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Chair

Mr. Tom Lukiwski

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• (0935)

[English]

The Chair (Mr. Tom Lukiwski (Moose Jaw—Lake Centre—Lanigan, CPC)): I call the meeting to order, colleagues. We are in public.

Mr. Whalen, the floor is yours. You have a motion that you wish to speak to.

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

I know that we agreed previously, on May 11, to a certain schedule for the balance of the year, other than June 15, but from the government's perspective, we feel that the time on June 13 and 15 would be better spent looking at the communications policy that currently governs government advertising and the procedures and the role of Advertising Standards Canada. I appreciate that the last scheduled week for the committee sitting will possibly be interrupted by a fair number of votes and whatnot, which might limit it, but we feel this would be a better way to spend the time.

Frankly, if we try to get the PBO in at this point to talk about the estimates process, I'm not sure how much questioning we would get in with the PBO on that topic, because there are other reasons that people may want to question the PBO not related to the estimates study. I just want to make sure we remain focused on the business of the committee. For that reason, just to be frank, I don't feel that, at this time, bringing the PBO in will achieve the purpose the estimates study is meant to achieve.

There is good work that can be done by the committee in looking at the advertising standards. That's a big change. It affects \$100 million of budget within government a year. We feel that it would be worthwhile for us to take a look at that to make sure the changes that are made will achieve a positive purpose rather than a negative one. There will be lots of good lines of reasoning and questioning from all sides on that new policy.

Thank you.

The Chair: We have a speakers list. I have Mr. McCauley and Mr. Weir on it, and others if need be.

Mr. McCauley, you're up.

Mr. Kelly McCauley (Edmonton West, CPC): Thank you.

I appreciate your comments, Mr. Whalen, but we're going to quite strongly disagree with the need...not just with the need for this study.

I mean, \$100 million is a lot of money, and I appreciate that there has been a change in how advertising has been handled to today. I feel bad saying this after all our kind words back and forth recently, but \$100 million to this government—that's less than what they're spending on providing free charging stations to wealthy Tesla owners. So \$100 million in the context of this government is pennies.

We have before us two very important studies on the PBO. The last time we met on the estimates studies, we saw Mr. Brison quite strongly trying to push through a change to our Standing Orders. It has been argued, and it can be argued, that the whole reason Parliament exists is the oversight of spending. The attempt by the government to change the Standing Orders to deprive the opposition of that oversight is quite an important thing. The PBO has come out very, very strongly, and the past PBO as well has come out very strongly, against the proposed changes of the estimates process as proposed by Mr. Brison. I think it would be tragic and near criminal to dismiss his arguments when we're looking at changing the way we base.... The basic reason that we exist as a Parliament is spending oversight. If we're going to change that, without possibly even unanimous consent, we should hear from the parliamentary budget officer.

On the second point, it's been long-standing that we were going to study procurement. We've seen recently, not just with the Super Hornets with the dispute with Boeing, perhaps the government backing away from what we believe is politically charged sole-sourcing that could spend \$7 billion of taxpayers' money for political reasons. The shipbuilding thing we're seeing is going off the rails. In a committee of the whole recently, we saw how.... There have been 52 amendments made to the ship design, pushing back the possible building of ships for a long time and adding billions. The procurement minister herself specifically said that no designs will be considered unless they're a mature design or an existing design. We have now seen a push-back by the government to allow BAE to add their design. The design that BAE is submitting to us is only on paper, so it breaks the rules of the procurement minister herself. Sad, but not only is it a very immature, on-paper only design, it's been refused by the Royal Navy.

I think it's incumbent upon us, for the largest procurement project in Canadian history, to start looking at it immediately, especially with all the changes. Public Services and Procurement is already violating the minister's rules on the design considerations by considering a design by BAE, which has been rejected by its own country. There are 52 amendments made to the design, adding millions, perhaps billions, to the cost, pushing back the project.

We've also heard from the president of Irving that hundreds, if not thousands, of jobs are at risk in Nova Scotia due to these delays. I think it's incumbent upon us, for the billions being spent and the fact that the procurement office is violating the minister's own rules on the shipbuilding, to start studying it as soon as possible and not put at risk thousands of jobs in Nova Scotia and billions of dollars of taxpayers' money for a design that is possibly no good if it's been explicitly banned from the Royal Navy from being considered as a design.

Thank you.

