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• (1100)

[*Translation*]

The Chair (Mr. John Williamson (New Brunswick South-west, CPC)): We are now in session.

Good morning, everyone.

Welcome to the 50th meeting of the Standing Committee on Public Accounts of the House of Commons.

Pursuant to Standing Order 108(3)(g), the committee is meeting today to undertake a study of Report 6, Arctic Waters Surveillance, of the 2022 Reports 5 to 8 of the Auditor General of Canada, referred to the committee on Tuesday, November 15, 2022.

[*English*]

I'd now like to welcome our witnesses.

From the Office of the Auditor General, we have Andrew Hayes, the deputy auditor general; Nicholas Swales, principal; and Chantal Thibaudeau, director. It's nice to see you and your team today.

From the Department of Fisheries and Oceans, we have Annette Gibbons, deputy minister, along with Mario Pelletier, commissioner of the Canadian Coast Guard.

From the Department of Public Works and Government Services, we have Paul Thompson, deputy minister, and Simon Page, assistant deputy minister, defence and marine procurement.

Each of our departments will have five minutes. As members know, the last 30 minutes is for committee business. Today, I'll give fair warning that I want to watch the clock closely. Doing so will allow us to get through three rounds and end at 12:30 or thereabouts.

Mr. Hayes, go ahead. You have the floor for five minutes, please, sir.

Mr. Andrew Hayes (Deputy Auditor General, Office of the Auditor General): Mr. Chair, thank you for this opportunity to discuss our report on the surveillance of Canada's Arctic waters, which was tabled in the House of Commons on November 15.

I would like to acknowledge that this hearing is taking place on the traditional, unceded territory of the Algonquin Anishinabe people.

Joining me today are Nicholas Swales, the principal who is responsible for the audit, and Chantal Thibaudeau, the director who led the audit team.

In recent decades, Canada's Arctic waters have become more accessible as summer sea ice has declined and navigation technologies have improved. This has generated interest and competition in the region, which significantly increases ship traffic and affects local communities. Growing maritime traffic increases the risk of unauthorized access, illegal activities, and safety and pollution incidents.

For this audit, we wanted to know whether key federal organizations built the maritime domain awareness needed to respond to safety and security risks and incidents associated with increasing vessel traffic in Arctic waters.

No federal organization is solely responsible for the surveillance of Arctic waters. In our audit, we included the organizations that are mainly responsible. They are Transport Canada, Fisheries and Oceans Canada, the Canadian Coast Guard, National Defence, and Environment and Climate Change Canada.

We found that over the past decade, these organizations have repeatedly identified gaps in the surveillance of Arctic waters, but they have not taken action to address them. These gaps include limited capabilities to build a complete picture of ship traffic in the Arctic and the inability to track and identify vessels that don't use digital tracking systems, either because they don't have to or because they are not complying with requirements.

Collaboration is important to mitigate gaps in maritime domain awareness. Coastal communities contribute information through direct observation. Federal initiatives such as the marine security operation centre in Halifax also play a key role. However, we found that weaknesses in the mechanisms that support information sharing, decision-making and accountability affected the centre's efficiency.

[*Translation*]

Arctic water surveillance relies on several types of equipment, such as satellites, aircraft and ships. We found that much of this equipment is old and its renewal has been delayed to the point that some equipment will likely need to be retired before it can be replaced. This is the situation for the Canadian Coast Guard's ice-breakers and Transport Canada's single patrol airplane: they are near the end of their service lives and likely to be retired before new equipment is delivered. Satellites are also near the end of their service lives and currently do not meet surveillance needs. Replacements in all cases are many years away.

We also found that infrastructure projects aimed at supporting the surveillance aircraft and offshore patrol ships were delayed. For example, the Nanisivik Naval Facility, intended to support government vessels in Arctic waters, is behind schedule and has been reduced in scope to the point that it will operate only about four weeks per year. As a result, Royal Canadian Navy ships may not be resupplied where and when needed.

Our 2021 audit of the National Ship Building Strategy raised concerns about delays in the delivery of the combat and non-combat ships that Canada needs to meet its domestic and international obligations. That audit also noted that further delays could result in several vessels being retired before new vessels are operational.

In the audit we are discussing today, we found that those delays persist. Effective surveillance in the Arctic relies on marine vessels, aircraft, and satellites, all of which are aging. The government urgently needs to address these long-standing issues and put equipment renewal on a sustainable path to protect Canada's interests in the Arctic.

This concludes my opening remarks. We would be pleased to answer any questions committee members may have.

- (1105)

The Chair: Thank you very much, Mr. Hayes.

[*English*]

I turn now to Ms. Gibbons.

You have five minutes. Go ahead, please.

Ms. Annette Gibbons (Deputy Minister, Department of Fisheries and Oceans): Thank you very much, Mr. Chair.

Good morning, committee members.

My colleague Mario Pelletier, commissioner of the Coast Guard, and I are very pleased to appear here. We're also very pleased to be here with our colleagues from other departments.

First of all, I'd like to thank the Auditor General for providing recommendations that respond to safety and security risks and to incidents associated with increased vessel traffic in Arctic waters.

[*Translation*]

Fisheries and Oceans Canada and the Canadian Coast Guard agree with the audit recommendations. We note that these echo similar recommendations made in the 2014 Auditor General report on marine navigation in the Canadian Arctic. We are committed to working with partners to address gaps in Arctic maritime domain awareness, and increase information-sharing.

Arctic surveillance in support of sovereignty and security is a whole-of-government endeavour which integrates multiple departments' capabilities. To support Canada's presence, we will continue to collaborate with our federal, provincial and territorial partners, first nations, Inuit and Métis communities, as well as industry, to provide the assets, programs, tools and people needed to support Canada's surveillance, presence and maritime security interests.

We are also committed to developing an Arctic maritime security strategy in collaboration with key security partners to provide risk-based Arctic marine domain awareness solutions.

[*English*]

Because our physical presence remains so important to maritime domain awareness, strengthening and renewing our fleet are key actions we are taking to support security and sovereignty in the north.

Investments for icebreaking and ice-capable vessels announced through the national shipbuilding strategy include 16 multi-purpose vessels, six program icebreakers, two Arctic offshore patrol ships and two polar icebreakers. These new vessels will be significant contributions to exercising Canada's sovereignty in the Arctic and in supporting Canada's on-water Arctic science capabilities by performing critical icebreaking services, providing vessel escorts and commercial or fishing harbour ice breakouts, and ensuring the safe transport of vital supplies, goods and people in Canadian waters.

[*Translation*]

Specifically, the program icebreakers will also help provide other essential services to Canadians including search and rescue, environmental response, maritime security, and humanitarian missions. The polar icebreakers will be larger and more powerful than the current heavy icebreakers and will enable the Coast Guard to operate in all areas of the Arctic throughout the year with enhanced capabilities to support a variety of tasks, including supporting our on-water science program and northern sovereignty.

In order to maintain services to Canadians when our new ships are being built, the Coast Guard has put in place interim measures to mitigate anticipated gaps until the new ships are ready. These interim measures are twofold.

First, they are making important investments to extend the life of our current fleet. Known as vessel life extensions, or VLEs, we safely prolong the life of our fleet to ensure that Coast Guard personnel continue to have the proper equipment to perform their crucial work until new vessels arrive.

Second, we have acquired four interim vessels so that when an existing vessel is taken out of service for vessel life extension, we have replacement assets to maintain uninterrupted service delivery.

• (1110)

[English]

The Canadian Coast Guard remains actively engaged with its domestic partners on Arctic security through its contributions to Canada's multi-agency marine security operation centres, known as MSOCs. These centres bring together the Coast Guard, National Defence, Royal Canadian Mounted Police, Canada Border Services Agency, Transport Canada, and Fisheries and Oceans Canada. As an integrated component of the government's security apparatus, MSOCs identify and report on maritime activities that represent a potential threat to the sovereignty, security and safety of Canada.

