sir John A. Macdonald Building. People are working on site today.

[Translation]

In the future, when we look at job creation, we think that about 4,000 direct and indirect jobs will have been connected to West

Block renovations. These are jobs related to architects, suppliers and all the consultants and manufacturers who make the products. So for West Block, we're talking about some 4,000 jobs. For the Wellington Building, the number of new jobs is about 2,000 to 2,500.

We think that, in the medium term, when most of the contracts are under way, about 17,000 direct and indirect jobs will be created by having these construction projects.

These jobs will not be just in the National Capital Region. There will also be jobs with the various manufacturers who will provide us with services.

• (1005)

[English]

**Mr. Peter Braid:** Thank you for sharing those numbers. That's very helpful.

I think it's crystal clear that these investments in these very, very important heritage buildings are critically important and need to be made. What would be the result if these investments were not made?

[Translation]

**Mr. Pierre-Marc Mongeau:** The main issues we're facing are included in the various reports that we have requested from third parties over the years. One of these reports concluded that West Block would come to the end of its useful life in 2013. We were able to release it in 2010 and 2011, and we saw immediately that there were serious problems. So we were able to meet an important deadline, but we realized that the state of the building was worse than we thought.

For Centre Block, we're talking about 2019. In 2019, the main systems will come to the end of their useful life. When I talk about health, safety and structural systems, I am referring to mechanical systems. For the moment, we are stretching out the life of these systems, but at some point, we won't be able to repair them anymore. According to the experts we've hired—so the engineers and architects and third parties—we're talking about 2019 in the case of Centre Block. That means that, eventually, the possibility of staying in place will be reduced.

There are problems with some electrical systems. Sometimes relays, which are types of fuses, break down. But the type of relay in East Block and Centre Block no longer exists. Our technologists have to be extremely creative to repair this type of device. As we mentioned earlier, a transformer exploded because it was at the end of its useful life.

We are managing these situations as best we can with the help of our employees. We will stretch out the useful life of these systems as long as possible, but at some point, we will need to take action. In the case of the East Block tower, for example, we had to put forward a renovation project so it could stay in place and so the health and safety dangers would be reduced. If some stones fall, if electrical wires are too exposed or the roof becomes less solid because of a defective structure that dates back to 1850 or 1860, it's clear that we need to take action quickly. We are correcting the problems before they become a danger. We are not waiting. This is the approach that we put into practice every day.

[English]

**Mr. Peter Braid:** I have one very quick final question. Will the new chamber have wireless access?

**Mrs. Kelly Block (Saskatoon—Rosetown—Biggar, CPC):** Will it have a Starbucks?

**A voice:** Will it have both?

**Mr. Pierre-Marc Mongeau:** I don't know if there will be a Tim Hortons or a Starbucks. I cannot answer that. I can tell you that all the IT responsibility is under the House of Commons, so they will have to give us the requirements and we'll be happy to install these systems, as we're doing right now. We're doing what they are asking us to do in order to be sure it will be state of the art in this room.

**The Chair:** Thank you very much, Peter and Mr. Mongeau.

Next for the Liberals, Mr. John McCallum. Five minutes, please, John.

**Hon. John McCallum (Markham—Unionville, Lib.):** Thank you very much. I'm sorry I missed your presentation, but I have a couple of questions.

In terms of timelines, going back some years I seem to remember all of this was supposed to be done quite a lot sooner.

Can you tell us what has happened to the timelines over the past years? How much later is it than when it was originally supposed to have happened?

**Mr. Pierre-Marc Mongeau:** Thank you for the question.

As I said earlier, the first project was established or looked at in 1997.

[Translation]

Since then, the scope of the projects changed following amendments and requirements from parliamentarians and senators. We have also had to deal with a lot of changes in code and in an increased deterioration of West Block, especially the interior.

In 2007, we established the new baseline for the next five years. We are completely up to date in that respect. As you can see, in 2007, we had said that we would start work on West Block, the Sir John A. Macdonald Building and the Wellington Building. That's what we are currently doing. We awarded the contracts and started carrying out these projects.

There is currently an acceleration of the different projects under way, and we intend to continue at that pace. That's why we have five-year plans. We can better control costs and better report to the government on what we did over those five years. It enables us to submit a request for another five-year period. It allows us and the government to exercise control that ensures we have a more realistic vision of things. A 25-year plan is more difficult to carry out, whereas a five-year plan is clear.

