

# **Standing Committee on Public Accounts**

Tuesday, June 11, 2019

#### • (0855)

### [English]

The Chair (Hon. Kevin Sorenson (Battle River—Crowfoot, CPC)): Good morning, colleagues. This is meeting number 143 of the Standing Committee on Public Accounts for Tuesday, June 11, 2019. We will be televised the first part of our meeting.

Actually, we're going to change our agenda a little bit here this morning. Because we are working on some negotiated wordsmithing of the letter we're sending to different departments and ministers, we will go in camera at the beginning and will look, first, at report 5, "Equipping Officers of the Royal Canadian Mounted Police", of the 2019 spring reports of the Auditor General of Canada. Second, if time permits we will also look at the committee legacy report, which we began last Thursday.

I'll explain a few things. We'll be in camera. If the three lead critics —from the government, from the official opposition and Mr. Christopherson from the NDP—can work out some kind of a deal, then they may be back fairly soon, within a half an hour or so. If so, we will stay in camera to discuss the proposed letter and then go into public after that for committee business, if needed.

With that, we will suspend and go in camera.

• (0855) (Pause)

• (0930)

The Chair: Good morning, committee.

We are back from being in camera where we worked on a draft report.

I'm very pleased to announce that we do have a consensus on a letter we will be sending to the Minister of Finance and copying the Treasury Board and others on. I want to thank the three parties—the government side with the Liberal Party, the Conservative Party, and the New Democratic Party—for working together on this.

Mr. Christopherson, I want to thank you for your motion. You do have the floor, by the way, but what I would like to say is that we have come to a consensus on a letter, and there has been a request that we have a recorded vote with regard to forwarding this letter to the Minister of Finance and copying the other positions, the Privy Council and the Treasury Board.

We will move now to the motion:

That the Committee send a letter to the Minister of Finance regarding funding of the Office of the Auditor General of Canada.

We will have a recorded vote.

(Motion agreed to: yeas 8; nays 0)

**The Chair:** I obviously am in favour, though I don't need to vote to break a tie. It is unanimous, and it's good to announce that the letter we will send has the unanimous support of the committee.

I will now defer to Mr. Christopherson, please.

• (0935)

Mr. David Christopherson (Hamilton Centre, NDP): Thank you, Chair.

Again, I want to thank my colleagues and you too, Chair. These things can't happen without leadership, and you continue to provide excellent leadership right to the finish line.

I just want to say that it's based on trust and respect, because a lot of what the chair.... Having done that job, I know you're in suspended animation, trying to make things happen and not happen all at the same time, and a lot of it comes down to trust. Do you trust the chair? We do. It has made a big difference having you in the chair, so thank you again, sir, for your role.

Where we are, in my understanding, as affirmed by our actions so far, is that I would withdraw my motion at the conclusion of the components of the package deal being met as a result of the vote we just had, with the letter going forward and a public hearing on Thursday.

My understanding is that the Auditor General has confirmed, and my further understanding is that Finance will be there. Is that correct?

The Chair: We have given them the heads-up.

Angela, you were the one-

The Clerk of the Committee (Ms. Angela Crandall): They haven't agreed or disagreed. They are just aware and have been asked to make the deputy minister available for the day.

**Mr. David Christopherson:** Okay, but it's understood by everyone that if for some reason Finance doesn't come, the deal is off, and we're back where we were.

Mr. René Arseneault (Madawaska-Restigouche, Lib.): No.

**Mr. David Christopherson:** What do you mean, no? It was part of a package deal. There was—

The Chair: We have no control at this point over-

**Mr. David Christopherson:** I'm not blaming anyone. I'm just saying that if they don't come, then I didn't get the deal I agreed to, and I will start talking again.

# The Chair: Mr. Arseneault.

[Translation]

**Mr. René Arseneault:** I don't like this matter being called a deal. I feel that all parties have been transparent. It was a matter of everyone, opposition parties and the government alike, agreeing on a letter to send to the Minister of Finance. It is the result of the good work done by members from all parties, including Mr. Christopherson.

As for me, my legitimate responsibility regarding what we are doing until next Thursday applies strictly to that and nothing else. I never heard that we had to force someone to appear if he could not or the agreement would fall apart. It was never about the letter being of no use just because someone could not appear here.