The Coast Guard's contribution to MSOCs includes its expertise and information on maritime vessel traffic. With the tremendous number of vessels travelling within a few kilometres of our coastlines, it's imperative, for reasons of security and safety, that these vessels be identified and monitored. Our marine communications and traffic services, or MCTS, centres monitor and liaise with all marine traffic and provide crucial information to MSOCs to help ensure the safety and security of Canada's waterways, including in the Arctic.

In collaboration with our MSOC partners, current efforts focus on information sharing and the upcoming MSOC third party review. This review will focus on analyzing current MSOC functions and outputs, in order to identify and mitigate gaps in providing maritime domain awareness.

In closing, DFO is keenly aware that maritime domain awareness in Canada's Arctic is critical to ensuring that we can decisively respond to incidents that threaten our safety, security, environment and economy. That is why DFO and the Canadian Coast Guard will continue to work closely with all of our partners to improve safety and security in Canadian waters.

Thank you. We look forward to your questions.

The Chair: Thank you very much.

Mr. Thompson, you have the floor for five minutes.

Mr. Paul Thompson (Deputy Minister, Department of Public Works and Government Services): Thank you very much, Mr. Chair.

As my colleague noted, Public Services and Procurement Canada also welcomes the Auditor General's report and is committed to working with its partners to ensure that Canada's Arctic waters are safe and secure. We are in full agreement with the Office of the Auditor General that such equipment must be acquired in a timely manner.

For Public Services and Procurement Canada, that means supporting our federal partners with the procurement of equipment and capabilities needed for effective Arctic water surveillance, which is being done through Canada's national shipbuilding strategy.

The national shipbuilding strategy is one of the largest and most significant endeavours undertaken by Canada. It focuses on not just equipping the Royal Canadian Navy and the Canadian Coast Guard with much-needed vessels, but also strengthening Canada's ship-

yards and rebuilding Canada's marine industry, which is an important source of high-skilled jobs.

[Translation]

That includes small- and medium-sized businesses which make up some 90% of Canadian marine industry firms.

The shipyards that are awarded contracts under the national shipbuilding strategy are responsible for sourcing things like materials and technology for their respective shipbuilding projects.

Through the provisions of the government's industrial and technological benefits policy, which focuses on generating economic benefits here at home, hundreds of Canadian businesses are securing that work. Those businesses are growing, investing in innovation and getting traction in export markets.

[English]

While acting as an economic driver and successfully delivering a number of vessels, as well as completing repair and refit work, the strategy is also facing significant challenges. Due to the pandemic and other global events, we have several new factors to deal with, such as inflation, commodity pricing and supply chain disruptions, which have all affected the cost and availability of materials. This is on top of increasing labour shortages. The report from the Office of the Auditor General is quite valuable as we work to counter the impacts of these challenges.

I would like to give an update on the action plan to address the recommendations provided to our department.

[Translation]

Part of our management action plan to address the report's findings outlines ways to make sure that delivery schedules are more accurate, including by making improvements to how we monitor and report on the progress of the projects. The goal is to identify potential delays and cost overruns earlier in the process.

The action plan maps out continued efforts to ensure that we are properly and effectively integrating schedule, costs, and scope in how we measure performance.

[English]

In addition to the implementation of this management action plan, the government's efforts to acquire equipment in a timely manner are also supported by the integration of a third shipyard into the national shipbuilding strategy. Bringing on a third shipyard is a significant factor in addressing the concerns raised in the AG's report that are under discussion today.

Specifically, the third yard will be responsible for building one of the two polar icebreakers and six program icebreakers for the Canadian Coast Guard. In June of last year, the Government of Canada announced the beginning of negotiations with Chantier Davie of Lévis, Quebec to become the third strategic shipbuilding partner under the NSS. That process is in the very final stages of completion. Contracts for each polar and program icebreaker will be negotiated following the signature of an umbrella agreement with the third shipyard. Of course, the lessons we learned from the revised approach to project management, costing and scheduling will be applied as we draw up and manage these new contracts.

In conclusion, Mr. Chair, I think it is also worth noting that we have seen, around the world, how shipyards typically increase their efficiency over time as they mature. Canadian shipyards are no exception. This is particularly true for longer production runs of ships. For example, Canada has seen good progress in the Arctic and off-shore patrol ships program, with three ships delivered so far and the cost per ship decreasing. As we continue to deliver on the NSS, and as the Canadian industry continues to gain more experience along the way, we expect to see even more efficiencies.

Mr. Chair, I can tell you that PSPC will continue to work with its partners to mitigate the project delivery risks for the NSS, so the Royal Canadian Navy and the Canadian Coast Guard get the vessels they need to do the job.

Thank you. I'll be happy to take your questions.

• (1115)

The Chair: Thank you all very much.

We'll now turn to our first round. Each of the four members will have six minutes. I'm sorry to repeat this, but I will be watching the clock very closely. I will have to cut witnesses off if you don't leave them ample time to answer your questions.

On that note, Mr. McCauley, you have the floor for six minutes.

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

Witnesses, thank you for this.

Mr. Hayes and Mr. Swales, thank you for another depressing report. I think you could have titled it "A Whole-of-Government Failure". We have a failure to buy equipment on time, a failure to retain our pilots or even train new pilots, and a clear failure to secure the north. This is an absolutely abysmal report. I don't think I have a different word for it.

We have a government and bureaucracy that... We actually saw them, with opening statements, appear to think that making announcements is actually going to get ships built. We have delay after delay after delay on the ships. The icebreakers are a decade late. The AOPS are delayed. Everything is delayed.

We're running out of pilots to fly the few planes we have left. We have, basically, what turns out to be a politically motivated purchase of the Kingfisher search and rescue plane that cannot fly in Canada and that the RCAF doesn't want. We have the AOPS that the navy doesn't want and can't actually patrol with for a large part

of the year, and that's when these ships are actually working. We know there are diesel issues and water issues.

You read in this report that we have committees that repeatedly identified issues, but the government refused to act on them. There are departments that can't share information with each other. Work plans are developed with no implementation plans or timelines to go with them, and then there is no monitoring of those implementation plans. Then there are plans to develop an Arctic security strategy that never got completed.

You think it just cannot get worse and worse and worse, yet along comes the government to say, "Hold my beer," and it sits back as the Chinese float 99 red balloons into our territory.

Mr. Hayes, Mr. Swales, is there any redeeming information from the government's performance that you can share with us out of this report, besides that the government recognizes that it's an issue? I've read through it. I don't see the action. I don't see anything but announcements and witnesses around a table patting themselves on the back for what a great job they're doing, but nothing's getting done. We have Russia being aggressive. Obviously, the Chinese are aggressive. However, we're a decade or two decades away from being able to secure the north.

Is there anything good in this report?

• (1120)

Mr. Andrew Hayes: I'll start with reiterating the fact that we identified that long-standing issues hadn't been addressed in our report. However, I would say that the efforts taken to extend the life of some of the equipment so that time is available for the new equipment to be purchased are a good step. Mind you, there's not a lot of time to spare if there are further delays.

In terms of other positives, I would say that, at this point in time, the work that's being done by the departments to consider contingencies—the bringing on of a third shipyard—is a positive development. However, again, we've seen that with the previous shipyards it took seven years after the agreements were negotiated for a ship to be produced, so time is running out.

Mr. Kelly McCauley: I guess that's the crux of it. I mean, the biggest accomplishment we can state is that we're going to extend the life of our already old equipment.

