



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

43rd PARLIAMENT, 2nd SESSION

Standing Committee on Government Operations and Estimates

EVIDENCE

NUMBER 023

PUBLIC PART ONLY - PARTIE PUBLIQUE SEULEMENT

Monday, April 12, 2021



Chair: Mr. Robert Kitchen

Standing Committee on Government Operations and Estimates

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• (1540)

[English]

The Chair (Mr. Robert Kitchen (Souris—Moose Mountain, CPC)): I call this meeting to order.

Welcome to meeting number 23 of the House of Commons Standing Committee on Government Operations and Estimates. Just so that everyone is aware, this meeting is in public. There was a little confusion about one of the reports, but this first hour will be in public.

The committee is meeting today from 3:30 to 5:30. In the first hour, we will hear from TBS officials in public about the documents submitted pursuant to the committee's order of Wednesday, March 10. During the second hour the committee will go in camera to discuss committee business.

I would like to take this opportunity to remind all participants in this meeting that screenshots or taking photos of your screen is not permitted.

To ensure an orderly meeting, I would like to outline a few rules to follow. Interpretation in this video conference will work very much the way it does in a regular committee meeting. You have the choice at the bottom of your screen of either the floor, English or French.

[Translation]

Mrs. Julie Vignola (Beauport—Limoilou, BQ): Excuse me, Mr. Chair.

[English]

The Clerk of the Committee (Mr. Paul Cardegna): Madame Vignola has her hand up.

[Translation]

Mrs. Julie Vignola: Unfortunately, we have no interpretation in French.

[English]

The Chair: I didn't get any translation.

[Translation]

Mrs. Julie Vignola: We have no interpretation in French at the moment.

[English]

The Chair: We will suspend while we figure out the technical difficulties.

• (1540)

(Pause)

• (1620)

The Chair: Thank you, Mr. Clerk.

Thank you, everybody, for bearing with us while we resolved these issues.

Thank you, Mr. Purves and Mr. Ermuth, for staying with us during this time. I appreciate that.

I will continue from where we were. Very quickly, as I indicated, before you speak, please wait until I recognize you by name. When you are ready to speak you may click on the microphone icon to activate your mike. When you are not speaking, your mike should be on mute.

To raise a point of order during the meeting, committee members should ensure that their microphone is unmuted and say "Point of order" to get the chair's attention.

In order to ensure social distancing in the committee room, if you need to speak privately with the clerk or the analyst during the meeting, please email them through the committee email address. For those people who are participating in the committee room, please note that masks are required unless seated and when physical distancing is not possible.

I will now invite the witnesses to make their opening statements.

Mr. Purves, thank you very much.

• (1625)

Mr. Glenn Purves (Assistant Secretary, Expenditure Management Sector, Treasury Board Secretariat): Thank you, Mr. Chair.

Good afternoon to you and committee members. It is a pleasure to be back today in the earliest slot possible, and I'm happy to be joined by Roger Ermuth, assistant comptroller general, from our Office of the Comptroller General.

I'll be brief in my remarks because this is an opportunity to receive feedback from the committee regarding our response to the committee's March 10 motion and to answer any questions members may have. We look forward to receiving members' feedback and to be in a position to best meet the needs of the committee.

In terms of context, with the unprecedented impact COVID-19 has had on Canadians, Parliament has prioritized measures that respond to the crisis. Funding for COVID-19 priorities was presented within the three supplementary estimates tabled for the 2020-21 fiscal year. Taken together, those estimates presented \$159.5 billion in planned spending authorities for organizations across the Government of Canada related to COVID-19 measures.

It is important to note that these estimates are “up to” authorities that have been provided to address, on an urgent basis, the uncertainty in which these measures were brought forward within the context of the pandemic. To further explain planned COVID-19-related spending, additional information was presented in the supplementary estimates, including, for example, a detailed listing of COVID-19 legislation in part 1, an online annex with additional information on planned COVID-19 expenditures and how this correlates with the fall economic statement for 2020, including all of the authorities together in one easy access panel for GC InfoBase.

Reporting on actual government expenditures is typically done through three means: on a monthly basis through the Department of Finance’s “Fiscal Monitor”, on a quarterly basis in the quarterly financial reports by departments, and annually through the annual financial report in the public accounts, supported by departmental results reports.

Given the extraordinary context of the pandemic, TBS reached out to the organizations to gather spending data related to COVID-19 on a monthly basis.

The committee’s motion on March 10 asked TBS to provide all monthly COVID-19 expenditure reports and spending data from departments.

At TBS our focus is primarily on COVID-19 spending that falls within planned authorities as outlined in the estimates. The ability to effectively track COVID-19 expenditures varies greatly by measure and by organization, and these amounts are estimates that have not been audited.

As of January 31, 2021, federal organizations reported total estimated expenditures of \$123.1 billion for the measures announced in the government’s COVID-19 economic response plan to fall within the planned authorities presented in the estimates.

In that same time frame, departments and agencies are also reporting additional estimated expenditures of \$2.4 billion related to COVID-19 measures, including salaries and overtime for additional hires, and employees reassigned to support COVID-19 initiatives and operational expenditures, including the acquisition of personal protective equipment and supplies.

For the most part, these estimated expenditures are against existing funding in departmental reference levels that have been redirected to address COVID-19 activities.

Importantly, they only include the cash payments that have been made to suppliers for goods and services or for grants and contributions to recipients. They do not represent the implementation status or results achieved from measures, and organizations are responsible for determining how best to identify the appropriate estimated

expenditures and are best placed to provide explanations of the amounts and corresponding activities.