• (0940)

The Chair: Mr. Weir.

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

I would note that it was government members of the committee who suggested having a meeting about the estimates process and inviting the PBO because it was preparing a report. It now seems that the PBO has prepared a report the government disagrees with, so it no longer wants to hear from the PBO.

Having said that, I'm open to our committee studying the new advertising policy. It's not clear to me that we need two meetings for that study. I do think it makes a lot of sense to spend at least one meeting planning out the procurement study that we're going to do in the fall so that we can conduct that study in an effective way. In fact, I believe the rationale from government members for doing the procurement study in the fall was that we would be able to plan it out before Parliament adjourns and then conduct it in a more effective way when we resume.

I would propose to amend Mr. Whalen's motion, with regard to meetings, by deleting "Thursday, June 15" and leaving in only "Tuesday, June 13". This would leave June 15 open for planning the procurement study, as envisioned by the motion that Mr. McCauley has on the Order Paper.

The Chair: Thank you, Erin.

I don't see any other hands raised, so we will have Mr. McCauley again.

Mr. Kelly McCauley: I'll just follow up on Mr. Weir's comments.

I understand that we were going to do a fulsome study in the fall. However, as Mr. Weir states, it is important that, as we'd agreed earlier, we get it started rather than come fall, when some other issue may come up. Some other boondoggle or something else may come up to interfere with the study. It's best that we set an outline and get it planned so that we are committed to getting it done and it doesn't get sloughed off by other motions or interference from other parties.

The Chair: Okay.

I would also add for the benefit of committee members that...and this all hinges on whether or not we spend two meetings next week on Mr. Whalen's motion. I raise it because on May 11, this committee asked the analysts to prepare a draft report over the summer on the national security exceptions in relation to procurement. If we back off the procurement study, there is really no need for the analysts to start preparing any kind of draft report. It doesn't make much sense to me. But if we are going to be entering into a discussion, even preliminarily, next week on procurement, then the

analysts can start preparing reports over the course of the summer. I don't want this to be a make-work thing for the analysts if they don't need to do anything.

It really comes down to whether this committee wants to devote two meetings next week to Mr. Whalen's motion for the discussion of government advertising or whether we want to devote only one meeting to that and one meeting to an initial discussion on procurement. The great unknown, of course, which no one can answer, is whether we're sitting beyond June 16. If we're not, then I would be hesitant to try to schedule anything for that last week, at this point in time.

I think Mr. McCauley is first on the list, then Mr. Weir, and then Mr. Whalen.

Mr. Kelly McCauley: It's funny that you're saying June 16. I heard a rumour about June 9. But we'll see.

This is more a question to the government—

The Chair: There are rumours in government? You're kidding.

Voices: Oh, oh!

Mr. Kelly McCauley: It's shocking.

I'm wondering if the government side has any feedback they can share from the Treasury Board president about his plans on the estimates review. Is it just hanging on us for it to continue our work, or...?

One of the concerns I had was that the last time we spoke estimates, the chair repeatedly and clearly asked if we could get a commitment: there is no change to the Standing Orders on the estimates without unanimous consent. Then, of course, there was no answer. I'm curious to know whether there's any direction from the government or if you've heard where we're going with the review. Is it just parked until the fall, or...?

Mr. Nick Whalen: I'll answer that when I get back around.

Mr. Kelly McCauley: Thanks.

The Chair: Mr. Weir.

Mr. Erin Weir: Thank you, Mr. Chair.

I've moved an amendment. I've given a written copy to the clerk. I would like to speak to the amendment, which is to change the motion to study the advertising policy from June 13 and 15 to simply June 13.

Let's have one meeting on it. Let's see how it goes. If we decide we need another meeting on that topic, we can have one, but for now let's leave open the meeting on June 15 so that we have an opportunity to plan out the procurement study that I think we've all agreed we'd like to do this fall.

• (0945)

The Chair: Mr. Whalen, I have you up next.

Mr. Nick Whalen: Thank you, Mr. Chair.

With respect to Mr. McCauley's question about the estimates reform, we've been advised that's parked for now, so we won't be able to get direction or testimony on that direction at this time. We're trying to look at something that's also within our bailiwick from Treasury Board that requires our review.

As I've mentioned, our concern is that if we just schedule the one meeting for this, on June 13, with votes and whatnot, we may not get a full two hours on it. We would likely have to schedule two days to get two hours.

