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—
Chair

Mr. Tom Lukiwski

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• (1545)

[English]

The Chair (Mr. Tom Lukiwski (Moose Jaw—Lake Centre—Lanigan, CPC)): Ladies and gentlemen, we do have a quorum, and since we are running a little late because of the votes, I think we'll get going now.

Before we begin the proceedings, I believe Mr. Weir has a motion.

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

It is fairly rare that we have a minister of the crown gracing us with her presence, and in a room that has the technical capacity to be televised. I understand there is a television crew standing by, so I would move that this meeting be televised.

The Chair: For the benefit of the committee members, we do not need unanimous consent for that, but we do need a majority of the committee to allow the proceedings to be televised.

I will start on the government side and ask for a “yes” or “no” for these proceedings to be televised.

Mrs. Shanahan, go ahead.

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): I am going to say no.

Mr. Nick Whalen (St. John's East, Lib.): Yes.

The Chair: Mr. Grewal.

Mr. Raj Grewal (Brampton East, Lib.): Yes.

The Chair: Mr. Drouin.

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): Are we televised on ParlVU right now?

The Chair: We are not being televised at all now. We are voting on whether or not to be televised.

Mr. Francis Drouin: Okay, that's fine.

The Chair: Is that a yes?

Mr. Francis Drouin: Yes.

The Chair: Mr. Blaney.

[Translation]

Hon. Steven Blaney (Bellechasse—Les Etchemins—Lévis, CPC): Yes, absolutely.

[English]

The Chair: Mr. McCauley.

Mr. Kelly McCauley (Edmonton West, CPC): Yes.

The Chair: Mr. Weir.

Mr. Erin Weir: Yes.

The Chair: We will suspend for just a couple of moments. When we return, these proceedings will be not only public but televised.

• _____ (Pause) _____

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The Chair: Colleagues, Minister, and officials, I call this meeting to order.

This is meeting number 14. We are here to deal with the main estimates and the report on plans and priorities.

Before we introduce the minister and begin our proceedings, I will mention for the benefit of the committee members that we will need about 15 minutes before the expiry of this meeting to go over some committee business, most of which we weren't able to discuss in the last meeting.

I will be adjourning the formal proceedings of this meeting and going in camera at approximately 5:15, so we will have a bit of a truncated meeting today. We will have just slightly less than an hour and a half for all the questions you have.

With that, I would like to welcome Minister Foote before our committee, once again.

Minister, would you care to introduce the officials that you have with you? Then I will ask Mr. Parker from Shared Services Canada to do the same, and we will begin with your opening statement.

Hon. Judy Foote (Minister of Public Services and Procurement): Thank you, Mr. Chair. It is a pleasure to be here.

Today I am joined, to my immediate right, by my deputy minister, Marie Lemay, who joined Public Services and Procurement Canada as recently as April 11. We are delighted to have her. Next to her, we have associate deputy minister Gavin Liddy. We also have, to my immediate left, the president of Shared Services Canada, Ron Parker, along with the chief operating officer, John Glowacki.

The Chair: Thank you very much, Minister.

Now, you can commence with your opening statement. I believe it is about 10 minutes.

Hon. Judy Foote: If that....

The Chair: Thank you.

Please, proceed.

Hon. Judy Foote: We're here to discuss the department's 2016-17 main estimates, supplementary estimates (A), and our reports on plans and priorities.

When I appeared before this committee on March 10 we discussed a range of important initiatives, including the rehabilitation work in the parliamentary precinct, successes in real property management, Canada Post, and the modernization of IT infrastructure.

As critical players in the day-to-day operations of the Government of Canada, Public Services and Procurement Canada and its portfolio are key to ensuring the government delivers on its ambitious agenda. Our work is under way but much more has to be done to achieve needed changes and improvements.

Today I'm happy to report to members on five key areas: greening government, service delivery, innovative practices, modernizing procurement, and budget investments.

I'll begin with our initiatives to support the greening of government. Greening initiatives received considerable support in budget 2016, which contained measures to strengthen the middle class and investments in infrastructure to boost the economy. Among the budget's many green investments, I draw your attention to the \$2.1 billion to allow Public Services and Procurement Canada to repair its large portfolio of properties and to green government operations. Of this amount, \$1.2 billion has been allocated to upgrade the outdated energy system that heats and cools over 100 buildings in the national capital region. Much of this energy infrastructure, which includes several plants, was built in the 1950s. This investment in modern technology will reduce greenhouse gas emissions by almost one-third and reduce annual operating costs by up to 20%. It will result in a safer and more reliable system.

When we talk about green initiatives, and in particular green buildings, most people think about construction that protects the health of the environment. To me such a building should also protect the health of its occupants. That is why Public Services and Procurement Canada has, as of April 1, prohibited the use of asbestos in its new construction and major renovation projects. In addition, beginning this summer, the department is posting an online inventory of the buildings it owns or leases that contain asbestos.

When it comes to service delivery, Canadians are at the heart of everything we do. We are continuously looking for ways to use evidence, facts, and research to better meet public needs. The Canada Post review, which I announced earlier this month, clearly illustrates this approach. We are undertaking this review to ensure that Canadians get quality postal service at a reasonable cost. All options including those related to home delivery are on the table. We want to hear from Canadians on the future of Canada Post.

We are taking a phased approach to examine this important issue. In the first phase, an independent task force is conducting research, analyzing data, and reviewing international best practices. Task force members were selected based on a range of factors, including their specific experience, expertise, and skill sets. They come from various geographic locations across the country and bring unique perspectives to this important work. By the end of the summer they will produce a comprehensive discussion paper on viable options for

Canada Post. Engaging stakeholders and gathering their ideas and views are key to this process.

Mr. Chair, as I mentioned during my last appearance before this committee, the second phase will focus on providing Canadians the opportunity to tell us about their needs for postal services. Seniors and those with disabilities will be heard. Canadians will be consulted from coast to coast to coast. This committee will be asked to engage the public in an informed discussion on how Canada Post can deliver quality service at a reasonable price. In addition to this important committee work, I encourage all members of Parliament to find ways to bring their constituents into this national conversation. Our government is determined to build a new and respectful relationship with all parliamentarians to move this issue forward.

Organizations of all sizes and from all sectors are seized with the challenge of keeping pace with technology and embracing new, innovative ways of doing business. These challenges are particularly pronounced within governments where complex, outdated systems are common. Thankfully modernization efforts are under way on a number of fronts.

Until recently, the government was using a pay system developed over 40 years ago. It had become inefficient, incompatible with other systems, and provided limited functionality. In response, after extensive testing, the government launched a new system called Phoenix, which is now available in 101 departments and agencies. This system provides employees with a more automated, stable, and modern tool to process pay requests. The implementation of Phoenix is a major undertaking, and we are working directly with departments to identify and solve problems before paycheques are even issued. As well, we have brought new staff on board to help with the transition.