•(1010)

[English]

**Hon. John McCallum:** I don't understand what happened. If the original plan was started in the 1990s and then delayed until 2007, why was there that huge delay?

[Translation]

**Mr. Pierre-Marc Mongeau:** As we said, we had an initial idea for West Block in 1997, but it was really very preliminary.

Around 2000, the project was stopped because of the millennium festivities. So that slowed the work down.

Then, there were a lot of discussions between the various partners to find out what direction should be taken. A lot of discussions took place between 2000 and 2005, and agreements were not necessarily a priority.

In 2005-2006, we drafted a report with our partners, and the report made a long-term vision possible; that started in 2007.

There were a lot of negotiations before decisions were made. Those decisions were transformed into contracts. As I said earlier, walk along Wellington Street and you will see that things are moving forward.

[English]

**Hon. John McCallum:** I have one last question, if I may. Perhaps you referred to this earlier, but on page 7 of your deck, when you talk about key relocation projects, you refer to savings. Why are they savings rather than expenditures?

**A voice:** Why is it what, sir?

**Hon. John McCallum:** There are savings adding up to \$34.1 million. I don't quite understand why these are called savings as opposed to costs.

[Translation]

**Mr. Pierre-Marc Mongeau:** Since 2005-2006, we have put forward a number of projects, and 15 of them have been approved and listed here. We provided the difference between the initial budgets and the final costs.

Take for example the C.D. Howe Building at 240 Sparks Street, which was a relocation because we emptied the La Promenade Building. At the time, we had established the initial cost at \$8.1 million for work on the C.D. Howe Building. That amount included all our construction, fees, and so on. The final cost was \$4.3 million. So there was a savings of almost \$3 million that we can use for other things.

We have a number of projects like that. For example, the initial budget for the La Promenade Building was \$83 million to \$84 million, which included the contingencies and the rest. Our final costs were about \$77 million. So we saved \$6.4 million for those projects.

When we add up the 15 major projects that we have prepared, we see that we have managed to save \$34 million because of tight project management.

•(1015)

[English]

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

**Hon. John McCallum:** Thank you.

**The Chair:** You're well over your five minutes.

For the Conservatives, we have Bernard Trotter.

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

[*Translation*]

I thank our guests for being here this morning.

Mr. Mongeau, concerning Centre Block, you spoke about a critical risk of complete failure in 2019. What does that mean? When will MPs and senators have to evacuate the building so that the building can get the renovations it deserves?

**Mr. Pierre-Marc Mongeau:** Thank you for the question.

Basically, as I've already mentioned, we are talking about 2019 in the study. Right now, our objective is to determine which options would enable us to proceed as quickly as possible with Centre Block. The report talks about the total failure of Centre Block. The mechanical and electrical systems have come to the end of their useful life. In 1994-1995, we repaired a significant part of the building's facade because the stone was in poor condition. But there are still other components that need to be rehabilitated.

If you look at the building, you can see that the ventilation shafts are connected with pieces of wood. We are in the process of drawing up plans and estimates with consultants to correct that. The current House of Commons has large windows, but they are becoming unstable. One piece has already fallen out, and we had to install a safety net in front of those windows. It is certainly less interesting, visually. But for health and safety, it's a protective measure.

A good number of these systems are coming to the end of their life, but we are maintaining them. At one point, the money invested will be money wasted because the systems—the mechanical systems, especially—will be at the end of their useful life. We will not be able to install a series of small systems in each room. We will have to rethink the whole. Starting in 2019, we will really have to work on that.

**Mr. Bernard Trottier:** Will the House of Commons and the Senate be relocated in 2019 or before that?

**Mr. Pierre-Marc Mongeau:** We are considering the options to ensure that we can do it as quickly as possible. We have always intended to free up East Block to create a domino effect. It's always changing. We are considering all other options to handle new developments. That's something we do daily.

**Mr. Bernard Trottier:** A new building, the Sir John A. Macdonald Building, has been planned for the parliamentary network. What are the operations needs that it meets? Why was this new building chosen? Given the appointments and meetings that take place, is this new building really beneficial for Canadian taxpayers?