The final expenditures for the 2020-21 fiscal year will be reported in the public accounts, which are expected to be tabled in the fall. The purpose in presenting these estimated expenditures by measure and on a consolidated year-to-date basis is to enable members to compare them with the spending authorities listed on GC InfoBase. It also allows members to compare announced measures as part of the fall economic statement in 2020.

The format provides the information by organization to enable parliamentarians to ask questions and seek explanations from organizations responsible for delivering these measures.

As per the committee’s request, we will be reporting on a monthly basis going forward. In line with the comptroller general’s covering note that accompanied the department’s response to the motion, we welcome this opportunity to discuss the feedback on the content and the format of the reports going forward.

• (1630)

With that, we’re very pleased to hear the views of committee members.

Thank you.

The Chair: Thank you, Mr. Purves.

We’ll now go to questioning, starting with Mr. McCauley for six minutes.

Mr. Kelly McCauley (Edmonton West, CPC): Thanks, Mr. Chair.

Mr. Purves, thanks for joining us. Sorry for the long wait, but technology being what it is....

You are familiar with the memo that came out March 20, 2020.

Mr. Glenn Purves: Correct. Yes, I am.

Mr. Kelly McCauley: Right. I just want to read it into the record. It says very clearly the following:

The worldwide situation related to [COVID] is evolving rapidly, and in light of this, the Office of the Comptroller General was asked to initiate...new reporting requirement[s] to capture associated expenditure costs.

This reporting requirement is effective for this fiscal year 2019-20 and into 2020-21...critical to understand the whole of government costs related to the response to COVID-19.

Now, attached to that also came an Excel file, which was sent out to every department breaking down incremental [*Technical difficulty—Editor*] operations, purchases, travel, grants and contributions.

It was pretty clear that this was the information we were looking for. The comptroller general has been receiving that. Your department has been receiving that every single month since March 2020. Why was it that this committee was not provided with that [*Technical difficulty—Editor*]?

Mr. Glenn Purves: Mr. McCauley, we're absolutely committed to financial transparency, as you know.

Mr. Kelly McCauley: No, I don't know that.

Mr. Glenn Purves: In terms of the response, we wanted to balance three things. We wanted to make sure that we achieved transparency, we were doing it in a way that was clear and useful for the committee, and it was in a timely fashion. From our standpoint—

Mr. Kelly McCauley: Let me just interrupt you there. You talk about transparency. It's very clear your department has this information that we requested. It doesn't take a lot of information. Your department has that information. This committee asked for it, and yet you decided, for usefulness, to give us only top-line numbers not broken down.

That is not at all useful for this committee or for parliamentarians, and neither is it transparent. This information is available. I actually referenced it in my motion and when we discussed this in committee, and yet you decided not to present that to committee.

Further, you're saying, well, a month from now we'll start providing that. You have this information. We've asked for it. Why will you not provide it to this committee, to parliamentarians and to Canadians to see the detailed spending?

Mr. Glenn Purves: Mr. McCauley, the purpose of our being here.... This is the first hour we could be here from your motion. We wanted to ensure that we not only appeared before the 23rd, but also appeared able to deliver any incremental information that you and the committee would be seeking. From that standpoint, the secretariat would be happy to put together the building-block spending data that goes into the year-to-date information that's included in these reports. We'd be very pleased to put that together. We just need—

Mr. Kelly McCauley: Let me ask you—

Mr. Glenn Purves: —some runway for the translation to ensure that we're providing [*Technical difficulty—Editor*].

Mr. Kelly McCauley: [*Technical difficulty—Editor*] something [*Technical difficulty—Editor*] not this most recent one but the one after, that was closest to this motion being put forward. I'd like a simple yes or no on this. Did you make fun of this committee, and me specifically, with the comment that if they ask for this information, maybe we'll give them a screenshot of the data? Is that true?

Mr. Glenn Purves: I do not recall ever making fun of this committee or making any reference—

Mr. Kelly McCauley: Did you make that statement that if they ask for this information again, we'll just give them a screenshot of the data?

Mr. Glenn Purves: No, I don't recall ever making a comment about providing—

Mr. Kelly McCauley: What if I told you that I heard from two different people that you [*Technical difficulty—Editor*]? Would you deny it?

Mr. Glenn Purves: Well, we have a tightened system that is able to produce this information—

Mr. Kelly McCauley: No. I'm not asking that.

Mr. Glenn Purves: I don't—

Mr. Kelly McCauley: Did you make that statement, Mr. Purves?

• (1635)

Mr. Glenn Purves: I do not recall making that statement, Mr. McCauley.

Mr. Kelly McCauley: Interesting; interesting.

What is preventing you from providing this committee with what was very clearly requested in the motion that you provide to this committee, Canadian taxpayers and members of Parliament? We asked for specific spending data that's broken down in your Excel file. You've been collecting it month by month for the entire past year. It doesn't require runway, as you've requested. It doesn't require clarification.

It's very clear that we're looking for the broken-down spending. You have that. I know that because that memo has been leaked to me. I've seen the actual breakdown of what you've asked for in the departments on an Excel spreadsheet. Why are you withholding it from this committee?

Mr. Glenn Purves: Mr. McCauley, in the seven days that we were to respond to your request, we were able to focus on the \$123 billion—

Mr. Kelly McCauley: Mr. Purves, we have the information.

Mr. Glenn Purves: —in spending. We have no objection—

Mr. Kelly McCauley: It doesn't take seven days for you to take the information you already have on a spreadsheet and provide it to this committee.