● (1550)

To further ensure that this project is heading in the right direction, we have engaged unions in an open relationship, held regular briefings for departments and media, and provided updates on issues and resolutions online. Since it was first implemented on February 24, 601 formal complaints were received out of nearly 1.2 million transactions. As of last week, 524 of these complaints have been resolved, and we are addressing the remaining 77. In addition, we are closely tracking feedback from Phoenix users. As we continue to use the system and better understand it, we will see opportunities for further improvements and efficiencies.

Innovation is a key driver at Shared Services Canada. The Government of Canada's IT infrastructure is the backbone of the effective delivery of services to Canadians, such as employment insurance, social benefits, and national security, including border security and policing services. Modernizing and transforming this IT infrastructure is a key priority of Shared Services Canada.

The budget allocates \$384 million over the next two years to support a multi-year, whole-of-government IT transformation, with a focus on upgrading mission-critical infrastructure. Another \$77.4 million was provided over five years to strengthen cybersecurity and ensure robust protection for networks and systems that support not only the delivery of employment insurance and other benefit programs, but also digital communications and open data initiatives.

These budget commitments will also enable Shared Services Canada to continue to improve the security of Government of Canada systems and networks, contributing to the government-wide response to the horizontal and internal audit on IT security recently completed by the Office of the Comptroller General.

Shared Services Canada is also engaging its partners, stakeholders, and IT industry experts to help validate its plans for modernization and transformation of the government's email, data centre, and network services. This initiative has also drawn the attention of this committee, and I appreciate it that you took the time to study this complex file.

Government does not have a monopoly on good ideas, and we cannot do everything we need to do alone. We must work with partners and stakeholders. Engagement and collaboration are critical. We are strengthening relationships at all levels, from my ministerial colleagues to partner and client departments, suppliers, unions, and aboriginal and indigenous groups, as well as green and youth stakeholders. For instance, many of these individuals and groups have told us that the federal procurement system is still too complex and cumbersome. We are committed to modernizing procurement, simplifying government purchasing, and cutting red tape for both clients and suppliers.

As well, working with Environment and Climate Change Canada, Shared Services Canada will help revitalize weather services and develop new solutions for better coverage of the north to improve shipping safety in the Arctic.

Meaningful engagement requires us to bring greater transparency to what we do. The national shipbuilding strategy is a case in point. We should and can be much better at sharing with Canadians both the good news and the challenges that come with the strategy. We have to be straightforward with Canadians about the progress of individual projects, shipyard investments, contract awards, and other pertinent data. I am committed to publishing an annual report to Parliament starting this fall, as well as providing quarterly updates.

Turning now to the 2016-17 main estimates, Public Services and Procurement Canada's total spending is expected to remain stable at \$2.87 billion. The department is also seeking \$351.6 million in additional funding through supplementary estimates (A) for the recapitalization of engineering assets and maintenance and repairs of federal buildings, as well as the maintenance and upgrade of federal infrastructure.

Total spending by Shared Services Canada for this fiscal year is expected to be \$1.55 billion, an increase of \$105.8 million, or 7.3%, over last year. This includes expenditures of \$53.6 million to help retrofit the Carling campus for National Defence and \$26.4 million for cybersecurity, along with investments to support our partners across government on key initiatives, such as strengthening digital infrastructure for Canada's research, education, and innovation communities.

Shared Services Canada is also seeking \$272.1 million in additional funding through supplementary estimates (A) to implement budget 2016's commitments to cybersecurity and upgrading mission-critical infrastructure for high-performance computers in support of Environment and Climate Change Canada's weather services, as well as for Shared Services Canada's contribution to the resettlement of Syrian refugees.

Mr. Chair, both organizations have been allocated significant funds to deliver programs and services to the benefit of Canadians. There is much to do, but I know we are up to the challenge.

I've met hundred of employees throughout these organizations. They are energized, committed, and eager to deliver. As I have discussed, they are pursuing a greener future. They are embracing innovation and a commitment to service, and they are working not only for but with Canadians and other key stakeholders. I am proud to have the opportunity to keep this committee informed of the results of their efforts.

● (1555)

Thank you. I am pleased to be able to take the committee's questions.

● (1600)

The Chair: Thank you very much, Madam Minister.

Before we begin, it is my understanding, Minister, that you will be with us until 4:30?

Hon. Judy Foote: I will.

The Chair: We should be able to get in one complete round of seven-minute questions before your departure.

Following that, colleagues, the rest of the officials will be with us until we adjourn to go into committee business.

We'll start now with seven-minute rounds.

First up on the government side is Mr. Whalen.

Mr. Nick Whalen: Thanks, Mr. Chair.

I'll be sharing two minutes of my time with Mr. Drouin. If you could give me a heads-up at the five-minute mark, that would be great.

Thank you all for attending today.

I'll jump right in with a couple of questions for Minister Foote in respect of the modernizing, procurement, and greening government initiatives she spoke of in her opening comments.

Something that has come before the committee a couple of times now is what seems to be a slight disconnect on the procurement side between the responsibility of Public Services and Procurement Canada and that of Shared Services Canada with respect to IT procurement.

Can the minister inform the committee whether there are other areas in which PSPC is still doing IT procurement and why most of the IT procurement has been outsourced, it seems, to SSC?

Hon. Judy Foote: Gavin Liddy will respond.

Mr. Gavin Liddy (Associate Deputy Minister, Public Services and Procurement Canada): Mr. Whalen, the issue is that when Shared Services Canada was started up, we had all the procurement tools in our inventory. Those have since been moved over to Shared Services Canada. We still have a few regulatory and a couple of other issues to clean up. By and large, we've tried to divide the landscape in a very even process so it's absolutely clear to suppliers and to government departments doing business which department does which. John Glowacki and I have been meeting on that on a monthly basis for about a year, and I think we have it all buttoned up now.

Mr. Nick Whalen: My follow-up question is for the minister.

Is this an efficient division of labour or should the procurement of IT hardware and other services be brought back in under the Public Services and Procurement Canada umbrella?

Hon. Judy Foote: I'm really interested in the work that the committee has been doing in terms of looking at Shared Services. I'll be looking forward to a report coming out of this committee, which we will then take into account regarding whether we go down the road of bringing it all under PSPC or not. The work that you're doing will be very helpful to the department.

Mr. Nick Whalen: Okay. Thank you.

With respect to the greening government initiative, what specific things is your department doing to ensure that government buildings are energy efficient?

Hon. Judy Foote: We think we should lead by example. As I said in my remarks, we've allocated \$1.2 billion to upgrade the heating and cooling systems of over 100 buildings in the national capital region through the energy services acquisition project. It will reduce greenhouse gas emissions by one third. It will reduce annual operating costs by 20%. It will reinforce the government's commitment to achieving climate change targets.

We're very focused on making sure that we have the resources to do what we need to do in keeping with what this government has said. That is, that we must give reducing greenhouse emissions priority.

Mr. Nick Whalen: I have a final question before I hand it over to Mr. Drouin.