The Chair: Perhaps I can add a comment regarding votes. Since our meeting times are 8:45 a.m. to 10:45 a.m., it is highly unlikely that we'd be interrupted by votes.

Mr. Nick Whalen: Okay.

The Chair: Now, later in the day, obviously, you're quite correct, we'll probably be interrupted several times, but with this particular schedule, I don't think we will be interrupted. I think we should have full access to the two hours.

Now, whether that changes things, I don't know, but Mr. Weir has moved an amendment that suggests devoting one meeting, that being on the 13th. If the committee determines at the conclusion of that meeting that further study is warranted, then we can certainly, with any kind of majority vote or UC, add the 15th to the vote as well.

I have a note here from Raphaëlle saying that the analysts would be happy to prepare a study plan on the procurement study and present it on June 15, if the committee so wishes.

Mr. Nick Whalen: I'll try to get back to where I was on that. If we feel that we can get two full hours, because of the timing of our meeting on advertising standards, then I want to circle back to make sure that we're going to be able to get all the witnesses we've proposed in the time frame that's there.

I also want to get a work plan in place. I know we have three things on the table right now. I'm going to try to speak to all of them, just to harmonize.

We have Mr. Weir's motion to strike "and Thursday, June 15, 2017" from ours. We have our motion to do the advertising standards. We have Mr. McCauley's motion on what the procurement work plan meeting should entail.

We want to do a work plan meeting, but we don't want it to be focused solely on defence procurement. So it would go up to "procurement process", and everything after that, we would delete. We would discuss what we want our work plan to entail at the meeting rather than prejudge the outcome. There's a lot in government procurement. If we're going to make the motion something that we would be able to agree with, it would have to include a list of seven or eight other things.

The Chair: Just for some clarity, if I may, Nick, and I apologize for interrupting, from a procedural standpoint we're discussing your motion right now.

Mr. Nick Whalen: No, actually we're discussing Erin Weir's amendment.

The Chair: The amendment, I know—but Mr. McCauley's procurement motion would be a separate discussion.

Mr. Nick Whalen: I understand, but Mr. Weir's rationale for proposing his amendment was related to providing time—

The Chair: Agreed.

Mr. Nick Whalen:—to do a work plan study on the assumption that we won't be having meetings during the last proposed sitting week.

The Chair: Yes, and Mr. Weir has also said—we don't have a motion on it, but certainly we can determine our own agenda—that if we are unable to conclude in two hours on the 13th a discussion on the communication on the advertising side, the committee can at that time deem the June 15 meeting to be on the same subject material. If we are concluded at that point in time, the committee can determine that the 15th would be for the discussion of procurement.

Order, colleagues.

Mr. Nick Whalen: I want to propose a potential amendment to Mr. Weir's amendment.

• (0950)

The Chair: A subamendment, then.

Mr. Nick Whalen: Yes, a subamendment: that our motion could be Tuesday, June 13, 2017, and possibly Thursday, June 15, 2017—all the way to the end, and then add a comma—and should some or all of the June 15 meeting not be required for this study, it be dedicated to develop a work plan for the committee's study of the federal government procurement process.

The Chair: Okay.

Mr. Nick Whalen: We're trying to get them together, right?

The Chair: Thank you for that, Nick.

On the subamendment, Mr. Weir.

Mr. Erin Weir: I'm going to speak against the subamendment. I think the way to do this is to agree that we'll have a meeting on June 13 to study the advertising policy.

As the chair has pointed out, that meeting will not be interrupted by votes, given that the House doesn't even start to sit until 10. Unless there's a vote within the first 45 minutes or something, we should be fine. In the unlikely event that we think we need more time on advertising policy, we as a committee can decide to schedule an additional meeting, using the meeting on June 15 for that.

I think what we should agree to now is to study the advertising policy on June 13, and then let's just leave June 15 open. As we know from the Order Paper, Mr. McCauley's going to have another motion on that, which of course we can discuss, and perhaps amend as needed.

Mr. Nick Whalen: Is Mr. McCauley up, or is it just back to me?