Mr. Glenn Purves: We have data in Titan to be able to respond in a disaggregated fashion to that request, and we have no objections—

Mr. Kelly McCauley: The department has been providing this information, as the comptroller general has been asking....

Mr. Glenn Purves: But we have comments attached to all of that, and to provide a fulsome response we would need to translate the comments to enable us to provide that complete picture. We will do this as soon as we possibly can.

Our commitment is to ensure that we're providing—

Mr. Kelly McCauley: If your commitment is to transparency, why did you not try to explain this with the information you gave to this committee [*Technical difficulty—Editor*]?

The Chair: Thank you.

Mr. Kelly McCauley: Did you think we would not catch on?

Mr. Glenn Purves: There was never any intention to try to skirt around this committee—never.

The Chair: Thank you, Mr. Purves.

Thank you, Mr. McCauley.

We'll now go to Mr. Kusmierczyk for six minutes.

Mr. Irek Kusmierczyk (Windsor—Tecumseh, Lib.): Thank you very much, Mr. Chair.

Thank you very much, Mr. Purves, for your testimony. Thank you for turning [*Technical difficulty—Editor*] time for this committee and for your offer as well of working with this committee to tailor the information that is presented before us. I really do appreciate that collaboration and co-operation on your part.

In your statement you mentioned that government expenditures are published through the [*Technical difficulty—Editor*] the annual financial reports and public accounts.

Could you explain how else parliamentarians and Canadians can “follow the money” on these measures, and where else, in addition, is this financial data reported?

Mr. Glenn Purves: With respect to how the government reports financially, as I said, there is the “Fiscal Monitor” that's done on a monthly basis. There are the quarterly financial reports. There are also the end-of-year public accounts.

In framing the response to your question, I think it's important to note that we don't normally receive or tag spending authorities by department. It's done by vote and by program.

In March 2020, the Public Health Events of National Concern Payments Act, which Parliament approved, provided the immediate spending authority to address the pandemic. This was new for us. As a system, we [*Technical difficulty—Editor*] to ensure back office tracking of spending for this pandemic triaging. This was something we started, as Mr. McCauley noted, back in March 2020. [*Technical difficulty—Editor*] spending. Mr. McCauley did note the different areas that we were looking at—salaries, overtime and so forth [*Technical difficulty—Editor*] by event. I think this is important to note.

We wanted to ensure that spending data was available to us, not only from the standpoint of understanding the expenditure momentum as it pertained to COVID spending, but also as it pertained to how it would feed into eventual reporting as pertaining to data—departmental results reports at the end of the year, and any sort of questions parliamentarians might have regarding the spending authorities that were initiated. We also knew that parliamentarians would have questions about what the pace of that spending would be. We wanted to ensure that the system was prepared to address that at its earliest convenience.

• (1640)

Mr. Irek Kusmierczyk: That information, in addition to those three other reports that you mentioned—the “Fiscal Monitor”, the quarterly financial reports and the end-or-year public accounts—are also online, so anyone at home can also access information on COVID-19 expenditures.

Is that correct?

Mr. Glenn Purves: That's correct. Our collection of this through the CFO community, working with departments, has been an ongoing effort.

We started doing it through Excel, but we moved into our system of Titan, which allowed for a more efficient data collection exercise starting in September.

I think, consistent with other processes around government, certainly in terms of data collection and our efforts to work with the CFO community to be able to [*Technical difficulty—Editor*] together on a regular, standardized basis, it has been one of innovation and a lot of effort across the board.

Mr. Irek Kusmierczyk: No doubt it has.

I have a specific question for you. In the table, under Finance, I see \$12 billion for the safe restart agreement. The federal government is stepping forward to help the provinces with their responsibilities, like supporting cities and municipalities, keeping transit going, protecting schools and children, and rolling out vaccines. My own community of Windsor-Essex, in Windsor—Tecumseh, received \$26 million from the federal government from this fund.

Can you explain to me why I see an additional \$2 billion for the safe restart agreement under PHAC as well? I see it under Finance, but I also see a portion under PHAC, so if you could, just explain to me [*Technical difficulty—Editor*] presented in that manner.

Mr. Glenn Purves: Sure. Just to be consistent with what I mentioned before, our interest was in ensuring that, [*Technical difficulty—Editor*] incremental spending, the government [*Technical difficulty—Editor*]. As we were going to be looking at estimated expenditures, we wanted to be able to map them back to how those authorities have been traversing through Parliament and how those authorities have been registered through the fiscal lens of the fall economic statement. Having those breakdowns and mapping them back to the fall economic statement and [*Technical difficulty—Editor*] were critical for us. We wanted to make sure that parliamentarians could do that mapping. That was the focus, really. We had seven days, and we wanted to ensure that for the vast majority of the spending, this was absolutely clear.

We are absolutely committed to ensuring that this committee and Parliament have the detailed information and all the disaggregated data that was used to build the year-to-date estimations—the building blocks, as I said earlier. We're happy to provide that information to the committee.

The Chair: Thank you, Mr. Purves.

Mr. Irek Kusmierczyk: Thank you.

The Chair: We'll now go to Ms. Vignola for six minutes.

[*Translation*]

Mrs. Julie Vignola: Thank you very much, Mr. Chair.

Mr. Purves, thank you very much for joining us today.

I have read the document entitled “TITAN GUIDANCE—COVID-19 Expenditures” and I have seen the initiatives that have been undertaken. I also saw that each department establishes its own targets and the calculation methods it uses to reach them. I wondered why the Treasury Board was not setting targets for the departments.