In respect of these initiatives and the projected benefits we talked about from this one initiative—20% cost reduction and one-third energy-use reductions over time—what metrics are in place within

PSPC to make sure that the projects that are funded by government and are expected to be environmentally beneficial are tracked going forward in the budgeting process, to ensure that the money is tracked to see whether or not those projects are on budget? In respect of environmental benefits, are we tracking those in a similar fashion to ensure that Canadians are getting the environmental benefits they expect?

Hon. Judy Foote: Absolutely. That's part of our overall plan.

As a government, we're looking at delivering on the initiatives that we have announced. To do that, of course, we have to have data. We have to be able to put measurements in place, and we're doing that. That's part of our overall process to make sure that we achieve what we set out to achieve given the resources we've been given to do that.

The Chair: Mr. Drouin, you have slightly less than three minutes.

Mr. Francis Drouin: I have one question with regard to Canada upgrading its payment system. It hadn't been done for the last forty years. I believe we're talking about Phoenix. There have been some media reports about some employees not getting paid. I know there are always glitches in new systems, but what measures are your department taking to ensure that employees are getting paid? What are we doing to fix the glitches as well?

Hon. Judy Foote: Let me say at the outset that it's really important that all employees receive their pay and receive it on time. This is a new system and, as I have said earlier and as you reiterate, we're coming off a 40-year-old-system. Even though we're seeing examples of some people who are not being being paid, the testing that was done previously was substantial to make sure that there would not be any glitches in the system. It's hard to cover off everything. We're finding that if there is an issue with overtime, for instance, if the human resources manager hasn't entered the overtime for a particular individual, that can result in a delay in a person being paid.

What we've done as a department is to work with other departments to make sure that they know exactly what is expected of them and that they can enter the information that's required. When you consider that there have been 1.2 million transactions and that right now there are only 77 outstanding complaints, the employees who have taken responsibility for this initiative are to be commended. They have been working very hard. We've put additional resources in place. We've made sure that the pay centre has the individuals it needs to work with the permanent staff there to make sure that people don't go without their pay.

As much as we would like to be able to ensure that it will never happen, we're working hard to make sure it doesn't, but I expect that until each department understands the process and what has to be entered into the system for everyone to get paid, we'll continue to have minor glitches in the system. The priority for us, as a department, and for all departments involved is to make sure that employees get paid on time and get the right amount of money.

We also work with departments to make sure they are making available emergency pay in cases where people aren't getting paid, so those people don't go without a paycheck.

• (1605)

The Chair: Monsieur Blaney, for seven minutes, please.

[Translation]

Hon. Steven Blaney: Thank you very much, Mr. Chair.

Welcome back, Madam Minister. We are always happy to have you and the representatives of your two main departments. Thank you, as well, for informing us in advance of the Canada Post review. It was very much appreciated.

As I already mentioned, as an engineer, I am very proud to see that a deputy minister and member of the Ordre des ingénieurs du Québec is in charge of public works in the country. It is particularly gratifying and a source of pride for the profession.

Madam Minister, we have already started hearing from the Canada Post representatives. They had a five-point strategy to lower costs by \$800 million. However, when they appeared before the committee, they informed us that they had stopped implementing this strategy to generate savings.

Who made this decision?

[English]

Hon. Judy Foote: I would have done that as minister responsible for Canada Post, the idea being that the outcry from the public at large as a result of the five-point plan, but in particular the installation of roadside mailboxes, became an issue. How do we best deal with that issue? How do we reach out and hear from Canadians? The reality is that there were aspects of the five-point plan that, for us to continue with it, would have prevented us from doing what we needed to do in having an independent, comprehensive review of Canada Post, looking at what quality services could be delivered at a reasonable cost.

[Translation]

Hon. Steven Blaney: I can assure you that the committee will work with you on the Canada Post review.

We have learned that the anticipated losses resulting from the interruption of this review amounted to half a billion dollars. In terms of Canada Post's financial situation, we noted that the corporation was barely staying afloat. Regarding their bottom line, I would say that they are maintaining a balance, or, as we sometimes say, they are breaking even. They are in a precarious financial situation, and we are taking away their ability to become profitable by preventing them from implementing their plan. The \$6-billion pension fund is also a sword of Damocles.

What do you think about the fact that their ability to become profitable is being taken away? Ultimately, taxpayers will pay for this decision.

Where do you stand on that?

[English]

Hon. Judy Foote: The aspect in terms of the installation of roadside mailboxes would be where putting a moratorium on that would have been where Canada Post would now probably have the savings they had anticipated receiving. They would not, as a result of putting a moratorium on the installation of roadside mailboxes, because home delivery would be continuing in the areas where those weren't installed.

Canada Post is going to be part and parcel of this comprehensive review. They are a major stakeholder, just as are the unions and Canadians from coast to coast. The idea is that they know that they will continue to get a lot of revenue from parcel delivery, because that's where mail is focused these days. The letter volume is down, so they were not getting the revenue they expected from letter mail, but they will continue to get revenue generated through parcel post.

We're confident that in working with Canada Post, we can deal with the issues, but Canada Post has to remain self-sustaining, and the one element of that within the five-point plan was the installation of roadside mailboxes. It was the one aspect of it, where we put the moratorium, that would that have affected their savings.

• (1610)

[Translation]

Hon. Steven Blaney: Since time is running out, I will keep this short.

I would simply like to reiterate that three out of four Canadians do not have mail delivered to their home. The interruption of the action plan will result in a deficit at Canada Post when the volume of mail is decreasing and the number of packages mailed is insufficient. In the end, we are asking Canada Post to square the circle and their ability to be profitable is being taken away. It is quite a problem situation.

I would like to share my time. How much time is left, Mr. Chair?

[English]

The Chair: Are you good with two minutes?

[Translation]

Hon. Steven Blaney: I will share my time with my colleague, Mr. McCauley.

[English]

Hon. Judy Foote: If I could just speak to the point that you made

—

Mr. Kelly McCauley: No, have one, and we'll get two more.

[Translation]

Hon. Steven Blaney: Will there be another round of questions, Mr. Chair?

[English]

Hon. Judy Foote: Other than to say that Canada Post, as you know, is in a surplus position, so by the end of December, we're looking at having a review completed and a report ready—

Mr. Kelly McCauley: They are in a surplus because they're on a pension holiday. Were you aware of the losses that you were inflicting on the taxpayers by interrupting the five-step program? It wasn't just the mailboxes. It was the freezing of the price increase on stamps as well. Did you take that into consideration?

Hon. Judy Foote: Everything was taken into consideration. We want to make sure that Canadians—

Mr. Kelly McCauley: It was more than just the mailboxes—

Hon. Judy Foote: Yes, absolutely, and we want to make sure that Canadians are consulted on this very comprehensive independent review.

Mr. Kelly McCauley: Can you update us on where we are on the fair wage policy? We discussed it on March 10. You said we weren't very far down the road. Where are we with that right now, please?

Hon. Judy Foote: We're working with our colleagues. This department doesn't have the lead on the fair wage policy—

Mr. Kelly McCauley: But it's in your mandate letter.

Hon. Judy Foote: It's in cooperation with other departments, so we're working on it together. We don't have the lead on that particular file. Another department does.