#### [English]

**The Chair:** The letter is unanimous. The letter has the weight of the complete committee behind it. It's been wordsmithed. I think that letter is good to go.

We have done some preliminary work. Until the letter was finalized, we couldn't make a formal invitation to the Auditor General's office as well as the Department of Finance, but we have instructed our clerk to give a heads-up to them. The Auditor General is available and will be here. The response we got from Finance was that they are aware of it and will try to be here.

I think we will have Finance. It's not going to be the minister. It may be the deputy minister. It may be the associate deputy, Mr. Christopherson, but I think we can assume they will be here.

# Mr. David Christopherson: Okay.

With respect, Mr. Arseneault, I direct you back to the Hansard from last week.

It was put forward to me as a package. At the end of the day, we agreed that there would be a letter that we could hopefully all agree on, and that's what we set out to negotiate. And...because I threw it on the table. In fact, I think it was Mr. Kelly who mentioned it first, or Mr. Davidson, and then I sort of made that part of the package.

If you look at the Hansard, you'll see it's clear that there were two pieces to my relinquishing the filibuster. One was that we would agree on a letter; we're there. The other—and this was important to me—was that we would have a public hearing with the Auditor General and the finance department so that we could ask some questions that we all have about this and have a baseline of fact, rather than just—and I'll say it—the rhetoric that comes from a filibuster. It's not the content; it's the action, in that case.

To me, if we don't have that piece, we have only half a deal. I didn't think it was a problem. I'm not raising it as a concern. Everything I've heard privately is that we're good to go, and I'm hearing that again publicly. I'm just saying that it has to happen.

On that, Chair, I was I thinking that if the deputy's not available, I would accept an associate deputy. I would even accept a director, to be fair. What I would not accept is anybody answering a question

saying, "I'm not the deputy, and I can't answer that." They need to make sure there are people in the room...maybe the chief of staff to the deputy.... As long as there's an assurance that we're....

I've been around a long time. I remember the days before the legislation, and it would be all, "not my job, not my job", in which case we may as well not have had a meeting. We need people who are going to be accountable, which is what the deputy is. I'm saying if the deputy can't make it, I would accept an ADM, but I would not accept an answer from that ADM saying, "I'm not the deputy, and I can't answer that."

• (0940)

**The Chair:** I will tell you we have no indication that they will not be there. I know the deputy minister, and I know the department. They are a very capable, qualified, hard-working department, and my hope is they will honour their word and be here.

**Mr. David Christopherson:** My expectation is exactly the same for the very same reasons.

The Chair: Yes.

**Mr. David Christopherson:** Quite frankly, if it doesn't happen, it's sending a pretty bad message, because it would look like they're afraid, and I don't think that's the case.

The Chair: No.

Mr. David Christopherson: Hopefully, everything will go as....

I just wanted to mention to Mr. Arseneault that "deal" is not a bad word. I mean, "backroom deal" sounds bad, but when my friend Alexandra came in and said—we were still in camera, so I hope I'm okay saying this—that we had "white smoke", it meant that we had come to a meeting of the minds. It meant that we had a deal, just like they do it at the Sistine Chapel when they have a deal. So the word itself is not necessarily negative; it depends on what kind of deal you're cutting.

The letter is done now. That piece is good. I appreciate that. I thank my colleagues for the good-faith bargaining. Hopefully, we'll go on the optimistic note that Thursday will happen. There are two last things for me. One is to say my final bit. There are a couple of things I want to put on the record. You've acknowledged that I'll have the time to do that. I will not take long. You have my word.

The very last thing would be to formally withdraw my motion, in which case, then, we're moving on. Hopefully, this gets picked up and the fight continues in the House, where it needs to be. The main reason, Chair, that I wanted to have a couple of minutes for closing remarks is that it's incredibly frustrating to consistently see the President of the Treasury Board, every time...and I don't think there's been an exception. Every time she's been asked a question about this \$10.8 million, we get a side discussion about what happened in 2011. That was eight years ago. The essence of the message from the President of the Treasury Board to the Conservatives—and to the NDP, suggesting that we sort of went along with this and didn't care—about why the government is denying the AG's office the \$10.8 million it needs to do all of its chapters, including cybersecurity, is that what they did was so awful, they need to put it in comparison. To me, that's an argument that says, at best, that, yes, what we're doing is awful, but it's not as awful as what they did.