[English]

Mr. Glenn Purves: Sorry, Ms. Vignola, but when you say “targets”, are you talking about the actual spending authorities that have been set out?

[Translation]

Mrs. Julie Vignola: In your speaking notes, you say: “Organizations are responsible for determining how best to identify the appropriate estimated expenditures. Organizations are best placed to provide explanations on the amounts and corresponding activities.”

Why do organizations determine their own targets? Why are there not external checks, or at very least, targets set by the government? Why are the calculation methods not standardized? It seems to me that it would make your work [technical difficulties] easier also.

• (1645)

[English]

Mr. Glenn Purves: I think what we're referring to is related to the \$2.4 billion that was listed.

Perhaps, Mr. Ermuth, you have a better line of sight on this and are able to answer Ms. Vignola's question.

Mr. Roger Ermuth (Assistant Comptroller General, Financial Management Sector, Office of the Comptroller General, Treasury Board Secretariat): Great, thank you.

In terms of the \$2.4 billion and the flexibility for departments to determine their approach towards what they're capturing above and beyond the measures, what this really comes down to is time. For example, when we are tracking the expenditures of time, for my time in a policy centre supporting COVID, I would be putting an estimate of how much in a given week or month I put towards that.

We provided high-level guidance in the package that Mr. McCauley was referring to, with some questions and answers. We provided detailed explanations of what each of those categories was. Whether [Technical difficulty—Editor] 20% and whether or not there's a threshold, we recommended that 50% of a person's time was left up to the departments, to a certain extent.

In terms of the expenditures related to the measures that Mr. Purves was talking about, that would be pulled.... The departments would be looking at what they had actually spent on those specific measures.

[Translation]

Mrs. Julie Vignola: Are the methods used for those checks standardized?

If not, why not? It seems to me that it would be more effective and more economical, as well as providing better transparency.

[English]

Mr. Roger Ermuth: Yes, absolutely. One of the goals is to try to have consistent and relatable data coming in.

In terms of the program expenditures, where departments are looking at the measures in particular, its pretty clear. Some of the bigger challenges start to come in again in terms of the \$2.4 billion that we referred to, where departmental management have to make

best estimates of what, and how much time, would be going towards those activities.

[Translation]

Mrs. Julie Vignola: [Technical difficulties] basically to be more transparent.

How frequently do departments have to enter information into the Titan application? How is that information subsequently validated?

[English]

Mr. Roger Ermuth: The data is entered into Titan on a monthly basis. Departments collect the data from within their own departments. The data is signed off at the departmental level and then entered into Titan. When it's entered into Titan, at the Treasury Board Secretariat we then do some high-level spot reasonableness checks of the level of expenditures, looking for any anomalies, etc. But at the end of the day, again, the information is the departments' information. In terms of what and how that gets rolled up at the end of the year, again that data would be rolled into the public accounts and there's the validation that would go along with that at that time.

[Translation]

Mrs. Julie Vignola: Is all the information entered into Titan made public?

[English]

Mr. Roger Ermuth: At this point, in terms of the data that we've provided in terms of the March 17 report, that's the information that we have. That's all of the data that we have rolled up in that report. I think the question becomes if there's a desire for the committee to see more information in a greater level of granularity, then we can obviously take that into account.

[Translation]

Mrs. Julie Vignola: Thank you.

Is my time up, Mr. Chair?

• (1650)

[English]

The Chair: Sorry, I couldn't hear you there for a second. The buzzer just went off now, so, yes, your time is completed.

Thank you, Ms. Vignola.

We'll now go to Mr. Green for six minutes.

Mr. Matthew Green (Hamilton Centre, NDP): Thank you.

Mr. Ermuth, you talked about reasonableness checks. Is this a process and procedure that is applied throughout the Treasury Board Secretariat for all expenditures? Does the TBS have a reasonableness check for all major projects and spending across departments?

Mr. Roger Ermuth: In terms of the role the Treasury Board Secretariat plays, for different levels of information, there are different levels of review. I would like to note that at the end of the year, we work very closely with our colleagues at the Office of the Auditor General to make sure that the information that is captured is audited and reviewed.

Mr. Matthew Green: I will give you an example.

In a previous meeting we had somebody testify that in their costing estimates for the surface combatant shipbuilding strategy, it was the Treasury Board policy not to include taxation in the overall estimates of costing.

Is that a policy of the Treasury Board Secretariat?

Mr. Roger Ermuth: The inclusion of the taxation is not my area of speciality, in terms of my knowing that. We can definitely get back to you on that.

Mr. Matthew Green: Mr. Purves would probably be able to answer that better, Mr. Chair.

Mr. Purves, do you count in your total costing for estimates the expenditures [*Inaudible—Editor*] process for procurement?

Mr. Glenn Purves: Mr. Chair, I think probably Mr. Ermuth is referring to a colleague at the OCG who might be better placed to answer that question. We would be happy to get back to with an answer on that.

Mr. Matthew Green: It's unclear to me how you can't answer the question about whether or not the Treasury Board Secretariat would include taxes in its considerations of reasonableness as an estimate included in procurement. Help me understand how you....

Let me ask the question another way. When you're doing reasonableness checks on procurement on contracts, is it often the case that you would include taxes in the total estimate?

Mr. Glenn Purves: Mr. Ermuth.