How long can the Aurora be extended? I think it's serviced to 2030, isn't it?

We might as well have an OGGO meeting here at the same time.

Mr. Paul Thompson: I'll take that. Thank you, Mr. Chair.

PSPC, of course, is the contracting agent for activities like the maintenance and sustaining of the Aurora. DND would be better positioned to speak about the long-term plans for it, but we do have some measures in place. Simon could elaborate on the work they're doing in support.

Mr. Kelly McCauley: We finished the upgrade on the Aurora. Is that correct?

Mr. Paul Thompson: There's ongoing work, as well.

Mr. Simon Page (Assistant Deputy Minister, Defence and Marine Procurement, Department of Public Works and Government Services): We do have a specific project called the Aurora incremental modernization project, and that's still ongoing. We're putting the final touches on this project as we speak, with the OEMs that are concerned, and the target date for that is 2024.

Mr. Kelly McCauley: How long will the life cycle be extended?

Mr. Simon Page: As my deputy said, that's more a question for DND when they come to this venue, but—

Mr. Kelly McCauley: Is PSPC involved yet in the P-8 acquisition? Is there a working group set up or a project group set up yet?

Mr. Paul Thompson: I can speak to that.

We're in the options, analysis and requirements definition phase, and the P-8 is an active option that's under consideration, as ministers have noted.

Mr. Kelly McCauley: For the sake of argument, if we signed it tomorrow, would we get it in time before the Auroras time out?

Mr. Paul Thompson: I don't know if we have a potential timeline. That's all part of the options analysis. I think it's hard to say at this point exactly what the relative timelines would be for the P-8 versus for other options.

Mr. Kelly McCauley: I'll cede my second and a half to the Liberals.

The Chair: Very good. Thank you, Mr. McCauley.

Ms. Yip, you have the floor for five minutes. Go ahead, please.

Ms. Jean Yip (Scarborough—Agincourt, Lib.): Thank you.

The Arctic waters surveillance report is, I think, really timely right now. Given recent developments and the warming climate, it's important that we draw attention to what we can do to increase our Canadian security, economic impact and environmental vigilance.

I want to thank you, Deputy Auditor General, along with the Auditor General and your team, for bringing forth such important recommendations in this report.

My first question is for Ms. Gibbons.

How are you addressing the report's findings that there's a lack of adequate infrastructure in the Arctic?

• (1125)

Ms. Annette Gibbons: I will ask Commissioner Pelletier to elaborate a bit more on this.

We've been doing a number of things to improve infrastructure. Certainly, the creation of an Arctic region within Fisheries and

Oceans and the Coast Guard is a major step to having a greater presence.

We have a site in Rankin Inlet that we are transitioning to be a larger, more functional site than it is at present. Mario can speak to this. We have been doing a lot with indigenous communities in the north and expanding the Coast Guard Auxiliary. With that, we provide funding to purchase community boats so communities can have more of an on-sea presence. That, of course, is expanding the eyes and ears on activity in the north.

I'll ask Mario to expand a little bit on that.

Mr. Mario Pelletier (Commissioner, Canadian Coast Guard, Department of Fisheries and Oceans): Thanks for the question.

On that last point, we went from nine Coast Guard Auxiliary units up north five or six years ago to 33 as of last year. This is key for us in being able to rely on a community to quickly respond to a local call, as opposed to our having to deploy ships that will have to go hundreds of miles to get to that point, taking them away from the business of supporting the resupply. Those are the kinds of investments we're looking at.

From a marine awareness perspective, the Arctic is not well served by technology right now. The Internet is extremely slow and so on. We're really looking forward to the low-earth orbit satellite constellation being deployed a few years from now, at which point we're going to be able to use more technology. We're not going to be able to recreate in the Arctic the navigation system we have down south. It would take decades to do that. Technology and things like virtual aids to navigation and so on will be much more accessible. That's what the team is focusing on right now.

Ms. Jean Yip: Mr. Thompson, would you like to answer the question as well?

Mr. Paul Thompson: On the infrastructure side, this isn't an area of significant activity for PSPC. Our main focus is on the vessels—supporting the Coast Guard in the acquisition and construction of the Arctic offshore patrol ships 7 and 8 and working on the vessel life extension of the existing fleets. Our focus is very much on the fleet support and getting the vessels that are needed to protect the Arctic.

Ms. Jean Yip: Thank you.

Going back to Ms. Gibbons, we've heard a lot about climate change and its impact in the Arctic, the melting glaciers and so forth. It must have an impact on marine life there. With the ship traffic increasing, I'm sure that's impacted the waters as well.

How is the department addressing the increased risk of marine pollution?

Ms. Annette Gibbons: I would say that we're doing a number of different things. In the department generally, we are incorporating into our science assessments the range of science-related activities both in fisheries management and in ocean ecosystems conservation and protection. We are incorporating climate-related analysis much more integrally in that work on an ongoing basis, and that would include what we do in the Arctic.

The expanded presence of the Coast Guard, as we bring on the new fleet and we're able to have an even greater presence of vessels in the north year-round, will also be something that allows us to deal better with increasing ship traffic.

There are a lot of different activities that are under way, I would say.

• (1130)

Ms. Jean Yip: I don't have a lot of time, but you mentioned in your opening remarks the Arctic maritime security strategy. Perhaps you can give a quick update, or maybe somebody else can finish asking that question.

The Chair: I will come back to it, if that's okay, Ms. Yip.

Ms. Jean Yip: Yes, that's fine.

The Chair: It will ensure that we all have a full last round.

[Translation]

Ms. Sinclair-Desgagné, you have the floor for six minutes.

Ms. Nathalie Sinclair-Desgagné (Terrebonne, BQ): Thank you, Mr. Chair.

I would like to start out by tabling a motion, a copy of which has already been distributed to committee members.

I will read out the motion slowly so that everyone can hear.

That, pursuant to Standing Order 108(3)(g), the committee undertake a study of the contracts between Public Services and Procurement Canada with Moderna, Sanofi, Pfizer, Medicago, AstraZeneca, Johnson & Johnson and Novavax for the supply of COVID-19 vaccines (Auditor General's Reports 9 and 10);

That, pursuant to Standing Order 108(1), the committee order Public Services and Procurement Canada to produce a copy of each of the said contracts by forwarding them to the clerk of the committee within 15 days of the adoption of this motion, provided that they're free of any redactions;

That, when these documents are received by the clerk:

a. They be available at the clerk's office for viewing by committee members only, for one day to be designated by the committee no later than 15 days following the receipt of the contracts, under the supervision of the clerk and that no personal mobile or electronic devices be permitted in the room that day;

b. Representatives of Public Services and Procurement Canada be invited to appear for a two-hour in camera meeting and that during the meeting, only Committee members and support staff required for the meeting be permitted to attend and that no personal mobile or electronic devices be permitted in the room during the meeting; that, during the meeting, numbered paper copies of the documents be given to committee members who are present in person by the clerk at the beginning of the said meeting and that these copies be returned to the clerk at the end of the meeting and that the clerk be instructed to destroy the said copies.

Given that this motion has already been distributed in both of Canada's official languages, I would like to continue our meeting today and, if possible, talk about the motion later on.

This motion has been presented in good faith, and I trust there is no reason to prevent a debate on it.

The Chair: Thank you very much for tabling the motion.

I stopped the clock while you presented it.

You still have six minutes remaining.

Ms. Nathalie Sinclair-Desgagné: Thank you, Mr. Chair.

I would like to thank the witnesses for being here with us.

I'm going to ask some questions on "Report 6, Arctic Waters Surveillance, 2022".

This question is for the representatives from the Office of the Auditor General.