Mr. Kelly McCauley: Who does?

Hon. Judy Foote: It would be ESDC.

Mr. Kelly McCauley: I was going to ask you about the fair wage policy, but I don't think you have any answers for me.

Hon. Judy Foote: We will have answers. Just give us time. We're working very hard on all of our files.

Mr. Kelly McCauley: My time is pretty much up.

The Chair: We will cut it off there and go to Mr. Weir for seven minutes, please.

Mr. Erin Weir: Canada's steel industry is struggling against the tide of offshore steel dumped into our market. Earlier this month there were more layoffs at the EVRAZ steel mill at the north end of my riding.

Producing a tonne of steel in Canada with relatively clean energy and strong environmental standards emits far less carbon than producing it offshore. A further environmental advantage of using Canadian-made steel in Canada is that it minimizes the emissions from transporting the steel.

In the main estimates your department is seeking funding to undertake improvements to federal buildings, the Alaska highway, the Esquimalt graving dock and the Alexandra Bridge here in Ottawa. Will these projects be completed using Canadian-made steel?

Hon. Judy Foote: There has been no decision made on having all Canadian-made steel used in these projects. There is a variety of steel that's used, Canadian steel as well as steel that's imported. No decision has been made at this point on whether or not to go with just Canadian steel.

Mr. Erin Weir: Okay, well, last time you appeared before our committee I asked you about steel for the new Champlain Bridge, a huge federal infrastructure project. Your department's written response indicates that 19% of the steel will be made in Canada.

Do you believe that is an appropriate percentage, and if not, what steps will you take to source more of the steel from our country?

●(1615)

Hon. Judy Foote: That's certainly something we're looking at as a department. I think it's important for us, in light of the steel industry—you already referenced it, and we've had representation from other members of Parliament as well—to look at opportunities to maximize benefits for Canadians. That's on a number of fronts, including the use of Canadian-made steel.

Mr. Erin Weir: According to its 2016-17 report on plans and priorities, the Defence Procurement Secretariat will “launch an open and transparent competition to replace the CF-18 fighter aircraft, focusing on options that match Canada’s defence needs”. Will the F-35 be considered as one of those options?

Hon. Judy Foote: DND is taking the lead, determining what its needs will be—not what it wants but what the needs of the Canadian Armed Forces will be. So the review by Canada Post....

The review by the defence minister—

Voices: Oh, oh!

Mr. Erin Weir: You might get an answer sooner.

Hon. Judy Foote: I know.

Voices: Oh, oh!

Hon. Judy Foote: So the review by the defence minister is ongoing. What that decision will be, I don't know at this point.

Mr. Erin Weir: Okay: so the fact that your party promised during the election not to buy F-35s wouldn't preclude your government from procuring them now.

Hon. Judy Foote: I will not make any kind of declaration on what we will or won't do. Obviously the defence review is an important component of what the Minister of Defence is looking at right now in terms of what the needs are for Canada in terms of its defence.

Mr. Erin Weir: The Phoenix pay system seems to have many problems. Some federal employees have gone for months without pay. Some departments have had to start issuing emergency cheques. Employees of the RCMP depot in my riding have contacted my office about problems getting paid. What actions have you taken to resolve this issue and ensure that the government pays our public servants correctly and on time?

Hon. Judy Foote: I appreciate your question. It's of concern to all of us when employees go without getting paid.

We've been working very hard. As I said earlier, we have gone through 1.2 million transactions. We have 77 outstanding files, but over 500 have been solved. We want to make sure that no employee goes without being paid, but as with any system, when you're doing away with one system and introducing another one, there are bound to be issues. That doesn't mean that employees should have to go without pay. That's why the emergency measures were put in place, to try to take care of that.

Mr. Erin Weir: Sure. You've kind of focused on the relatively small number of outstanding files. I wonder if part of the reason for that may be that employees can't actually get through to your call centre.

Hon. Judy Foote: We have put additional resources into the call centre. We have sent additional people there to work with the permanent staff of the call centre, trying to ensure that every call gets responded to and every issue dealt with. We are staying on top of that. Tomorrow is another payday, so we'll know better tomorrow in terms of.... We'll of course have more than 1.2 million transactions come tomorrow.

So we're staying on top of it. We're getting a weekly report of what the issues are, if there are new issues arising, and how we're dealing with them in an expeditious way.

Mr. Erin Weir: Knowing what you know now, do you think it was a good thing that the Government of Canada adopted this Phoenix pay system?

Hon. Judy Foote: Absolutely. I mean, the 40-year-old pay system had become ineffective. After a while, most IT systems need to be updated. This is one that certainly needed to be. A lot of testing was done.

As you know, this was a project of the previous government. I'm told that a lot of effort went into trying to make sure that every possible issue would have been dealt with or would have been tested, but then you cannot anticipate every issue that will arise.

So absolutely I think it was the right move. I can tell you from the work that's being done by the employees of the centre, and by those who are leading the file, that they're working above and beyond.

Mr. Erin Weir: My colleague tried to ask about the fair wages policy. He didn't have much luck, but I guess I'll try again.

I'm wondering if this policy will actually be in place and applicable for some of these infrastructure projects in the main estimates. I already asked about improvements to federal buildings, the Alaska Highway, the Esquimalt dock, the Alexandra Bridge. The federal government is moving ahead with these construction projects. Will people employed on those projects have the benefit of this modernized fair wages policy?

• (1620)

Hon. Judy Foote: That's certainly the intention, and as we work together as departments engaged in this file, it's to try to bring it to fruition as quickly as we can.

Mr. Erin Weir: When will it be in place?

Hon. Judy Foote: I don't have a date for you at this point, but we are working together as departments to move this file forward.

Mr. Erin Weir: Okay, thank you.

Hon. Judy Foote: You're welcome.

The Chair: Thank you very much. We will go into the last seven-minute intervention before the minister has to leave us.

I believe we have Mr. Grewal, and you're splitting time with Madam Shanahan. Is that correct?

Mr. Raj Grewal: Yes, thank you, Mr. Chair. You can split, I believe, two to three minutes at the end. Just let us know.

Thank you, Minister, for coming, and all your officials as well.

Minister, small businesses are so important to the Canadian economy, and a lot of small businesses want to get involved in the government procurement system. Our current procurement system is very complex and difficult for small businesses to navigate; the tendering process is onerous and time-consuming and challenging. What can we do to improve that and make it more accessible for our small businesses?

Hon. Judy Foote: Like you, I recognize the value of small businesses to our economy. When you look at the number of people employed throughout the country, a significant number of those are employed through small and medium-sized enterprises.

We're working very hard to modernize procurement. We're working very hard to make sure that everyone has access to government procurement. We are recognizing that we buy everything from pencils to ships to jets, and so there are components of procurement that the small and medium-sized enterprises can avail themselves of, and there's no reason why, on the larger files, that those who are able to take advantage of those, and are in a position to deliver on those, can't engage small and medium-sized enterprises via subcontracts. We're working very hard to make sure that everybody has an opportunity to take advantage of government procurement, especially small and medium-sized enterprises, which often tend to be located in rural areas of our country, as well as in the smaller urban areas.