Mr. Roger Ermuth: Again, Mr. Chair, on this one I'll have to come back to you. In terms of the costing [*Technical difficulty—Editor*] for reasonableness, namely, of the costs that are being proposed, we would be able, in terms of the calculation of taxes, to be able to determine the appropriate tax rate. But as to the exact policy in terms of what or how taxes are handled through that process, as I said, I would have to come back to you.

Mr. Matthew Green: I'll just remind you that in the surface combat shipbuilding program, there's a material difference between what the Parliamentary Budget Officer has costed—\$77–\$82 billion—versus what the Department of National Defence has costed, which is [*Technical difficulty—Editor*]. That seems to be a material gap, which to me would be flagged in the TBS for a reasonableness check. If what I'm hearing now is that if this hasn't been the case and you're unfamiliar with that file, I look forward to your response.

I'm understand that one of the ways in which we hold departments [*Technical difficulty—Editor*]. Is that correct?

Mr. Glenn Purves: That is correct—and actually for the departmental plans and departmental results reports as well.

Mr. Matthew Green: Let me ask you something. Why is it the Department of National Defence took out the status report on transformational and major corporate projects? It had been included before, but it's not included now.

Mr. Glenn Purves: I believe there was a change in the policy pertaining to it that would apply to what departments are obliged to report in the departmental plans and departmental results reports, but I think what we should do is—

Mr. Matthew Green: If, for instance, I wanted an update in the departmental plans on the surface combat shipbuilding, and it's no longer there, it's no longer listed.... I'm wondering if that was a decision was made by the Treasury Board Secretariat, or is it just at the whim of departments as to what they want to report and how they want to report it?

Mr. Glenn Purves: No, there are often guidelines that are provided to departments on the preparation of their departmental plans and their departmental results reports.

• (1655)

Mr. Matthew Green: How would they be reporting back to Parliament? I'm going to say this through you, Mr. Chair, to be clear and on the record. I am very concerned about the opening exchange between you and Mr. McCauley and what has been available versus what has been presented to this committee.

There's been an ongoing theme with this committee where it seems like departments are unwilling to provide us with information that's readily at hand. When I look at a change in how departments [*Technical difficulty—Editor*], we're not talking about small line items here. We're talking about tens of billions of dollars. There's nowhere the public can go to see that. How are we supposed to report back to the public on these types of expenditures if these are not included?

Mr. Glenn Purves: Mr. Chair, on Mr. Green's second question pertaining to the policy, we're happy to get back to him on that point.

Again, I will state that it is absolutely the interest of the Treasury Board Secretariat to provide this committee with all of disaggregated data that is used in that March 17 report. We've no objection to that.

Mr. Matthew Green: And certainly not by screenshot, right? Are we going to get it in a real document?

Mr. Glenn Purves: Titan collects information and puts it into a database. We're able to provide all information that we collect from departments and agencies that rolls up to that March 17 report. That March 17 report is the year-to-date report, and we are happy to provide that disaggregated information.

The Chair: Thank you, Mr. Purves and Mr. Green.

We'll go to Mr. Paul-Hus for five minutes.

[*Translation*]

Mr. Pierre Paul-Hus (Charlesbourg—Haute-Saint-Charles, CPC): Thank you, Mr. Chair.

Mr. Purves, the information that we are currently obtaining in response to our questions casts even more doubts on the transparency. Two factors could explain that: either you do not have the organizational capacity to provide the information, or you do not want to provide the information. Along those lines, we know that a number of contracts have remained secret from the outset, and that is still the case today.

If information is not provided, or is sent out in dribs and dabs, is it because of a directive to hide information, or is it incompetence?

Those are the two possible reasons; there can't be 40 of them.

[English]

Mr. Glenn Purves: From March 10 to March 17, we put together a report that we thought would be transparent, which would be [Technical difficulty—Editor] to be able to engage departments on the spending momentum of COVID-19, and that would be timely.

We have no issues with providing the disaggregated data attached to it. When we collect this disaggregated data, though, we [Technical difficulty—Editor] comments, so you can imagine—

[Translation]

Mr. Pierre Paul-Hus: I am sorry to interrupt you, Mr. Purves, but are departments hiding information from you? You should have access to everything. If you ask for information, people are required to give it to you.

The Parliamentary Budget Officer also mentioned in his report that he did not understand the situation. In his opinion, access to information really seems to be a problem.

Let me repeat, to us, it looks like people want to hide information. Is that to cover up possible corruption? We don't know. That is why we are asking questions. We are not making accusations, but we expect to receive all the details, because anything else gives rise to major doubt.

Since I do not have a lot of time, I will move to my next question.

I have a specific question about the \$159 billion in expenditures for COVID-19 support measures. That is of particular interest to us. I would like to know what part of that amount went directly to vaccines and rapid tests.

[English]

Mr. Glenn Purves: When you say [Technical difficulty—Editor], I heard expenditures, but those are actually the spending authorities. Were you asking about the authorities?

[Translation]

Mr. Pierre Paul-Hus: In the approved budget, how much went to vaccines and rapid tests?

[English]

Mr. Glenn Purves: I can tell you how much has been spent according to the category of vaccines, as well as how much has been spent on medical research. It's encompassed under further support for medical research and vaccine developments. The amount is close to \$2 billion as of the end of January 31, 2021.

• (1700)

[Translation]

Mr. Pierre Paul-Hus: So an amount of \$2 billion was supposedly invested in vaccines, but the total amount approved was \$13 billion. We know that \$1.5 billion went to COVAX, but we still do not know where the rest of the money went.

Can you send the details of those amounts to the committee, please? We don't have time here to go delving into the books.

[English]

Mr. Glenn Purves: I'd be happy to respond to the committee.