In 2021, you published a report on the national shipbuilding strategy. You observed that the strategy had not delivered the ships that Canada needed to meet its domestic and international obligations.

How are the problems you underlined in your audit on the national shipbuilding strategy linked to those that are highlighted in your report on Arctic surveillance?

Mr. Andrew Hayes: Thank you.

The ships covered by the strategy are the same ones that are dealt with in our report. The timeframe that would allow us to get these ships before the end of their useful life of our current ships is very tight.

Ms. Nathalie Sinclair-Desgagné: Right.

The ships that are patrolling in the Arctic are old and coming to the end of their useful life cycle, which could limit our capacity to ensure surveillance in the Arctic.

Could these problems have been avoided with a better national shipbuilding strategy?

Mr. Andrew Hayes: I would say so. The strategy has had delays, and now there are problems and shortcomings that must be dealt with so that Canada can have a full surveillance picture of its Arctic waters.

• (1135)

Ms. Nathalie Sinclair-Desgagné: Can you give us some of the more egregious examples of the strategy's shortcomings?

Mr. Andrew Hayes: I will ask my colleague, Mr. Swales, to answer your question.

Mr. Nicholas Swales (Principal, Office of the Auditor General): In our 2021 report, we noted that the tools needed to manage risk and oversee the production schedule for the ships were not necessarily fit for purpose.

That was part of our recommendations to remedy the situation.

Ms. Nathalie Sinclair-Desgagné: Are you satisfied with the action plan that was developed following the report?

Another report was published by the Office of the Auditor General, the OAG. Have you seen any improvement, at the very least in terms of implementing the action plan or overseeing the production schedule for the ships?

Mr. Nicholas Swales: What we have noted in our second report is that the situation has actually gotten worse in some instances. That means that the action plan had not produced the expected results. Some measures had still not been implemented. Work remains to be done.

Ms. Nathalie Sinclair-Desgagné: I will ask one more question on that issue, whether it be for Mr. Swales or Mr. Hayes.

Who is responsible for the shortcomings in the action plan? Would it be Fisheries and Oceans Canada or Public Works and Government Services Canada?

Mr. Nicholas Swales: I think all the departments that are part of the national shipbuilding strategy are responsible. The strategy includes four main departments. They have to work together to ensure that the strategy is producing the right results.

Ms. Nathalie Sinclair-Desgagné: I am counting on your expertise here. We know very well that if we want a job done right, someone has to be responsible. In your opinion, who should be responsible for tasks such as overseeing the production schedule, for example?

Mr. Andrew Hayes: I would say that the Department of Public Works and Government Services could be responsible for this task, because it could manage the turnaround times and the other deliverables.

Ms. Nathalie Sinclair-Desgagné: My questions are now for the representatives from the Department of Public Works and Government Services.

What do you have to say about the action plan and the improvements that have been awaited for nearly two years now?

Mr. Paul Thompson: Thank you for the question.

As I have already mentioned, we are working on many fronts to speed up the work on the ships.

[English]

We have contracts in place now for engineering and design for the Arctic and offshore patrol ships, so those are contracted and on a revised schedule. We see each of these ships being produced at a diminishing unit cost and with less time.

In the fall, we also awarded a construction and engineering contract with the Vancouver shipyard for the initial work on the polar icebreaker. It will be our intention to have the second polar icebreaker, as well as the six program icebreakers, into the work immediately following the umbrella agreement with Chantier Davie.

There are many contractual elements, as well as additional measures we are taking on the management side to have a better handle on risk and on adherence to schedule. Those are two tracks for it.

[Translation]

The Chair: Thank you very much, but your speaking time is over.

Mr. Desjarlais, you have the floor for six minutes.

[English]

Mr. Blake Desjarlais (Edmonton Griesbach, NDP): Thank you very much, Mr. Chair.

I want to thank the witnesses from DFO and the Department of Public Works and Government Services for being here on this important audit.

I do note that in several of the witnesses' remarks this morning, they mentioned partnerships at all levels, in particular partnerships that involve all levels of government, local and indigenous communities.

Could the auditor elaborate on the role that Inuit communities play in monitoring Arctic waters? The same question will go to DFO, following that.

• (1140)

Mr. Andrew Hayes: It's our view that they play an essential role in monitoring Arctic waters. As much as the equipment and the satellites are necessary, we are talking about 162,000 kilometres of coastline up there. The Inuit communities play an integral role in surveillance.

Mr. Blake Desjarlais: To follow up on that, before we go to the DFO representative, in regard to the actual Inuit people's participation in these programs, did you note in your audit what levels of participation they had? Are they senior ranking officials in any of this? Are they patrol officers? Are they reserve officers? With what kind of status are many of these Inuit folks participating?

Mr. Andrew Hayes: I'm not sure I can comment on the status. We did talk about an initiative that was developed in collaboration with the Inuit communities that can identify the nature and source of information that the systems should provide.

However, we did note that there were problems with the ongoing funding intended to support that. There is a need to address that problem.

Mr. Blake Desjarlais: To the DFO representative, why is there such an underfunding there? Why would you think the auditor notes that your department is underfunding Inuit folks?

Ms. Annette Gibbons: I'm not sure. I think that we have a number of things under way to try to increase Inuit participation in the on-the-water activities, security activities and safety.

We've been piloting a community-based coastal marine response network, which is really intended to be an information-sharing network for what's happening on the water and what people are seeing.

As I said before, we have been funding an increasing number of Inuit communities to participate in the Coast Guard Auxiliary. That includes the purchase of boats through our community—

Mr. Blake Desjarlais: Maybe I'll go back to the auditor.

In your review of it, where were some of the largest financial deficits in support for Inuit communities, which your report notes?

Mr. Andrew Hayes: We didn't dig into that question. We were focused largely on the methods for collaboration and the equipment that needed to be procured, so I don't have an answer for you of where the deficits might be in terms of Inuit support.

Mr. Blake Desjarlais: To the DFO representative, you said you were unsure of where those deficits were.

Ms. Annette Gibbons: In terms of the report of the Auditor General, I'm speaking to what we have been doing, which is increasing capacity in communities over time.

We're very active. We created this Arctic region for DFO and the Coast Guard, which is continually ramping up the capacity.

Mr. Blake Desjarlais: What kind of capacity is that for these Inuit communities?

I've never, for example, met in this committee one indigenous person representing a senior official or senior ministry, in the entirety of Public Accounts. It's questionable that many folks, when they participate in DFO's programming or even other programs of the government, often find themselves staying at a very nominal position within the ranks of our government, within our civil service and of course within DFO.

How many Inuit folk would you say are in senior or executive positions in your department, considering how vast the Arctic is and that they have expertise living there? You'd think maybe even a majority.

Ms. Annette Gibbons: Certainly in our Arctic region's regional office, we are ramping up employees in that—

Mr. Blake Desjarlais: What's the percentage? Give us that, for Canadians to know.

Ms. Annette Gibbons: I don't have the percentage for you. I can get you the percentage.

Mr. Blake Desjarlais: Yes, please, and provide any employment statistics that are important for the demographic understanding of how the north is actually being monitored, and by whom. It's important that the expertise of Inuit folks is actually held to be of importance by the ministry and by your officials.

Inuit people have many stories. When I visit them, they know exactly where many ships have gone missing, for example.

Ms. Annette Gibbons: Yes, and that is certainly a goal, both in terms of the representation of Inuit among our employees, but also in terms of the community-based programming. We are trying to really tap into that knowledge.

I would also say that our regional director general of the new Arctic region is an Inuit person.

Mr. Blake Desjarlais: Excellent. That's good.

In terms of the actual supplies, I think it may have been Public Services that mentioned that Inuit folks—maybe not Inuit folks, but people in the north, at the very least—are participating in a purchase program in which their vessels are utilized for search and rescue or the environmental monitoring of certain aspects in the north, instead of sending, say, a large ship.