It's very frustrating, because that's all the minister has to say. The minister has not given one substantive reason why there isn't the \$10.8 million that the Auditor General office needs to finish off the chapters they want to do, including on cybersecurity. They've given not one solid answer. We as Parliament deserve better than that, especially since the Auditor General is our employee. It's our staff person. It's Parliament's staff person, not the executive council's. They're not part of the broader public service. They work for, are accountable to, and are hired and fired by Parliament. If the executive council, the cabinet, is going to deny that funding, then at the very, very least they should give a reason why. Just saying that the other guys did it too doesn't cut it, especially for a government that went out of their way to say four years ago, when they wanted power and got it, that, oh, we're going to be different; we're going to treat committees different; we're going to respect Parliament; we're going to be the most amazing thing you've ever seen; and we've had our last first-past-the-post election. There were all these great enunciations.

I'm not running again, so I don't need to do much more of that. I have competent colleagues and a successor—I see Kent is applauding that I'm not going there—but it doesn't change the fact that it is really frustrating for a parliamentarian who has no interest in partisan politics right now. I have zero interest in that. It does nothing for me. I don't need a headline. As I already mentioned, I wanted this to be nice and quiet. This is the opposite of what I was looking for, but it does need to be underscored. As someone who has been around here for a while and who has some strong feelings about these matters, I do know a little bit about it. It is just unacceptable what is happening here—that the executive council, the very group that has to answer for the Auditor General's reports, is saying that his office can't have the money.

## • (0945)

I had a delegation come in. I won't say what country it was from. It was maybe before your time, Chair. It might even have been when I was chair but about six or eight years ago. What was interesting is that they had the legislation independent of the Auditor General. They had the independent legislation, just what you would hope for, as good as Britain's and as good as ours. It was good.

The committee was structured-

The Chair: On a point of order, Mr. Arseneault.

## [Translation]

**Mr. René Arseneault:** I am the newest addition to this committee. I am the youngest permanent member. Yet this is the fourth meeting where Mr. Christopherson, with all due respect, has repeated the same thing. I feel that the Standing Orders allow you, Mr. Chair, to cut off any needless repetition, such as the point that Mr. Christopherson is making. Everything he says is about the letter that we have just agreed on. With all his experience on the committee, he should know that, if this matter was so important— and it is—it should have been dealt with a long time ago.

We are at the end of the session and what I am asking, Mr. Chair, is that you use your powers as chair to cut off this repetitive speech. We have all heard these arguments. I respect them, I hear them, but I do not need to hear them six, seven or ten times.

# [English]

The Chair: Okay. Thank you for your point of order.

Because we've given you a short period of time, as your wording is....

## Mr. David Christopherson: Yes.

**The Chair:** —we'll try to make sure that we aren't going over and over the same thing.

Mr. David Christopherson: I'm getting my dander up here.

Don't you people understand deals? Don't you know how to negotiate? There was an agreement that I would be given a short period of time. I'm nowhere near using up what would be classified as short. Does it bother you that much that I'm saying something I might have said the other day, when I only have one real message? This government said it was going to do things differently, and it has been the most draconian against the Auditor General that I've ever seen.

# • (0950)

**The Chair:** We also want in this committee to try.... I know, Mr. Christopherson, that it's very difficult. We've had four years of being very non-partisan. This has us all frustrated. There's water in the wine on the government side. There's frustration from the opposition. I sense there's a growing frustration on all sides here, which we want to curtail.

I know you have great experience in the chair and there. You know as well as I do the process and that you do have the floor. I think we've heard a concern brought forward by the government. It's whether we can continue that non-partisan way. I think you've made your point very well; it's hurting and it's scathing of the government. I think all of us are feeling that frustration, especially those who have to be re-elected.

With that in mind, consider your issues.

Mr. David Christopherson: Out of respect for you-

The Chair: Thank you.

**Mr. David Christopherson:** —and not necessarily the position of my honourable colleague, I will get to the one point that I have not made and that I want to make.

It says-

The Chair: On another point of order-

[Translation]

Mr. René Arseneault: I have a point of order.

[English]

**The Chair:** —I think you've heard Mr. Christopherson say he's going to try to honour that.

#### [Translation]

**Mr. René Arseneault:** I would like him to withdraw what he has just said, that he has no respect for me. That is not at all parliamentary language.