[Translation]

Mr. Pierre Paul-Hus: We also received information about the money paid to Spartan Bioscience, a company that was supposed to provide rapid tests, but that failed to do so. Spartan Bioscience must now repay that money to the federal government.

Have steps been taken so that the federal government can be reimbursed?

[English]

Mr. Glenn Purves: We would be happy to follow-up with the Public Health Agency of Canada and PSPC with respect to that question, and get back to the committee.

[Translation]

Mr. Pierre Paul-Hus: Speaking of fraud, we know that some companies have provided personal protective equipment while others have received contracts but have not delivered the material [technical difficulties].

Have you identified all the cases of fraud? Have steps been taken to recoup the money?

[English]

Mr. Glenn Purves: That is a question that we could direct to the department of Public Services and Procurement Canada, and get back to the committee.

[Translation]

Mr. Pierre Paul-Hus: Do I have any time left, Mr. Chair?

[English]

The Chair: You only have two seconds. Thank you, Mr. Paul-Hus.

We'll go to Mr. Weiler for five minutes.

Mr. Patrick Weiler (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Thank you, Mr. Chair. I'd like to thank our two witnesses, Mr. Purves and Mr. Ermuth, for joining our committee again here today, as well as for providing the state of spending at a truly extraordinary time, and in a very detailed manner.

There is a lot of important information in this report that will allow us to do a better job, as well as to provide transparency of spending for all Canadians during this emergency.

I do have a few questions about the nature of your reports. In your report, you explained the scope of the collection effort. Could you explain why some COVID-19 measures are not tracked by TBS and are not included in this report?

Mr. Glenn Purves: I'd be happy to answer that question, Mr. Chair.

In the context of how we manage spending authorities for our estimates, documents for supplementary estimates [*Technical difficulty—Editor*] primarily in the realm of appropriation-dependent organizations.

I'll give you an example. The Department of National Defence has their vote 1 in operating and they draw funds with the authority of Parliament from the consolidated revenue fund. That's within our scope, okay, but if it's a situation where a department has statutory authority to draw funds and to make transfers, either from the Income Tax Act or the EI Act, and to draw from the EI operating account and so forth—something that is beyond the scope of an appropriation-dependent department—those programs are effectively out of scope in terms of what we focus on in the estimates. Our intent has always been to be able to collect the information that is best within our swim lanes. That is the bulk of what we would call the “direct support measures” under the economic response plan for COVID-19.

When we put out our report, we were able to follow the same measures that the [*Technical difficulty—Editor*] and are the same measures that are in the estimates. People can actually take a measure and compare it with the spending authorities that a department has received in order to spend, and they can compare it with what was approved and set out in the fiscal plan in the fall economic statement. When I talk about financial transparency, literacy, comprehension and utility, it's really ensuring that parliamentarians are able to have that mapped back. That's what we can control.

[*Technical difficulty—Editor*] amount of engagement, and these are incremental authorities that have been provided over the years. In addition to that, the effort to provide a sense, a line of sight as to [*Technical difficulty—Editor*] spending that had been redirected to be able to address COVID-19, is something that is separate and distinct. We're still trying to collect that information on a monthly basis. Again, we would be happy to provide the disaggregated data for both the measures but also that collective effort. We would be able to provide this to this committee.

• (1705)

Mr. Patrick Weiler: Thank you for that. I'm sure there'll be quite a bit of interest within our committee for just that.

To go back to the report you submitted, how was the format of the report decided upon?

Mr. Glenn Purves: The format of the report was a [*Technical difficulty—Editor*] ensuring transparency, something that was useful to parliamentarians and committee members, and something that was able to be generated on a timely basis.

When we collect all of this disaggregated information, we have the numbers [*Technical difficulty—Editor*]. We're committed to providing that disaggregated information back to the committee, but at the same time, it takes [*Technical difficulty—Editor*] a year's worth of monthly comments. We're happy to do that.

Mr. Patrick Weiler: Thank you.

Mr. Chair, how much time do I have left?

The Chair: The bell just went.

We will now go to Ms. Vignola for two and a half minutes.

[*Translation*]

Mrs. Julie Vignola: Thank you very much, Mr. Chair.

I must point out that the connection continues to be poor. Unfortunately, I have never heard the interpreters mention so frequently that the speech is inaudible and the connection is too poor. I feel bad for them. Their work must certainly not be easy.

In the briefing note that we received so that we could prepare for this meeting, I was looking at the various expenditures and I saw that the National Capital Commission had received the Canada Emergency Commercial Rent Assistance.

From which organizations does the National Capital Commission rent space, thereby allowing it to ask for that assistance?

[*English*]

Mr. Glenn Purves: Madame Vignola, if you're talking about the \$1.9 million budgetary voted amount, we'd be happy to get back to you. That is an answer the National Capital Commission could certainly furnish us with, and we can get back to you on that.

[*Translation*]

Mrs. Julie Vignola: Thank you very much.

With regard to the National Battlefields Commission, in which budget will we see the amounts paid to commission employees who were victims of Phoenix? Will it be in this budget or the next?

[*English*]

Mr. Glenn Purves: On the National Battlefields Commission, you're speaking about the budgetary voted amount. Right now it's zero as of the end of January. Our intention is to provide an update on April 15 that would include the February information. We will see if there are additional amounts that have been spent by the organization there. The budgetary statutory amount of \$1.1 is an amount that's already been spent.

[*Translation*]

Mrs. Julie Vignola: [*Technical difficulties*] the compensation that they are hoping to receive as federal employees.