At what rate are Inuit folks participating in that?

• (1145)

Ms. Annette Gibbons: This would be through our community boat program. I have the number of boats somewhere. I can get it for you.

I also have the statistic for you that currently 26% of the Coast Guard in the Arctic region have self-identified as indigenous. They are mostly Inuit.

As I said, the RDG and directors in DFO Arctic, as well, are—

The Chair: Thank you very much.

That is the time, Mr. Desjarlais, but I know I will get back to you.

Mr. Kram, you have the floor for five minutes, please.

Mr. Michael Kram (Regina—Wascana, CPC): Thank you very much, Mr. Chair.

Thank you to all of the witnesses for being here today.

I often find that one of the challenges with a whole-of-government approach is that I'm not too sure to which witness I should be directing my questions. I'll just toss these out, and whoever is best to answer can feel free to chime in.

Page 22 of the report talks about the Nanisivik Naval Facility, which will be operational for only four weeks per year due to its inability to heat its fuel tanks. What will this naval facility be used for during the other 48 weeks of the year?

Ms. Annette Gibbons: That is a question for DND, not us, unfortunately.

Mr. Michael Kram: Okay.

Can the witnesses from Public Works comment on any plans to allow for the capacity to heat the fuel tanks at this facility, so that it is operational for the entire year?

Mr. Paul Thompson: Thank you for the question.

Unfortunately, PSPC is not involved in that project either. That's a question to be directed the Department of National Defence.

Mr. Michael Kram: All right.

I have a question about something that was not in the report. Russia has submitted a claim to the United Nations Commission on the Limits of the Continental Shelf about its claim to the Arctic seabed. Canada also has a conflicting claim to the Arctic seabed.

I was wondering if any of the witnesses can comment about how our lack of capacity in the Arctic may affect our claim at the United Nations.

Ms. Annette Gibbons: I think that, in general, we feel we have the capacity to push our claim forward on that matter.

Mr. Michael Kram: Does the Government of Canada have any plans to collect new or additional data about the Arctic seabed to strengthen our claims at the United Nations?

Ms. Annette Gibbons: We are constantly doing assessments of the seabed, so I can certainly get you more information on that if you wish.

Mr. Michael Kram: Yes, if you could provide a written statement to the committee about future plans for future surveys, I would find that helpful.

In June last year, the foreign affairs minister had a very well-publicized media event with the Prime Minister of Denmark about Hans Island and how we were going to be partitioning and sharing that island. Have there been any discussions with Denmark about surveying or monitoring our Arctic waters in co-operation with Denmark around Hans Island?

Ms. Annette Gibbons: I think that probably should be directed to Global Affairs.

Mr. Michael Kram: Okay.

Let's come back to the report, then. Page 4 of the report talks about a foreign vessel that was identified near Cambridge Bay by an Inuit monitor. Cambridge Bay is about 1,500 kilometres into our Arctic waters.

Is it common for a vessel to be able to travel 1,500 kilometres into our Arctic waters before being noticed or identified?

Mr. Mario Pelletier: Thanks for the question.

The said vessel is an Australian sailing vessel, the *Kiwi Roa*. It was, indeed, seen by our Inuit monitoring program, so that proved that it works.

The requirement for reporting is done through NORDREG, which is a Transport Canada lead. A ship of the size of that sailing vessel doesn't require reporting. Only ships that are more than 350 gross tonnes have to report to NORDREG. This one was a 60-foot sailing vessel. It didn't have to report, but we did monitor it all the way through its passage in the Arctic.

• (1150)

Mr. Michael Kram: If you monitored it all the way through, why was it able to travel 1,500 kilometres before this Inuit monitor reported it?

Mr. Mario Pelletier: Once we knew the position, through the assets that were in place, we were able to monitor it and follow it.

This was its first journey into the Canadian Arctic. We didn't know it was there. The ship isn't required to carry AIS, the automatic identification system, which is what we normally use to track ships in the Arctic.

The Chair: Thank you very much.

Ms. Bradford, you have the floor for five minutes, please.

Ms. Valerie Bradford (Kitchener South—Hespeler, Lib.): Thank you, Mr. Chair.

Thank you to the witnesses for being here to discuss this very important report.

Mr. Thompson, since 2015, how many ships have been built in Canada through the national shipbuilding strategy?

Mr. Paul Thompson: We have completed six large vessels through the national shipbuilding strategy, including the three delivered Arctic offshore patrol ships that I mentioned earlier.

Ms. Valerie Bradford: Great.

How many ships were built before 2015 under the strategy?

Mr. Paul Thompson: I don't have that number at my fingertips, unfortunately.

I don't know if Simon does.

Mr. Simon Page: It was zero.

Since the start of the national shipbuilding strategy, with the signature of the umbrella agreements with Irving Shipbuilding and the Vancouver shipyard, we have built the six vessels that my deputy just mentioned.

Ms. Valerie Bradford: Thank you.

I know you mentioned that rebuilding the marine industry was very important. You mentioned there's a role for small and medium-sized yards.

Where is that third shipyard that you referred to a few times? When will it be on line, producing?

Mr. Paul Thompson: Thank you for that question.

As I mentioned in my remarks, we're in the very final stages of negotiating the umbrella agreement with Chantier Davie as the third strategic partner.

We would have three yards at our disposal for executing the national shipbuilding strategy. That's why it is an important mitigation factor. With some of the risks on schedules and the volume of work, having that third partner in place in the coming months will be a really important addition to the NSS.

Ms. Valerie Bradford: Where is it located?

Mr. Paul Thompson: It's in Lévis, Quebec.

Ms. Valerie Bradford: Now, I'm wondering about shipyards like the Port Weller dry docks, which was taken over by Heddle Shipyards in 2017.

Is there any role for these smaller operations to participate in the shipbuilding strategy?

Mr. Paul Thompson: Thank you for that question.

We have the three strategic partners, which are the large yards. We have a very active program of work with other shipyards for smaller vessels, for repair and refit work, including Heddle Marine and numerous other companies like it across Canada. We have smaller yards, and then many small and medium-sized enterprises play a role in the supply chain as part of the project plans.

Ms. Valerie Bradford: Are there any others that are located in Ontario?

Mr. Paul Thompson: I will turn to Simon on that one.

Mr. Simon Page: There are others located in Ontario. One good example would be Hike Metal Products in Wheatley, Ontario. They are building, with Chantier Forillon in Quebec, the search and rescue boats for the Coast Guard.

Ms. Valerie Bradford: I'll go back and pick up that question MP Yip was asking.

I believe this is probably for Ms. Gibbons.

What are the interdepartmental marine security working group's maritime domain awareness and Arctic maritime security implementation strategies? Have they been finalized?

Ms. Annette Gibbons: We are in the process of developing the maritime security strategy, led by the Coast Guard, but with all of the members of the marine security working group. As I said in my opening remarks, they are Transport Canada, DND, RCMP, CBSA, and DFO. Of course, we're also engaging very closely with indigenous communities in the north.

We're expecting to have the strategy completed by June of this year.

I don't know if the commissioner wants to share more on it.

• (1155)

Mr. Mario Pelletier: The report should be finalized by June, and that will come with an action plan looking forward on how we're going to implement it, basically looking at how the MSOCs are working today and what they could improve on in the future in sharing information and so on.

Ms. Valerie Bradford: What is the marine security operation centre information-sharing protocol and third party review, and when will it be able to identify the measures planned to be incorporated and identify gaps in monitoring and assessing?

Mr. Mario Pelletier: In June.

Ms. Valerie Bradford: All of that happens in June.