Mr. Kelly McCauley: I'm fine with Mr. Weir's suggestion. I'm just going to go on the record as saying that I believe this is an attempt by the government to block this study of their procurement, especially the debacle with the shipbuilding and what's going on with the Super Hornets. It's unimaginable that we have this mess going on and we're trying to push off a study of it for a \$100-million advertising thing. Of course \$100 million is a lot of money, but it's been very clearly shown by this government that \$100 million is nothing to them. For them to delay the committee's study on something so important is.... I'm lacking words for my disappointment in the committee over it.

I will support Mr. Weir's comments that if the estimates are pushed back, then we can do the first one, June 13, for advertising, but I think it's incumbent upon us, with so many issues outstanding with shipbuilding but also procurement.... The Senate has come back slamming the government's procurement process overall, commenting that with regard to the billions and billions, the only outcome that's getting measured is how much is spent. This is the Liberal-dominated Senate that has come out slamming it.

I don't think we should be pushing it back for the sake of advertising. To me, I think it's just very clear that.... I'm sorry, gentlemen and ladies, but the government looks like it's trying to hide something or push back the procurement study.

The Chair: If I could—

Mr. Nick Whalen: I'll withdraw my subamendment.

The Chair: Okay. Thank you for withdrawing the subamendment.

I just want to point out the obvious. Even if Mr. Weir's amendment is passed, it doesn't automatically mean that June 15 would be devoted to procurement. This committee, through majority votes, can devote time on June 15.

Mr. Kelly McCauley: Yes, I understand that.

The Chair: But Mr. Whalen, I think quite graciously, has said that if we can conclude in one meeting, then June 15 would be open for it, or at least a start of the work study on procurement.

Mr. Kelly McCauley: We have to start.

The Chair: We'll see what happens at the end of the meeting on June 13.

Mr. Nick Whalen: Well, I withdraw my subamendment anyway.

The Chair: Thank you very much.

We have an amendment on the table. If there are no further speakers, I'll ask for a vote on it. I'll read it into the record, as follows:

That, notwithstanding the motion adopted on Thursday, May 11, 2017, the meeting on Tuesday, June 13, 2017, be dedicated to the consideration of the changes to the Government of Canada's Communications Policy as it pertains to government advertising, including the consideration of the policy, procedures and the role of Advertising Standards Canada.

That would be the motion as amended.

(Amendment negatived)

The Chair: The original motion is as follows:

That, notwithstanding the motion adopted on Thursday, May 11, 2017, the meetings on Tuesday, June 13, 2017, and Thursday, June 15, 2017, be dedicated to the consideration of the changes to the Government of Canada's Communications Policy as it pertains to government advertising, including the consideration of the policy, procedures and the role of Advertising Standards Canada.

Now, from a procedural standpoint, Mr. Clerk, we still have—

• (0955)

The Clerk of the Committee (Mr. Philippe Grenier-Michaud): If there's no further debate, you can call the vote.

The Chair: If we do have further debate, we can entertain that now. If not, I will call the question.

(Motion agreed to)

The Chair: Our work plan, then, is set on June 13 and 15. Unless otherwise advised, we will be discussing the government's communication policy.

Mr. McCauley.

Mr. Kelly McCauley: Considering the importance of studying this ongoing billion-dollar boondoggle with the shipbuilding, but also potentially on the procurement side, I would like to propose that we add another meeting sometime during either the next week or the week after, before we rise for the summer, so that we can at least get a framework for this study for the fall.

The Chair: Again, the committee is the master of its own agenda.

Mr. Kelly McCauley: Well, apparently not.

The Chair: Procedurally, Kelly, we can certainly schedule as many meetings as we wish at any time we wish.

Mr. Clerk, I would ask you, again from a procedural standpoint, if there is a request for additional meetings, how would a member access that? Would it be by direct communication with you?

The Clerk: It's at the discretion of the chair. The chair can call as many meetings as he wants, or by instruction from the committee by way of a motion.

The Chair: My preference, obviously, would be by way of a motion.

Mr. Kelly McCauley: I'd like to put the motion that we add at least one two-hour meeting, preferably two two-hour meetings, to set the framework for the procurement in the naval shipbuilding program and the Super Hornet study that we have planned for fall.

The Clerk: To consider the work plan.

Mr. Kelly McCauley: Yes.

The Chair: Mr. Whalen.

Mr. Nick Whalen: The motion is on the table, so I'd like to adjourn debate. I move to adjourn debate. We'll deal with it next week.

The Chair: All in favour?

Some hon. members: Agreed.

The Chair: We are adjourned.

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