Recently, we have also seen on the news...

[*English*]

Mr. Glenn Purves: I apologize. That might be something that's separated into [*Technical difficulty—Editor*] what's been tagged as a COVID-19 item. It may [*Technical difficulty—Editor*] gone through, but we'd be happy to follow up with them on that.

• (1710)

The Chair: Thank you, Ms. Vignola.

[*Translation*]

Mrs. Julie Vignola: Thank you so much.

[*English*]

The Chair: We'll now go to Mr. Green for two and a half minutes.

Mr. Matthew Green: Thank you.

Mr. Chair, through you to Mr. Purves, how much money has been approved to date in direct measure supports for tax liquidity support and other liquidity and capital relief, respectively, to respond to COVID-19?

Mr. Glenn Purves: I don't have that information. I think the Department of Finance would be best placed to answer that question.

Mr. Matthew Green: In the reporting, you have the disaggregated data line by line. Do you have aggregated data per category? Are there places where some of these things are grouped together more than just by department?

Mr. Glenn Purves: When you think about it in framing that you put it—health and safety, direct supports, and then there's the capital and the liquidity supports—we really focus on chapters 1 and 2 of the fall economic statement. Those are measures that effectively have received funding through the Public Health Events of National Concern Payments Act and other statutory authorities, as well as coming through in terms of voted authorities through the estimates.

Mr. Matthew Green: Would the cash paper buyback program from the Bank of Canada be part of one of those spending authorities?

Mr. Glenn Purves: No, it wouldn't. It would be separate and distinct. It would probably be on the liquidity side.

The Department of Finance is the one that would be best placed to answer those questions, because they would be tracking on the liquidity side.

Mr. Matthew Green: Wouldn't the Treasury Board also have a role and responsibility in tracking of expenditures?

Mr. Glenn Purves: [*Inaudible—Editor*] expenditure. If it's liquidity support, that would be separate and distinct from our realm, which is items that run through the estimates. The Bank of Canada is not an appropriation-based organization.

Mr. Matthew Green: Would tax liquidity supports outside of the Bank of Canada also fall within that, or [*Technical difficulty—Editor*]? I look at CMHC and others. I would assume that that's part of liquidity support in some way.

Mr. Glenn Purves: There are some budgetary measures for CMHC, for instance, that fall within...on the appropriation basis, but if it's something like mortgage bond program, that's [*Technical difficulty—Editor*] on a borrowing basis, and there's a liquidity element to it, and that's separate and distinct.

Mr. Matthew Green: I'll just share that I'm not fully confident right now that TBS has a full handle on COVID spending. I'm just going to say that. It's not a personal thing, Mr. Purves, but just based on my questions, I'm not confident, as a result of the inability to answer some of these questions that have been generated, that the department has a clear scope on what's happened over COVID. I think there's going to be some work cut out for this committee, and probably the public accounts committee too, in the very near future.

Thank you.

The Chair: Thank you, Mr. Green.

We'll go to Ms. Harder for five minutes.

Ms. Rachael Harder (Lethbridge, CPC): That's great. Thank you.

Mr. Purves, one of the comments you made was that you would provide information “that was useful to Parliament”. Can you help me understand how you distinguish between what is useful to Parliament and what is not?

Mr. Glenn Purves: When I said useful to Parliament, our intention is always that whatever we provide [*Technical difficulty—Editor*] in this—

Ms. Rachael Harder: Who determines that? Do you determine that?

Mr. Glenn Purves: It would be you that would determine that on the basis of your perspective, and—

Ms. Rachael Harder: But you're the one who determines what information you provide and what information you keep to yourself.

Mr. Glenn Purves: We provided the report on March 17 from new aggregate data that we've collected to date.

Ms. Rachael Harder: But [*Technical difficulty—Editor*] that you've been collecting monthly reports since then—March 2020, I should say, sorry—and so why wasn't that information considered important to parliamentarians?

Mr. Glenn Purves: We've never said no in responding to requests from parliamentarians for data—

Ms. Rachael Harder: So you'll be providing us, this committee, with month-to-month reports, then, according to Mr. McCauley's motion?

Mr. Glenn Purves: Absolutely. We responded to the motion. It was a year to date—

Ms. Rachael Harder: And you'll provide those from 2020?

Mr. Glenn Purves: Absolutely.

Ms. Rachael Harder: Okay, we anticipate that. Thank you.

It was interesting to me, as I was reading through the report, that about \$43 million was given to museums. I'm just wondering what this money was spent on.

• (1715)

Mr. Glenn Purves: In terms of the actual implementation of the measures from the museums, that's something that we'd have to get back to you on. We do [*Technical difficulty—Editor*] that we're collecting this information, but in terms of the scope of implementation and so forth, it's best directed towards the departments.

Ms. Rachael Harder: The monthly reports that you'll be providing to us would give us a good understanding of how that money's being used. Is that correct?

Mr. Glenn Purves: The monthly report would effectively provide all the data that we're collecting from the organizations.

Ms. Rachael Harder: Okay. That would help us understand how that money is being spent.

Mr. Glenn Purves: It would be the monthly information that they would be providing.

Ms. Rachael Harder: Okay, great.

I raise it because \$43 million was spent on museums. I do believe that the preservation of our history is super important, but what's interesting to me is that the \$43 million didn't go towards subsidizing rent. It didn't go towards helping wages for those who weren't able to go to work during that time. I'm very confused as to what that \$43 million went to. The last I knew, museums were full of objects or items that are being preserved to showcase our history, so I don't know why \$43 million was needed to look after a vacant building when it didn't go towards wages and didn't go towards rent. Meanwhile, about \$18.9 million went towards the natural resource sector, so less than half of what went to museums went to the natural resource sector, which is people; it's our way of life; it's our fuel; it's what keeps us going; it's our future as a nation. Can you shed light on this for me?