Mr. Mario Pelletier: Yes.

Ms. Valerie Bradford: Okay. That's great.

I think that's probably my time.

The Chair: You still have 30 seconds.

Ms. Valerie Bradford: Getting back to Mr. Thompson, what is the economic benefit and impact that the national shipbuilding strategy brings to communities across Canada?

The Chair: That is a big question. You have about 20 seconds.

I stopped the clock while I was talking.

Mr. Paul Thompson: Rather than trying to summarize it in 20 seconds, I might refer the member to our annual report on the national shipbuilding strategy, which has all the job creation numbers that are updated on an annual basis.

The Chair: Thank you. I'll be sure to have our analysts grab that report for committee members. It's a wonderful read, I'm sure.

We'll turn now to Ms. Sinclair-Desgagné.

[Translation]

You have the floor for two and a half minutes.

Ms. Nathalie Sinclair-Desgagné: Thank you, Mr. Chair.

I would like to follow up with the Office of the Auditor General on the way responsibilities are shared between the different departments when it comes to the national shipbuilding strategy.

Could you briefly describe the cooperation that you are seeing between the various departments?

Mr. Andrew Hayes: The departments should cooperate to establish the ways the ships could meet the requirements and needs contained in the strategy.

Moreover, the departments should work with Public Services and Procurement Canada to define requirements and timelines.

Ms. Nathalie Sinclair-Desgagné: In other words, you have discovered obvious shortcomings in the way responsibilities are shared and the way the departments communicate with each other.

In your opinion, would there be less risk if the roles of the departments were more clearly defined?

Mr. Andrew Hayes: The roles and the mandates of the departments are clear. The problem is one of implementation.

Ms. Nathalie Sinclair-Desgagné: Could you give us more details? If the roles are well defined, where is the problem? Are people not doing their work?

Mr. Andrew Hayes: There are many reasons why projects such as this strategy can get bogged down. Perhaps my colleague could answer your question.

The Chair: You have 33 seconds left, Ms. Sinclair-Desgagné.

Ms. Nathalie Sinclair-Desgagné: Are you able to answer in 33 seconds? If things are clear, what is the issue?

Mr. Paul Thompson: I can answer the question. We have a system of governance for the responsibilities of the three departments. The Canadian Coast Guard is responsible for operational requirements, Public Services and Procurement Canada is responsible for the procurement process, and Innovation Science and Economic Development Canada is responsible for looking at the economic impact.

These three departments work together to manage the risk and the work plan for each of the shipyards.

[English]

Mr. Blake Desjarlais: Thank you very much, Mr. Chair.

I will now turn to aspects of the testimony that was made by each member with regard to the environment. I think I may have actually seen Mr. Pelletier at a different committee, maybe the defence committee, where we talked a little about the utilization of Canada's military equipment when it is deployed to combat environmental catastrophes. My unique position, I think, in some ways, is to suggest that it may not be the best use of those resources. It was mentioned several times by both the DFO and Public Services that this is one of the areas of last resort for the country.

My question is in direct relation to the equipment. The audit makes very specific recommendations in relation to the age of the equipment and the inadequacy of that equipment for both monitoring and, in some instances, the environment.

Is the fleet, the assets we currently have in the north, capable of actually responding to environmental catastrophe in the way Canadians would expect? Is it tailored for that solution?

[Translation]

The Chair: Thank you very much.

[English]

Mr. Desjarlais, you have the floor for two and a half minutes.

• (1200)

Mr. Mario Pelletier: We have, through OPP 1, renewed all our environmental response equipment, and there will be further investment through OPP 2 as well. We have 19 environmental response caches in the Arctic. We're updating all of the equipment. Also, we're engaging with the community to train them on how to use the equipment, how to report, and how to assess a spill, and we're hiring people on the ground as well.

Part of your question earlier was how many people from the north we have working in the north. We just finished a selection process where we're going to be bringing a number of environmental responders in the Arctic.

The Chair: You have 30 seconds.

Mr. Blake Desjarlais: Thank you for that response. I think it helps me understand what is happening in the north in terms of capacity building.

I think one area that I'll follow up on in the next round will be in relation to the Arctic spill. There was an Arctic spill. What was your folks' response to that and what are the resources that are in deficit to ensure that there's a manageable response? That will be my next question.

Thank you, Chair.

The Chair: Thank you very much.

Mr. Kram, you have the floor for five minutes.

Mr. Michael Kram: Thank you, Mr. Chair.

I would like to resume with Mr. Pelletier about the issue of the vessel that was spotted near Cambridge Bay. I didn't quite understand from your previous answer. Was this vessel monitored from the moment it entered Canada's Arctic waters, or did it travel the whole 1,500 kilometres to Cambridge Bay before it was first noticed?

Mr. Mario Pelletier: It was in Cambridge Bay when it was first noticed and reported to us.

Mr. Michael Kram: Can you elaborate on how the vessel was able to travel 1,500 kilometres into our Arctic waters before it was first noticed?

Mr. Mario Pelletier: As I mentioned, Arctic waters are regulated through the NORDREG regulations. That's a mandatory reporting requirement, a regulation from Transport Canada. Only ships more than 350 gross tonnes have to report. Some smaller ships will report on a voluntary basis for safety purposes, and we encourage that. This is everywhere on our site, encouraging people to report, because if we know where they are, if they get in trouble, it would be much easier to get to them as we know where they are.

Once we knew the ship was there, we made sure that we were able to monitor its progress all through the Northwest Passage.

Mr. Michael Kram: This particular vessel was spotted by an Inuit monitor near Cambridge Bay. If this particular Inuit monitor

had been sick that day, could this vessel have travelled all the way through our Arctic waters without being noticed at all?

Mr. Mario Pelletier: No. We have ships in the summertime. When the ice conditions allow ships to transit, we have our ships there as well to support the community resupply and to be there ready for any intervention such as search and rescue or environmental response. So we would have crossed paths at some point, but that's why we have the Inuit monitoring program, exactly for that purpose. We don't only rely on our assets. We're broadening the network of people who can contribute to marine safety in the Arctic.

Ms. Annette Gibbons: The pilot project I referred to earlier, the coastal marine response network, is intended to have lots of eyes on what's happening. It's beyond the Coast Guard Auxiliary and the caches that we have to be able to actually respond.

Mr. Michael Kram: Does either of your departments have any statistics on the number of foreign vessels identified by Inuit monitors versus aircraft or satellites?

Mr. Mario Pelletier: Very little. The *Kiwi Roa* was the first one that I know of. It's very little. I'd say most of the people are very safety-oriented and will report, explorers and so on. Most of the traffic in the Arctic right now is large vessels greater than 350 tonnes. We have a line of sight on all of them.

• (1205)

Mr. Michael Kram: When you say "very little", do you mean you collect very few statistics or the numbers identified are very small?

Mr. Mario Pelletier: The numbers identified are very small.

Mr. Michael Kram: Okay. If you could submit a written response to the committee with the actual numbers, I would appreciate that.

Do we have any capabilities of detecting submarines beneath the surface of the water?

Mr. Mario Pelletier: That would be more for DND. The Coast Guard doesn't have that capability.

Mr. Michael Kram: Okay.

Mr. Chair, how am I doing for time?

The Chair: You have a minute and 20 seconds.

Mr. Michael Kram: I would like to shift now to page 16 of the report, which deals with RADARSAT satellites and how that program cannot meet all of the demands of federal organizations for radar imagery. What are the different federal organizations demanding radar imagery from the RADARSAT program?

Mr. Mario Pelletier: I can speak for the Coast Guard demand. Basically, all the ice coverage information that we receive through RADARSAT, both for us and for the use of industry, is of great quality. If I look back, years ago we used to have black and white TVs versus HDTVs. That's what we're getting.