**Mr. Pierre-Marc Mongeau:** Historically, I want to point out that the initial design of West Block was different than what it is today. To create Room 200, a room you know well, floors were demolished. As part of the West Block renovation, we want to recreate these floors, to give us more space. We also want to move Room 200 to the Sir John A. Macdonald Building. This new building will also have smaller committee rooms in the part that will be built, as well as all the support services that this kind of room requires. So there will be a catering service, a cloakroom and small

preparation rooms. It will exactly meet the needs that House of Commons representatives have asked us to fill.

When people used Room 200, it was necessary to spread out. A number of surrounding offices were used for all kinds of things. Today, we have grouped them all together. We are increasing the efficiency of West Block with respect to meetings, but also with respect to the number of square feet that can be used for rooms. It's a good thing.

● (1020)

**Mr. Bernard Trottier:** Thousands of people move through the Parliament Buildings every year. Canada is a country of builders. Are there any uniquely Canadian aspects to these buildings, aspects that people can say are truly aspects of Canadian engineering?

**Mr. Pierre-Marc Mongeau:** You are speaking more philosophically.

Actually, I believe there is only one place in the world where three neo-Gothic buildings have been preserved in this condition. Despite everything, these buildings are still visually very pleasing.

We know the historical importance of these buildings because they form the centre of Canadian democracy. We also recognize their value. Canadians recognize it.

Furthermore, more philosophically, this neo-Gothic style, which was very popular from the 1850s to 1900 incorporated medieval elements.

There are three main elements. Craftsmanship is valued. There are a lot of little statues and sculptures. Modern materials were also used for the steel structures that are covered in stone in Centre Block, whereas in medieval times, it was just stone stacked up.

The last—and perhaps the most important—element is the somewhat mystical aspect of the building, with its spires pointing toward the sky. That's its religious and mystical side. The architecture is very European, in reaction to the architecture that was developing in the United States at the time, which favoured the neoclassical style with white columns and so on.

Canada positioned itself in between the two by giving its buildings a somewhat mystical and religious air. That may seem a little philosophical to you, but that's among the elements that ensures that, when the Federal Heritage Buildings Review Office evaluates the buildings, it gives them a classification and requires us not to make too many changes to the elements.

Basically, it's a very important building.

[*English*]

**The Chair:** It's very nice to see the passion you feel for our Parliament buildings. That was very nicely put, Mr. Mongeau.

**Mr. Pierre-Marc Mongeau:** Thanks.

**The Chair:** Next and, I think the last questioner in this study, is Mr. Denis Blanchette.

[*Translation*]

**Mr. Denis Blanchette:** Thank you, Mr. Chair.



A little earlier, we were discussing the West Block program. Could you submit the information about the \$208 million for the completed projects and leases? I'm not asking you to table them right now, but whenever you can.

**Mr. Pierre-Marc Mongeau:** I can give those to you or provide them later.

**Mr. Denis Blanchette:** Go ahead.

**Mr. Pierre-Marc Mongeau:** The \$208 million budget includes the restoration of two towers. It includes the southeast tower and one of the north towers. One cost \$10 million and the other, \$24 million. The projects are recapitalization projects, which allowed us to proceed more quickly.

There are a lot of small, urgent masonry jobs that cost about \$8 million. We transferred the food production facility, which was at the very centre of Centre Block. We moved it outside. That work cost \$27 million.

There are also small relocation projects that cost \$2.7 million. There are also a lot of small fit-ups and leases that we had to use. So there was about \$120 million in renovations and \$44 million in leases.

Most of that has been completed, but they are still part of it. I could give you more specific information, but I wanted to tell you that it is very much controlled.

**Mr. Denis Blanchette:** When do you plan to move ahead with work on the Confederation Building and the Justice Building, which are both in the same style as the three main buildings?

• (1025)

**Mr. Pierre-Marc Mongeau:** We had hoped to do it all at the same time, but it's impossible for coordination reasons and because of a lack of space. So we plan to move ahead with work on those buildings after we have completed the three on Parliament Hill. We are focusing on Centre Block, West Block and East Block. Then we will move on to the other buildings.

**Mr. Denis Blanchette:** So you will start in 2023 or 2025.

**Mr. Pierre-Marc Mongeau:** Yes, about that.

But in that time, we are doing urgent work. We spoke earlier about the plumbing systems and elevators that have been repaired. We are maintaining them in the best possible condition by dealing with all the small health and safety issues annually. We are stretching out their useful life because we want to focus on the three others that are at the centre. It's a vision choice.