Mr. Glenn Purves: Ms. Harder, it would give me great pleasure to go back to get the information that you're seeking on this. We will go back and get context on that \$43 million.

Ms. Rachael Harder: That's great. That would be awesome.

I trust that that information will come to me in its entirety and that you will not sift through it and give me only what you might deem that is necessary for me to receive.

Mr. Glenn Purves: There is no intention to impose upon the committee what we think is useful. We are here to serve the committee and to provide all the information that you're seeking.

Ms. Rachael Harder: Thank you. I can appreciate that.

With regard to advertising and marketing, the PCO, the Privy Council Office, spent just over \$2 million. Do you know what that was spent on?

Mr. Glenn Purves: I don't know specifically what that \$2 million was spent on by PCO.

Ms. Rachael Harder: There was a job description put out calling for two storytellers, who were hired by the Liberal government in the fall. That was also through the PCO. Do you think that \$2 million perhaps went in part towards that salary?

Mr. Glenn Purves: It's not for me to speculate on the direction of the \$2 million, but I will certainly get back to you on what it went towards.

Ms. Rachael Harder: It's my understanding then, based on the conversation we've had today, that all of the information that has been requested by Mr. McCauley will be granted to this committee. Is that correct?

Mr. Glenn Purves: Yes, we will get back with all of this disaggregated information. We're absolutely committed to providing that transparency to the committee.

Ms. Rachael Harder: Perfect, thank you.

The Chair: Thank you, Ms. Harder.

We'll now go to Mr. Jowhari for five minutes.

Mr. Majid Jowhari (Richmond Hill, Lib.): Thank you, Mr. Chair.

Thank you to Mr. Purves. It's good to see you again, sir. Thank you for all of the work you're doing.

There is so much that has been discussed around transparency. My understanding is that back in March 2020—which you mentioned a number of times—the department started to proactively collect this information. Can you share what role TBS had to make that decision?

Mr. Glenn Purves: At that point, it was very important, given the fact we were not set up as a system to actively track authorities or collect expenditure information based on an event, that the intention was to get the system as a whole moving in that direction and thinking about collecting this information on that basis.

As I've said in the past on this call, a lot of innovation has gone into collecting on that basis. We started with Excel. I think Mr. McCauley mentioned the first email. We've migrated to a system called Titan, which is effectively where departments input information. It allows us to be able to access it in a data warehouse.

• (1720)

Mr. Majid Jowhari: That's great.

I'll move on to Titan. Back on January 13 of 2021, the federal government published a guideline entitled "Titan Guidance—COVID-19 Expenditures". This guideline is telling the departments, I assume, how to use the Titan system and what information goes into it.

We also have another system, GC InfoBase, which presents the information around spending authorities. You've often drawn a distinction between spending authorities and expenditure. For those who may not be familiar with Titan and GC InfoBase, can you shed some light on which system is used for what?

Mr. Glenn Purves: Titan is about collecting data from departments and having that input centrally. It's about achieving efficiency in terms of how we're collecting the data. There are various interfaces where departments can input their data and submit it along. We then have it in our database to be able to validate and do all sorts of assurances.

GC InfoBase is much more about the interface with the public, in terms of ensuring transparency with the public on issues such as the financials of the government—results and people. If you're interested in a department, you can go into all different breakdowns of spending and operations of the department. We have a COVID interface there as well, where we include the spending authorities.

GC InfoBase is [*Technical difficulty—Editor*] spending authorities in one place. That has been useful for Canadians to be able to access it. We'll continue to expand our use of GC InfoBase [*Technical difficulty—Editor*] transparency for Canadians.

Mr. Majid Jowhari: Can you go into a bit more detail about the data that's being collected in Titan? For example, is it possible for me to reach out and ask TBS to give me information about expenditure at my riding level for anything that was related to COVID-19? I'm assuming that when you say spending by event [*Technical difficulty—Editor*], COVID-19 is an event and the spending is tracked. Is such a thing possible?

Mr. Glenn Purves: We don't have anything earmarked according to regions specifically on GC InfoBase. We have it more on the basis of [*Technical difficulty—Editor*] and the measure [*Technical difficulty—Editor*]. If you go in there to look at the COVID side, it has a link to [*Technical difficulty—Editor*] of the fall economic statement and where decisions are made. It has the actual authorities' panes there for supplementary estimates (A), (B) and (C).

We've also included the pane for what's in the main estimates for 2021-22 pertaining to COVID-19 for [*Technical difficulty—Editor*]. Parliamentarians and Canadians can access this. It helps with presenting questions to the various departments responsible for those measures.

The Chair: Thank you, Mr. Purves.

Mr. Majid Jowhari: Thank you.

I believe my time is up.

The Chair: Thank you, Mr. Jowhari.

That ends our questions for today.

I want to thank Mr. Ermuth and Mr. Purves for bearing with us during the the technical difficulties we had in the first part of the meeting. I appreciate your sticking with us.

This ends the public portion of our meeting. We will go in camera.

Members of the committee, you will have to exit and then re-enter again for the in-camera portion. You had the information and contact numbers sent to you. We will see you in a couple of minutes.

With that said, we will suspend the meeting.

[*Proceedings continue in camera*]

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