I don't know about the condition of the actual satellite, but I have to say that the imagery we receive through Environment and Climate Change Canada is of great use, both for us and for industry.

Mr. Michael Kram: The report indicates that we will have a gap of several years between the time the old satellites are retired and the time the new ones come up. Will we fill in that gap with commercial satellite imagery? Will the quality of the images from commercial satellites be as good as from the RADARSAT satellites?

Mr. Mario Pelletier: I cannot comment on that. We're getting our imagery from Environment Canada. They would probably be best to answer that.

This is one layer of information. We also have all our ships up north do observation, our helicopters do reconnaissance, and we're starting to use drones more and more as well. That really gives you that local flavour of the broader picture.

The Chair: Thank you very much.

Next up we have Mr. Fragiskatos.

You have the floor for five minutes.

Mr. Peter Fragiskatos (London North Centre, Lib.): Thank you, Chair.

Thank you to our officials for being here today. Thank you, Mr. Hayes, for your work and that of your colleagues.

My first question is in response to what was jointly offered by officials in response to recommendation 1. In the response, it says, "We will take a risk-based approach to maritime domain awareness in the Arctic". I suppose this is a conceptual question, but how is "risk-based" defined? What goes into that? What assumptions, what understandings, underpin that?

Ms. Annette Gibbons: I'll start and then ask the commissioner to provide more detail.

That would be all of our activities in terms of where the Coast Guard programs happen each year and where the cache is that we referred to, where we really focus on having a Coast Guard Auxiliary and the functionality of the Rankin Inlet station. All of those pieces would be based on where you would expect to see the most activity in terms of marine traffic in general.

Mr. Mario Pelletier: Yes, exactly. It depends on the volume of traffic, the area and so on. That's what a risk-based approach comes from. Basically, we've developed a methodology for search and rescue purposes that we call RAMSARD, risk-based analysis methodology for search and rescue delivery, and we're developing the same methodology for environmental response going forward as well. There will be a common approach for various programs.

Mr. Peter Fragiskatos: Thank you very much.

Still with recommendation 1, the response reads, "National Defence, Transport Canada, and Fisheries and Oceans Canada and the Canadian Coast Guard will continue taking steps to reduce gaps in Arctic maritime domain awareness and limitations of existing surveillance capabilities".

What exactly is being done, in summary, to reduce those gaps? What would you highlight? What would you point to?

Mr. Mario Pelletier: As I mentioned earlier, the expansion of the Coast Guard Auxiliary is one step to that, as is the introduction of the Arctic offshore patrol vessels up in the Arctic. That will al-

low me to deploy ships where they are most needed and make sure that we have proper coverage at the same time.

As we know where the AOPS are going to be, we can redeploy our ships to other areas that perhaps have reduced coverage.

● (1210)

Mr. Peter Fragiskatos: This work is obviously ongoing. What can you say about the progress being made?

Mr. Mario Pelletier: We have a really good relationship with the navy. We're meeting a few weeks from now for our annual staff meeting. Basically, we have a concept of operations for joint operations in the Arctic. The annual meeting is to review it and update it as required, but we're working hand in hand with the navy.

Mr. Peter Fragiskatos: I understand "hand in hand", but what does that look like in concrete terms? How often are you engaged? This sounds like a meeting after some time, the way you phrase it.

Mr. Mario Pelletier: No, our regional assistant commissioner up north is in the building in Yellowknife next to the JFT north, joint task force north, where our respective assets are. I have regular meetings with CJOC here in Ottawa as well. There are meetings at all levels of the organization on a regular basis.

Mr. Peter Fragiskatos: The chair tells me I have one minute, so I'll stick to that.

One year from now, with respect to both recommendations, where do you think we will be? I know you can't inherently predict, obviously, but where do you think we will be in terms of fulfilling these recommendations?

Mr. Mario Pelletier: Well, I think we're not going to get a program icebreaker a year from now. I think the delivery date is scheduled for 2030, so we'll continue to progress on the construction and the negotiation with the shipyard on shipbuilding.

On the MDA, I think we're making huge progress. I'd say that 10 or 15 years ago we were one of the world leaders in e-navigation. We dialed that back due to reductions, but with the investment we've received through the OPP and so on, we're really ramping up our ability and our participation in international forums, which allows us to have a better understanding and knowledge of marine domain awareness.

We're also collaborating with many other countries, like Denmark, Norway and so on, so we are exchanging expertise with each other and benefiting from it.

The Chair: Thank you very much, Commissioner.

For our last round, Mr. McCauley, you have the floor for five minutes.

Mr. Kelly McCauley: Thanks, Mr. Chair.

Mr. Pelletier, I realize you haven't received your AOPS yet, but during what period can they patrol up north, in the Arctic?

Mr. Mario Pelletier: The feedback we have received from the navy is that they are much more efficient than expected. Typically we're up north from mid-June to the end of November, so I expect during that period we would be able to be there.

Mr. Kelly McCauley: What happens from November to June? What replaces those AOPS, or what is the intent?

Mr. Mario Pelletier: We deploy six or seven ships every year in the Arctic. We actually had up to nine during COVID. At the end of November, when the ships come back from the Arctic, there's basically no more commercial traffic. Transport Canada regulates certain zones of the Arctic. Certain zones are closed to commercial traffic, so there's no marine activity beyond the end of November. This year we came back the first week of December.

Mr. Kelly McCauley: Okay.

In 2030, we hope to have the *Diefenbaker* in the water, but we've seen delay after delay. I'm not a betting person, but I would take a bet that this one will not be ready by 2030. What would be the consequences? What will we have operating? I don't think our other major icebreakers are going to be operational that late.

Mr. Mario Pelletier: The two polar icebreakers.... First of all, there are two, not one—

Mr. Kelly McCauley: Yes, but the second one we haven't even signed for, so we're just talking about the first one, coming out of Seaspan in 2030.

Mr. Mario Pelletier: We're doubling up on the design work. We want to make sure we have a complete design package before we go into construction. Everything is lining up to start construction, to cut steel, in 2025.

Mr. Kelly McCauley: Assuming 2030 doesn't happen, because we haven't seen anything on time with this program, what is your backup?

• (1215)

Mr. Mario Pelletier: We're confident that it will happen. If it doesn't, as we get closer to 2025, we'll be able to assess whether there's some slippage and come up with some interim measures, such as the ones we have in place right now. They worked well, with the three Swedish medium icebreakers and with the light icebreaker. If we need to look at more interim measures, we will.

Mr. Kelly McCauley: Are the three Swedish ones all operational?

Mr. Mario Pelletier: Yes, sir.

Mr. Kelly McCauley: What was the final cost to renovate and work on those? Maybe either you or PSPC can get back to the committee on that, if you don't mind.

Mr. Mario Pelletier: Yes, the project cost was \$850 million, if I remember well, but we can give you—

Mr. Kelly McCauley: You can get back to us.

Maybe Mr. Thompson or Mr. Page can answer this. With respect to the naval AOPS, there were some well-publicized issues with

water but also with the diesel generators. What is the cost going to be for that, and what steps have been taken to ensure it doesn't happen on subsequent ships?

Mr. Paul Thompson: Thank you for that question.

The overall program costs for AOPS one to six are approximately \$5 billion—

Mr. Kelly McCauley: I mean for the problems with fixing those items.

Mr. Paul Thompson: There indeed have been some operational issues identified that are the subject of some ongoing work with DND. I don't think we've arrived at a fully costed resolution of that, but I'll let Simon—

Mr. Kelly McCauley: With respect to the diesel generator or the engine issue that came up, have we identified who's at fault? I have heard that the shipbuilder actually left equipment out on the docks that was affected by salt water, etc., which was the problem. Have we identified...?