Mr. Raj Grewal: Asbestos is a big problem, and for years Canadian workers and employees and visitors to public buildings have been exposed to it. You mentioned in your opening statement that we're doing an inventory. As the Minister of Public Services and Procurement, you recently banned—

Hon. Judy Foote: In government buildings....

Mr. Raj Grewal: —asbestos in new builds and renovations in PSPC buildings. Can you tell me where we are at in preparing an inventory of all federal buildings that contain asbestos?

Hon. Judy Foote: We are very concerned about any amount of asbestos that may exist in government-owned buildings, or buildings that government leases. That's why we're doing the inventory. I think that by the end of the summer, we should in fact have that inventory completed. Our priority is to make sure that our employees in particular, and anyone who visits those buildings, are not exposed to asbestos. From the perspective of Public Services and Procurement Canada, we took the lead right away to say that we were going to do everything we could to make sure that in new builds, we would not include in our RFPs the requirement, or somebody would not be able to come to the table saying they were going to be using asbestos. We are looking at our leased buildings as well.

Mr. Raj Grewal: In terms of the inventory that's going to be assessed, will they be tracking what buildings contain asbestos, or will there be an action plan implemented to ensure that they are brought up to standard or are removed?

Hon. Judy Foote: Oh, absolutely. If we identify asbestos in a building, we couldn't in good conscience rest knowing that we have employees working in that environment, or visitors to those buildings being exposed to that. Where buildings are leased, we'll have to work with the owners of those buildings to deal with the issue.

The Chair: Mr. Grewal, I believe it will be Madam Ratansi, rather than Madam Shanahan.

Three minutes, please.

Ms. Yasmin Ratansi (Don Valley East, Lib.): I was listening to the questioning about Canada Post and was quite amused by the fact that somebody talked about cost. We had the CEO, Deepak Chopra, before committee, who told us that he hadn't done any consulting. Had he done the consulting and not taken the route he did, I guess all of us as parliamentarians wouldn't be in this position where we have to call a task force to stop this nonsense and start consulting with Canadians. I am so glad that you announced last week a two-stage process for the review of Canada Post. Now, I know that the first phase is the independent task force, and in the second phase you are asking the committee to...with the consultation process. Could you outline the role of this committee? How would you like to see it proceed?

• (1625)

Hon. Judy Foote: We have what I think is a very competent task force of very independent-minded individuals who I am pleased took on this task. They are being asked to prepare a report based on surveys and some consultation that they will do. They will be looking at best practices. They will look at what's happening internationally.

The report of the task force itself will be presented to me as minister. I will then ask the committee to consult Canadians about it. I think that as a parliamentary committee you're in a better position to do so. You will determine where you go and whom you consult with. The reality is that we want this task force report, because even though we're hoping that the task force will uncover every conceivable line of business that Canada Post could be in, there's a lot of work that has to go into this. They're supported by a secretariat in PSPC, which is working with them.

The work that the task force will be involved in over the next four months will be really comprehensive. It's not the type of work, I would think, that the committee would have the time to prepare or get involved in. The idea is for the committee—if you see fit to do so—to really get out there, consult with Canadians, and find out what they have to say.

The task force report will be available online. It will be available for Canadians to see. As you carry out your work, Canadians will react to that task force report, but I would think that as a committee you will also be looking to Canadians to get their say on how Canada Post should go forward and the types of services it should provide at reasonable cost, bearing in mind that Canada Post must remain self-sustaining.

The Chair: Minister, thank you for your appearance here once again. You are excused.

We'll suspend for about two minutes while we have the other witnesses come forward, both from Public Services and Procurement Canada and Shared Services Canada.

• _____ (Pause) _____

•

• (1630)

The Chair: Colleagues, ladies and gentlemen, I think we'll begin.

Before we proceed into direct questioning, we do have some new witnesses appearing with us today.

Madame Lemay, I would ask you to please introduce those of your colleagues who have joined us at the table, and then Mr. Parker, I'll ask you to do the same.

[Translation]

Ms. Marie Lemay (Deputy Minister, Public Services and Procurement Canada): Thank you very much, Mr. Chair.

I have with me Mr. Gavin Liddy, our associate deputy minister; and Ms. Julie Charron, our chief financial officer. I also have with me Mr. Kevin Radford, assistant deputy minister at the real property branch; Ms. Lisa Campbell, assistant deputy minister at the acquisitions branch; and Mr. Rob Wright, assistant deputy minister at the parliamentary precinct branch.

[English]

He is somebody you probably already know.

The Chair: Thank you very much, Madame Lemay.

Mr. Parker, you have officials joining us as well.

Mr. Ron Parker (President, Shared Services Canada): I have here Mr. Glowacki, the chief operating officer; Alain Duplantie, our senior ADM of corporate services and chief financial officer; and Mr. Graham Barr, our director general of strategic policy, planning and reporting.

The Chair: Thank you very much.

Colleagues, I think we're going to start afresh with another seven-minute round. That would ensure that every party member around this table will have at least one opportunity for questioning. That said, we will start the first seven-minute round intervention with Monsieur Drouin.

Mr. Francis Drouin: Thank you, Mr. Chair, and thanks to all the witnesses for being here. We appreciate it.

To the witnesses from Shared Services Canada, you guys have been in front of the committee a lot in the past month. We know that the previous government removed savings before consolidation was even done. We understand that. If you had to start over, what would you change? I guess you'd tell me not to remove the savings before they're realised.

Mr. Ron Parker: In terms of lessons learned, first, I would go back and think about the culture change that's implied in bringing 43 departments together and the personnel from those departments and the plan for that. There were 43 different ways of doing things and 43 different ways of processing service requests. The focus should really be on what the plan is and how to bring people together as quickly as possible to get a unified service.

Second, I would establish the benchmarks from where we started a lot more clearly, in terms of knowing what asset base we were inheriting and what service levels. All of that is typically done when a task is outsourced. In this case, it's an outsourcing to Shared Services Canada. That's one thing that we heard was done in Ontario, for example, that has really helped them measure their progress and understand what they were working with.

Third, I think there's also the importance of people. We need to keep the staff engaged and have the space and time to invest in the training, the tools, and the processes that will jump-start the transformation overall.

Mr. Francis Drouin: Talk to me about the financial structure you have with the department's clients. How does that work? What happens if SSC doesn't deliver a service on time with a department? How does the financial structure work?

Mr. Ron Parker: We have a combined financial structure. We have a base appropriation. The initial base was determined back when the department was set up in the 2009-10 fiscal year to benchmark. The departments were asked how much they were spending on these IT services. When Shared Services was stood up, that amount of funding was transferred to it to provide the services at that level at that time. Since then, there's been very strong growth in demand. Storage is growing at 50% a year. Bandwidth demand, we forecast, is growing about 30% this year. The number of videoconferencing minutes is up enormously, by millions of minutes. We are evolving the costing structure we have in a cost management model to take into account the fact that this demand is stronger than forecast. To provide those services, there's a fee for service above a baseline level. That's the direction we're going in, overall.