#### [English]

**The Chair:** He didn't say it personally. He said to Mr. Arseneault's "position".

Mr. David Christopherson: I said your "position". I wouldn't do that.

[Translation]

Mr. René Arseneault: Okay, I withdraw what I just said.

[English]

The Chair: Yes.

Mr. Christopherson.

**Mr. David Christopherson:** That's okay. I understand your sensitivity, but I did try to be careful to say it was your position, not you personally.

All I want to do is read into the record, Chair, from the Hansard of May 21, 2013, and I have not had a chance to do this yet. I was in the chair, and it was the 41st Parliament. We had Mr. Ferguson here. I want to read this. The reason I was doing the ramp-up, which my honourable colleague didn't much care for, was that this is key.

This is Mr. John Williamson taking the floor:

I don't have too many questions, just a couple. The budget reductions are optional for your office; you could opt in. That's my understanding, that for your office and for the offices of all the officers of Parliament, it was a request from the government that you undertook. It that correct?

Ms. Lyn Sachs:

Yes. We received a letter from Minister Flaherty, I guess, at the time encouraging us to do as the other departments have, but it was definitely our decision to proceed.

#### Mr. John Williamson:

Right.

My follow-up question is this. Do you feel the budget is adequate for you to discharge your duties as required?

#### Mr. Michael Ferguson:

Again, Mr. Chair, a certain amount of the work we do is required—financial audits, special exams. There are specific legislated requirements for us to do those. Certainly our budget is sufficient to do those things.

Then we have a certain amount of our budget for performance audits. The performance audits are really where we have discretion in terms of how many we do.

There was a decision taken a few years ago, because part of the consideration of the office in performance audits is also the ability of this committee—and maybe other committees, but this committee in particular—to deal with the volume of

work we produce. I think a few years ago there was a determination of the right number of audits we should be doing, and we have more or less adjusted to that. Right now we feel we will be able to continue to do the number of performance audits we have planned.

And that is why, Chair, it is accurate for the opposition to rise on the floor of the House of Commons and say that for the first time in the history of Canada, the Auditor General's office has advised Parliament that they do not have sufficient funds to carry out their work plan.

And that's why I wanted to read this in here. That's Mr. Ferguson acknowledging that he could have said "no", and also acknowledging that in saying "yes", there would be no reduction in the performance audits, and as somebody who was there, I can tell you that we did not miss a beat.

That's why I find it so appalling that the only answer we get from the minister responsible for not giving the Auditor General's office money they need—\$10.8 million—is that it's because of a decision that happened in 2011. That's their only answer, and it's not even true.

At the very least, I would hope the government members and the staff would take back to the minister that she has an obligation, first of all, to tell the truth, and secondly, to give us a real reason why that money is not there, or pony it up. But do not keep pointing to some false dialogue about what happened with the Conservatives the last time. Everybody here knows that if there were even a little bit of guilt on the part of the Conservatives, I'd be making sure that during my comments, they'd be wearing it.

On this one, they're innocent of the charge that in 2011, they did exactly what the Liberals are doing now. No, they didn't. And the Auditor General's statement that he could do the work is consistent with what we've heard over the years I've been here until this time. That's why it's so disheartening that it would happen under a government that ran on a platform of respecting Parliament and parliamentary committees.

• (0955)

Chair, that was what I wanted to put on the record. I appreciate the opportunity, assuming that we will have the hearing on Thursday, and, if not, it won't be that hard for me to get the floor back one way or another.

I'm prepared to withdraw my motion and allow the letter, as we agreed unanimously today, to go forward. I'm going to remain optimistic that the Thursday meeting will happen the way we hope and it won't be a problem, otherwise we're into a whole other thing that we don't want to be in and we don't need to and I don't think we will be. Other than that, I think for the purposes of this committee and this subject, I'm done.

The Chair: Thank you, Mr. Christopherson.

We need the unanimous consent of this committee to allow Mr. Christopherson to withdraw his motion, I'm told by the clerk.

Mrs. Alexandra Mendès: I think we can find that.

### Mr. David Christopherson: Do you want to lobby?

The Chair: We have it.

(Motion withdrawn)

The Chair: We are going to suspend and then go in camera to look at the legacy report.

[Proceedings continue in camera]

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