**Mr. Denis Blanchette:** You are working with heritage buildings. We know that technology and codes change. In terms of construction, what has been done to ensure that we are not constantly opening and closing buildings to install the technologies of tomorrow in them. Do you have provisions in place for this?

**Mr. Pierre-Marc Mongeau:** I will hand things over to my colleague Ezio, but I want to mention that we follow the requirements of the House of Commons closely. Your representatives send us your requirements.

**Mr. Denis Blanchette:** There are requirements, but we need to look ahead and anticipate needs.

**Mr. Pierre-Marc Mongeau:** We spoke earlier about wireless. These are things we are looking at.

Perhaps Ezio can round out my answer.

[*English*]

**Mr. Ezio DiMillo:** That's a very good question, and you're absolutely right. Technology changes very rapidly, especially in the fields of multimedia, security, IT, and so on.

What we've done in the West Block design is to ensure that we've installed a distributed conduit system so that it's more easily adaptable to change. The end devices may change, and that is very typical in that industry, but at least we have a backbone in the building that will allow that change to happen more efficiently and effectively. We do work with our parliamentary partners, and we try to foresee what is coming down the road. They are the technical authorities in terms of IT, security, multimedia, and so on, but we are designing in the best systems that will have the longest life cycle possible.

**The Chair:** Denis, very, very briefly please.

[*Translation*]

**Mr. Denis Blanchette:** Okay.

That's too bad because it could have been very long.

We spoke briefly about the greening of buildings. Beyond what was already said, could you quickly elaborate on that? If you ever have anything more substantial to provide later, that would be most appreciated.

**Mr. Pierre-Marc Mongeau:** We can give a very brief answer because Ezio is the expert on this. If there are other things that the committee would like to know, the committee could ask him.

[*English*]

**Mr. Ezio DiMillo:** We are building a number of energy-efficient measures into the building. Our targets are to actually reduce, by 20%, the requirements of the model national energy code, first and foremost. We are going to be installing systems such as LED lighting. This is a relatively new technology, and the lights themselves will be smaller in dimension and produce much less heat than standard lighting.

There will also be high-efficiency motors, for instance, on all systems, including heating, ventilation, air conditioning, pumps, etc. These will be variable speed motors so that when systems are supplying areas that are not in use, the motors will actually reduce in speed, thus saving energy. We are putting in a heat recovery system. I spoke earlier about how the West Block roof will be used as a solar energy recapture system.

We are also installing occupancy sensors in all the rooms. Obviously if the rooms are not occupied we'll have the lights go down automatically, and they'll come back on automatically once the rooms are occupied. We've installed electronic building system controls. These systems will be controlled automatically, and then they can also be adjusted remotely by a building operator. All plumbing fixtures, of course, will be water-saving systems. There will be brand new windows in the building, which will be much more energy efficient than the drafty windows you currently have.

•(1030)

**The Chair:** Thank you very much. That concludes our time.

Denis, thank you very much.

On behalf of the whole committee, I want to thank you, Monsieur Mongeau, and your guests, for briefing us. I think I can speak for the committee when I say we recognize what a massive undertaking this is and how very complex it is to do renovation and restoration of occupied space. It's a challenge. It's really quite unprecedented, and I know that you're doing as good a job as humanly possible.

I would like to invite you back some day to speak more about the idea of whether Parliament should take over control of the parliamentary precinct once again, as has been recommended by a variety of sources. That will have to be a subject for another day.

Thank you very much for your presentation and for bringing your architectural models with you today.

We're going to briefly suspend the meeting and reconvene in an in camera session.

Thank you very much.

**Mr. Mike Wallace:** Could our guests wait? Could they clear out, but come back in after our in camera item, so that we can get it done before the votes get called?

**The Chair:** I don't understand your question.

**Mr. Mike Wallace:** I don't want them taking their boards.

**The Chair:** I see. If we could ask you, sir, just to step outside for five minutes, and then come back and pick up your materials. We have about five minutes of in camera work that we need to do.

**Mr. Pierre-Marc Mongeau:** It can stay here and we'll take it maybe this afternoon.

**The Chair:** Very good. We'll take very good care of it.

*[Proceedings continue in camera]*

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