• (1635)

Mr. Francis Drouin: You've spoken about demand, and we know that technology changes quickly in this world. How are you ensuring that in your contracts, and in your RFPs, you're adapting the innovation piece in the contracts to ensure that when we contract out

to a company today, we can allow innovation within that contract. How are structuring that?

Mr. John Glowacki Jr. (Chief Operating Officer, Shared Services Canada): That's something we're looking at in future contracts. I would say most of the contracts we have right now tend to be a bit more traditional, such as a telephone service. That's a key point, and oftentimes it's missed, because there's an expectation that, for instance, we'll want telephony from a certain company, but we won't put in that extra piece for innovation. From my experience, you absolutely have to set some money aside, because it costs something. It's important that we always have a line that says that not only externally, but also internally, we'll have money for labs—we call them sandboxes, and development spaces, etc.—to be able to have the man hours and allow the contractors to come in. Part of this doesn't even involve money. It involves terms of conditions to say, in the case of the RFP, that when you put your response on the table, we will also allow you to put in value-adds, and we will assess those in addition to the rest of the responses. You'll have apples to apples among all the responses, but you will also get this opportunity to say, "Oh, there's some value-add features that we hadn't anticipated", despite all the collaboration we do in our procurement process to be able to say, "Oh, here's something even better".

Mr. Francis Drouin: You and I had a conversation the last time about procurement. I just want to make sure that it's your belief that SSC is putting in the right checks and balances within the requirements to ensure that there's fair competition in the vendor community. When you're procuring, do you think you have the right or fair checks and balances in there?

Mr. John Glowacki Jr.: Yes. We're maturing the organization, but I absolutely believe that we have the right checks and balances. Competition wins: you always do better with competition. Once in a while you need to sole source, but to the extent you can promote competition, it's absolutely worth it. That's the sum of my experience.

Mr. Francis Drouin: How does it work if a vendor feels that they haven't been properly treated? What's the process within SSC? Normally we would go to PWGSC if it were a defence contract, but now that it reports up to Mr. Parker, how do you ensure the vendor community feels they're being treated fairly?

Mr. Ron Parker: We have a number of channels to work with the vendor community. We have an IT round table that we meet regularly with to go through the issues and the approach to procurement. There are a number of subcommittees from that group looking at different issues related to procurement. Innovation was one of the issues. Those concerns come up directly through those channels.

As well, we have an open door in meeting with the vendor community, whether with individual vendors or associations. Of course, it's outside of a particular procurement process, but we're all ears and are working with the community directly to have a very collaborative procurement process. That's the other element. As we go through the procurements, they're structured in a way that allows a dialogue with them. It's a parallel process to what Public Services and Procurement uses, in that sense. It's iterative with industry to drive even the RFP requirements. There should be no surprises through that process.

• (1640)

The Chair: Mr. Blaney, you have seven minutes.

[Translation]

Hon. Steven Blaney: Thank you very much, Mr. Chair.

Mr. Parker, welcome back to the committee.

When you met with us only a few weeks ago, you explained that the migration of all the departments to IT shared services was an ambitious program. If my memory serves me correctly, you said there were three major areas, consisting of emails, telephone systems and systems.

Mr. Ron Parker: We discussed the email services, the communication networks, and the migration of work to the new data centres.

Hon. Steven Blaney: Yes, and much work needs to be done in that last area. We are currently preparing to visit the data centres.

During your previous appearance, you mentioned that the major migration was significantly delayed, and that you may be able to update us on the situation in the fall. Do you have any additional information to provide today? When do think you can give an assessment to the committee?

You have financial resources, and I must emphasize the potential savings aspect, since the consolidation is supposed to generate economies of scale. I would like to hear how you plan to generate the anticipated savings, even if it is difficult. I would also like information on the timeline for that.

Mr. Ron Parker: We are still working on the project and making progress. However, unfortunately, I am not yet able to give you more details. An external review of the proposals will be completed by the fall, and then we will make a plan. The plan will likely be submitted to the minister and cabinet. We must take that into consideration.

Hon. Steven Blaney: If I read between the lines, you're telling us that the answers to these questions will come toward the end of fall or maybe later than that.

Okay. On our side, we'll continue our work.

I'd like to mention that we've heard witnesses who said they were satisfied with your services. They were mostly from smaller departments agencies. We asked them about this. We checked with them to find out if they were satisfied with your work up to now. The Public Service Commission, the School of Public Service, and the Office of the Public Service Integrity Commissioner were satisfied with your services.

Thank you, Mr. Parker.

I will now turn to my favourite engineer who works for the Department of Public Services and Procurement.

Ms. Lemay, in the budget, \$2.1 billion is set aside for this year, a large part of which will go toward replacing the heating. Would you be able to explain to us the breakdown of these expenditures and tell us what kind of work is going to be carried out in that regard?

Ms. Marie Lemay: Mr. Blaney, you will understand that this is a project that is very important to me, but I think I will ask Mr. Wright or Mr. Radford to provide you with the details. Indeed, it's a very big project.

Mr. Kevin Radford (Assistant Deputy Minister, Real Property, Public Services and Procurement Canada): Thank you for the question.

[English]

In her opening remarks the minister spoke to the \$1.2 billion for ESAP. About a month or so ago I was at the Royal Institution of Chartered Surveyors in Washington, and we were talking about how much infrastructure contributes to greenhouse gas emissions. It's about 40% internationally. Taking the heating plants in the systems that provide heating and cooling to about 85 different buildings using 1950s technology is a huge coup from a GHG perspective. I can provide the committee with the detailed breakdown of each of the projects associated with that particular project. A number of projects are going on right now around the design and the planning of what that system will look like, but some remediation work is also going on in parallel at the pumping stations, at the boiler plant, etc. It's quite a detailed list. Would you like me to provide the details?

• (1645)

Hon. Steven Blaney: It's clear with this \$1.2 billion that it is going mainly into the national capital region, but the total amount is \$2.1 billion, so that leaves \$900 million. Is it possible to tell us what this amount is dedicated for?

Mr. Kevin Radford: Part of the \$2.1 million was a program integrity submission that we had put forward in budget 2016, which basically was looking at the current state of the assets we have within our portfolio. In many cases the operating budgets that were supporting those assets were below standards in the private sector. We used our main service provider, Brookfield Global Integrated Solutions, to provide us with some comparators of the status of services in our buildings versus what was done in the private sector, and our services were considerably lower, so a portion of that is to lift our ability to operate the assets we have and to raise those particular standards.

For instance, for many of the mechanical systems in our buildings, like those you would have in your car, we weren't going beyond any preventative maintenance. In fact we were just doing corrective maintenance on many of those mechanical systems and supporting systems in the buildings. We are also just leveraging health and safety. So there was a large repair bow wave that had been created.

Hon. Steven Blaney: And it's all over the infrastructure of your buildings?

Mr. Kevin Radford: It's all over nationally.

Hon. Steven Blaney: Good.

The Chair: We'll now go to Mr. Weir for seven minutes, please.

Mr. Erin Weir: I would like to follow up on an issue that I raised with the minister about the use of Canadian steel in federal infrastructure projects. In its written response to my previous inquiry, the department said that the new Champlain Bridge corridor contract was awarded to the lowest compliant proposal based in part on a fixed price for the design and construction work. It also said that the contract contained specific requirements related to the performance of material, but did not contain requirements related to their origin.

It sounded as though the minister suggested that it would be possible to look at the amount of Canadian steel that was being used. I'm just wondering how that fits with a procurement requirement that doesn't seem to take into account the origin of the steel.

Ms. Marie Lemay: Mr. Weir, we are very seized with that issue. As the minister said, we are discussing this, but as you probably know, it is complex in terms of having to specify and some of the different rules and regulations around the procurement. Maybe Ms. Campbell can give you a little bit more detail on specifically the steel.

Ms. Lisa Campbell (Assistant Deputy Minister, Acquisitions Branch, Public Services and Procurement Canada): I'd be happy to.

Mr. Chair, Canada uses a number of mechanisms to leverage the largest public "spend" for the benefit for Canadian companies. We do it in two ways. One is by giving them access to global markets through trade agreements, and the other is by applying policies that we have that ensure that procurement is leveraged for industrial benefit to Canada. A Canadian-content policy encourages industrial development in Canada by limiting procurement to Canadian goods and services where there's sufficient competition to do so in Canada. We also have an industrial technological benefits policy that stimulates Canadian industry participation in military procurements and investments in other high-value sectors of Canadian industry.

Thank you.

Mr. Erin Weir: I'm just wondering if you could explain how that fits with the department's written response that there was no requirement, or no expectation at all around the steel being made in Canada.

Ms. Lisa Campbell: We will look at every procurement. We'll look at the requirements of the procurement and where their long-term value for Canadian businesses is. We engage with industry at the outset of procurements. We hear their feedback and increasingly the parts they're very interested in are the long-term in-service support and maintenance. In complex procurements that's where they see high value. So we will look at raw materials as well as at in-service support and maintenance over the long term.

I can share with you that fully 38% of procurements go to Canadian small and medium-sized businesses. We really do a lot of outreach to make sure that Canadian businesses are engaged and have access to federal procurements.

• (1650)

Mr. Erin Weir: How heavily do those concerns about industrial development and Canadian jobs weigh in to these procurement decisions on civilian infrastructure?

Ms. Lisa Campbell: They're top of mind for us. We work with client departments and also Innovation, Science and Economic Development Canada. They recently hired a firm to help them do a map of Canadian industrial capabilities so that when we do procurements, we can target them making sure we take advantage of our industrial strengths both existing and nascent.

Mr. Erin Weir: Okay. I'm struck by the fact that your report on plans and priorities for the defence procurement secretariat says that it will "work closely with National Defence and the defence industry to leverage purchases of defence equipment to encourage suppliers to invest in innovation and exports, to create jobs and economic growth in Canada". Would you say there's a similar level of priority for civilian procurement?

Ms. Lisa Campbell: As I think the minister mentioned, and as you may have seen in the mandate letters, we're working with Treasury Board to make sure that the socio-economic benefits that the government identifies can be applied in a holistic way, not just to defence procurement but to all federal procurement. As I think the committee is aware, they're about half and half. Of the roughly \$17 billion that's spent each year, half is large complex military procurements, and the other is major procurements such as nuclear facilities and bridges. What we're doing is modernizing our procurement tools to make sure that whatever the socio-economic desire is, it can be applied in procurement to the extent possible.

Mr. Erin Weir: Excellent.

Another thing I wanted to follow up on was this question of using federal government buildings as a potential venue for affordable housing. I had previously asked how many such sites there were in Saskatchewan, and the written response from the department was that four federal buildings had been examined, and none of them had very good potential for affordable housing. Will that information be used to try to encourage other federal housing programs to provide greater support to Saskatchewan, given that it seems that our province won't get much out of this repurposing of federal office buildings?

Mr. Kevin Radford: We are working very closely with ESDC and CMHC in developing an inventory of our holdings that may be applicable to the affordable housing initiative. We have looked at and examined all of the homes that we have in our current jurisdiction. Many of those are up in the north. Some of them are occupied and some are not, and some are in a state of disrepair. Our contribution thus far has been to create a template of where they're located, what type of zoning they are in, what their condition is, and what would be the easiest way to move them into other sectors to support this initiative. We created this template and now we're reaching out to custodians. I should mention that we look after about 30% of the overall custodial space, including institutions like the RCMP, where my colleague Alain comes from, which also have homes, and DND, etc. We're going to share the template that we've put together with those custodians so that we can gather a Government of Canada listing. That's about where we are at. Our contribution is developing that inventory.

Mr. Erin Weir: Okay, it sounds like you have, and that for Saskatchewan there's really not much prospect of these buildings being used to provide affordable housing. Therefore, I wonder if that information is somehow going to be communicated to other departments so that Saskatchewan does receive its fair share of federal investment in housing.

Mr. Kevin Radford: The overall departments that are responsible for affordable housing and for creating a policy in that jurisdiction are largely ESDC and CMHC. So what we are doing is providing the inventory and then supporting that in a collaborative way, so that as they develop policies and mechanisms to transition either homes or buildings in our infrastructure for other purposes, we'll have that ready for them to inform that policy discussion as it goes on. That will likely be in the fall time frame.

The Chair: Mr. Ayoub, for seven minutes please.

[*Translation*]

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

With respect to shared services, there is a request for \$60.7 million, which is comparable to last year's amount. As for translation and other linguistic services, we are looking at net expenditures of about \$6 million, of \$6.3 million for 2017-18 and \$7 million for 2018-19.

The number of full-time employees for these three years is anticipated to drop from 801 to 734, and then to 672. There will therefore be a reduction. I am left wondering why the planned expenditures for translation and other linguistic services would increase when the number of full-time equivalent employees is decreasing.

Is there an explanation for this?

•(1655)

Ms. Marie Lemay: Translation bureau revenues are down, but there is a delayed reaction, that is to say that attrition and departures do not occur at the same pace as the drop in revenues.

Mr. Ramez Ayoub: Is it simply attrition associated with retirements?

Ms. Marie Lemay: These are in fact voluntary departures. The decrease will happen as a result of voluntary departures, but it will not occur at the same time as the drop in revenues.

Mr. Ramez Ayoub: With regard to client satisfaction objectives, you mentioned a rate of 85%.

How did you arrive at that figure? How did the bureau measure client satisfaction to come up with this rate?

Ms. Marie Lemay: The 85% figure was based on the results from previous years.

At Public Services and Procurement Canada, many client service surveys are carried out and these are consolidated. The translation bureau is going to be using a new method for client satisfaction surveys. The 85% was based on previous results.

Mr. Ramez Ayoub: Okay.

Can you tell us about this new method?

Ms. Marie Lemay: We have come up with a dozen—

[*English*]

Can you take that one?

[*Translation*]

Mr. Gavin Liddy: Yes.

We've come up with over a dozen

[*English*]

client satisfaction surveys for all of the services.

[Translation]

That includes Lisa and Kevin's group.

[English]

We have a meeting every couple of weeks where we go over the client satisfaction service surveys. Every year we update them. The idea is to be consolidating them in a more cohesive way so we can measure one service against another.

[Translation]

Treasury Board gave us

[English]

guidelines and directives to allow us to compare ourselves to other government departments as well. That is where we're going on that.

[Translation]

Ms. Marie Lemay: We have identified a dozen questions that are common to agencies.

Mr. Gavin Liddy: Exactly.

Mr. Ramez Ayoub: Thank you.

The translation bureau is studying crowdsourcing as a form of participatory translation.

Could you tell me a little more about this? What do you mean by this?

Ms. Marie Lemay: It's an experiment that involves crowdsourcing in order to increase co-operation with experts from the language industry. It's an innovative way to increase co-operation.

Mr. Ramez Ayoub: So, we will find out more in the upcoming weeks and months.

Ms. Marie Lemay: Absolutely.

Mr. Ramez Ayoub: Okay. Thanks.

We have already raised the issue of social housing and federal inventories. It was said that one Canadian in four has difficulty paying for their housing and that one in eight has difficulty accessing housing that is safe and in good condition. For 10 years, the previous government neglected the social housing aspect of society.

What kind of progress has been made with regard to federal inventories, equipment and buildings that will later be converted for social housing? What's happening with this file? What are the plans for the upcoming months and years in this regard?

[English]

Ms. Marie Lemay: Kevin, do you want to—

Mr. Kevin Radford: Absolutely.

[Translation]

Thank you for the question.

We have completed the inventory for our department. There is a list of 207 houses and 224 buildings. We have created a model for the other

[English]

custodians, as something that they can also contribute to, to leverage our criteria, etc., so that we can develop a Government of Canada list.

We've also assessed them by their potential for the affordable housing as well. I can give you those specific numbers if you would like, and the list that we have in place.

● (1700)

[Translation]

Mr. Ramez Ayoub: After the establishment of the inventory, there is usually an action plan. It's good to do an inventory, but we want to know where we go from there. Does your action plan include a timetable in order to achieve results in terms of social housing?

Mr. Kevin Radford: Our role is to support the other departments by establishing policies and a process for the action plan. Our mandate was to do an inventory, and we did it.

Ms. Marie Lemay: I'd like to add that we sent it to our colleagues.

Mr. Kevin Radford: Yes.

Mr. Ramez Ayoub: Thank you. I have no further questions on the matter.

[English]

How many more minutes do I have?

Mr. Raj Grewal: I have just one question.

On cybersecurity, SSC's estimates include an increase of \$26.4 million to address current vulnerabilities in the government's security network.

Can you please elaborate on what's being done in the medium term to protect our information and our security.

Mr. Ron Parker: In the main estimates, there are three main projects that this funding is targeted to: completion of the migration of the National Research Council applications and data to the new network; improving enterprise management of internal credentials, meaning who's who and what level of access they should have to networks; and the consolidation of the federal government department access to Canadian Network for the Advancement of Research, Industry and Education, otherwise known as CANARIE, and the addition of censoring and monitoring to that network.

That's an important linkage. That's the main major network for scientists and others to use that is a high-speed network across Canada.

The Chair: Sorry, Mr. Grewal, we're going to have to cut it off now. We're over time already, and I have a sense that the response might take us even deeper into overtime.

Colleagues, with your permission, I think I'm going to excuse the witnesses. It will take a few minutes for them to leave and to clear the room while we go into in camera. Not only do we have a number of items on our committee business list, but we have a number of votes on the main estimates that we have to dispense with as well.

With that, thank you very much, ladies and gentlemen, for your attendance. We do appreciate it. You are excused.

We'll suspend for about two minutes.

- _____ (Pause) _____
-
- (1705)

The Chair: Colleagues, I will remind you that while we vote on the main estimates we are in public. Once we dispense with the votes, we will go in camera immediately for committee business.

We have two options here. First, I believe all of you have a list of the votes in front of you. It can be done in one of two ways: they can be voted in totality, as a package, or they can be voted individually. Either way is fine.

There is one suggestion on the government side to vote on them as a package. It would be an either up or down vote for them all, on that premise, or we can vote for them individually.

- (1710)

Mr. Kelly McCauley: I think as a group is fine.

Mr. Erin Weir: I agree.

The Chair: All right.

I don't believe I'm required to read all the votes into the record, because they will be placed on the record. We will just have a quick vote whether to carry or negative all of the votes in the main estimates.

CANADA POST CORPORATION

Vote 1—Payments for special purposes.....\$22,210,000

(Vote 1 agreed to)

CANADA SCHOOL OF PUBLIC SERVICE

Vote 1—Program expenditures.....\$69,217,505

(Vote 1 agreed to)

CANADIAN INTERGOVERNMENTAL CONFERENCE SECRETARIAT

Vote 1—Program expenditures.....\$5,547,133

(Vote 1 agreed to)

CANADIAN TRANSPORTATION ACCIDENT INVESTIGATION AND SAFETY BOARD

Vote 1—Program expenditures.....\$26,267,261

(Vote 1 agreed to)

GOVERNOR GENERAL

Vote 1—Program expenditures.....\$20,034,516

(Vote 1 agreed to)

OFFICE OF THE PUBLIC SECTOR INTEGRITY COMMISSIONER

Vote 1—Program expenditures.....\$4,936,421

(Vote 1 agreed to)

PRIVY COUNCIL

Vote 1—Program expenditures.....\$105,746,416

(Vote 1 agreed to)

PUBLIC SERVICE COMMISSION

Vote 1—Program expenditures.....\$71,160,178

(Vote 1 agreed to)

PUBLIC WORKS AND GOVERNMENT SERVICES

Vote 1—Operating expenditures.....\$1,563,893,483

Vote 5—Capital expenditures.....\$1,183,196,646

(Votes 1 and 5 agreed to)

SHARED SERVICES CANADA

Vote 1—Operating expenditures.....\$1,192,407,135

Vote 5—Capital expenditures.....\$268,084,298

(Votes 1 and 5 agreed to)

THE SENATE

Vote 1—Program expenditures.....\$58,276,163

(Vote 1 agreed to)

TREASURY BOARD SECRETARIAT

Vote 1—Program expenditures.....\$209,531,439

Vote 5—Government Contingencies.....\$750,000,000

Vote 10—Government-Wide Initiatives.....\$3,193,000

Vote 20—Public Service Insurance.....\$2,337,061,397

Vote 25—Operating Budget Carry Forward.....\$1,600,000,000

Vote 30—Paylist Requirements.....\$600,000,000

Vote 33—Capital Budget Carry Forward.....\$600,000,000

(Votes 1, 5, 10, 20, 25, 30, and 33 agreed to)

The Chair: Thank you.

We will now suspend very shortly while we go in camera.

[Proceedings continue in camera]

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