Mr. Paul Thompson: We have not yet resolved that issue completely. It's still under discussion.

Mr. Kelly McCauley: Will taxpayers be relieved of that cost? Will it be billed back to the builder if it was determined that it was their error?

Mr. Paul Thompson: I'm not in a position today to talk about the outcome of those discussions, but there are active discussions on the issue.

Mr. Kelly McCauley: Assuming it was true and Irving was at fault, will taxpayers be let off the hook for that?

I think it's a fair question and we should know the answer.

Mr. Paul Thompson: It's a bit of a hypothetical scenario, but I can let Simon speak to the facts of where we're at on the investigation.

Mr. Simon Page: Thank you for the question, Mr. Chair.

The investigation is progressing and the discussions remain active.

To your specific question about when something like that is found—when a problem is found—we do look at where the source of the problem—

Mr. Kelly McCauley: When do we expect an answer on the case?

Mr. Simon Page: I would say, Mr. Chair, that over the next two months we'll have an answer.

Mr. Kelly McCauley: Okay, it will be shortly. That's wonderful.

I assume that's my time.

Thank you, gentlemen.

The Chair: Thank you very much.

Mrs. Shanahan, you have the floor for five minutes, please.

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): Thank you, Chair.

I thank the witnesses for appearing before us today and for the work they do. It's very timely that we're having this meeting, because the surveillance of Arctic territory is very important.

Monsieur Pelletier, did I hear you correctly? In a previous answer, did you say something about how 10 years ago we were a leader—I don't know what it was in—but due to cutbacks, we were reduced? Can you please expand on that?

Mr. Mario Pelletier: Fifteen years ago, e-navigation was a new concept that was being introduced. In Canada, we had some pioneers that were pushing it a lot.

Through various program reductions, we had to dial back a little bit, but I am happy to report that we're back on top of the list of worldwide participants in e-navigation.

Mrs. Brenda Shanahan: I'm glad to hear that. I'd just like to understand a bit more about e-navigation and what the program reduction was. How did that come down?

Mr. Mario Pelletier: E-navigation stands for enhanced navigation. Some people will think about electronic navigation. It's making sure that the mariner has the right information at the right time when they need it. They don't have to search. Everything gets funnelled through a single point. That's what e-navigation is.

Part of that, as well, is modernizing equipment. I mentioned buoys earlier. Probably 30 years from now, we'll still have some floating aids to navigation, some floating buoys, but a lot of that will be able to be done electronically or virtually. That allows us to push information if an aid to navigation is not functioning properly or if one of our marine communication or traffic services sites is not working. That is the means we will use to pass on the information.

• (1220)

Mrs. Brenda Shanahan: I'd like to talk about the decisions to invest in such programs. Are they short-term or long-term decisions? Does it happen that you have to invest in something today and you're only going to see the benefit down the line?

Why would it be cut back? Was it just not working?

Mr. Mario Pelletier: No, I think it was working.

There's the available technology, too. In the last 10 years, we've all seen the use of mobile devices and so on. Everything has increased a lot. Networks are much more reliable than they used to be. We don't depend on physical phone lines, which created some headaches for us in the past.

We did modernize a lot of other things, like our marine communication and traffic services. We have 185 communication towers across the country. There was a single point of failure before. Now we have redundancy all through the system.

We invested in this kind of thing to make sure that the infrastructure was reliable. Now we're starting to invest again and push the technology.

Mrs. Brenda Shanahan: Is it important to invest in these technologies even if they don't show a benefit right away?

Mr. Mario Pelletier: Yes. In the world of digitalization right now, I think there's no other option.

Not everybody who is on the water has a self-locating device, but they all have their cellphone. We need to make better use of that. For instance, if you see some oil in the water, how can you report it? You don't have to search for a phone number. We'll have an app dedicated to that, where you will be able to take a picture and report what you are seeing, so we can take action more quickly.

Mrs. Brenda Shanahan: It would be very short-sighted to have an approach to save a few dollars today to cut that kind of initiative and then have to come back to it years later when time has marched on.

Thank you for that answer.

I do understand that data sharing is one of the problems that the Auditor General's office identified. Mr. Hayes, do you have any suggestions here about how that can be improved?

Mr. Andrew Hayes: I would point to the fact that we made recommendations to address the long-standing known issues, including the need to get a complete picture. Whether the e-navigation system is a way to do that, I'm not able to answer that. What we do know is that as traffic is increasing in the north and climate change is making it more likely that traffic will increase even more, there needs to be a better picture up north.

The Chair: Thank you very much.

[*Translation*]

Ms. Sinclair-Desgagné, you have the floor for two and a half minutes.

Ms. Nathalie Sinclair-Desgagné: Of course.

Thank you, Mr. Chair.

My questions are for the representatives of the Department of Public Works and Government Services and they are on the same topic as before.

I would like to talk about the statement made in November that indicated that the Davie Shipyard was to be included in the national shipbuilding strategy. The agreement should have been signed by the end of 2022.

How are things progressing with this third shipyard and its integration into the national shipbuilding strategy?

Mr. Paul Thompson: Thank you for your question.

As I mentioned, we are nearly there. Negotiations are coming to an end.

Perhaps Mr. Page would like to add something on this.

Mr. Simon Page: Thank you for the question.

We are at the final stages and we are dotting the i's and crossing the t's. The negotiations are essentially over but we just have to iron out a few details.

Ms. Nathalie Sinclair-Desgagné: Why didn't we come to an agreement with the Davie shipyard much more quickly, given its size and its decades-old proven capacity?

Mr. Simon Page: Thank you for the question.

When we received the order to proceed with the approval of a third shipyard that would be integrated into the national shipbuilding strategy, we launched a solicitation process. Then we set out the steps of that process. We spent quite a lot of time asking for additional information from the shipyard to make sure that all the technical aspects were covered. We also had to undertake a financial evaluation of the shipyard to ensure that it would be able to meet its commitments under the strategy. This was a time-consuming process, but as I was saying, we are now coming to the end of it.

• (1225)

Ms. Nathalie Sinclair-Desgagné: What took so long? Usually, financial statements are pretty clear.

Mr. Simon Page: Actually, I wouldn't say that it took very long. We went through our usual process, which is pretty rigorous, as you know. It's no small feat to bring on board a partner to whom you're going to give a significant amount of work. Creating a long-term strategic partnership requires heavy investments.

We wanted to make sure we didn't overlook any details of the national shipbuilding strategy. That's what we had done with the other two shipyards.

The Chair: Thank you very much.

[English]

Mr. Desjarlais, you have the floor for two and a half minutes.

Mr. Blake Desjarlais: Thank you very much, Mr. Chair.

My question is for the commissioner of the Canadian Coast Guard in relation to climate change and the Coast Guard's resources in being able to manage spills, potentially, or other kinds of catastrophic natural disasters that may be present in Canada's Arctic north.

Before we left off, I mentioned the audit's remarks on the deficits of the equipment. In relation to that, are you confident in your department's ability to respond to a major environmental catastrophe in Arctic waters?

Mr. Mario Pelletier: When we talk about pollution, it's always a concern. I wouldn't be doing my job properly if I wasn't concerned about that.

In Canada, there's a principle called "the polluter pays". The operator of the vessel is responsible to clean their own pollution. If they don't act properly, then we step in. The people who operate in the Arctic are very responsible. Most of them are actually resupplying the communities, so they do not want to leave a trace behind. They are well equipped, but we have equipment on our ships as well. We have equipment, as I said, in many caches across the Arctic. We train the local people so they can take action right away if something happens. If we take a number of hours to get there, action can start immediately.

From experience, whenever there's been a spill, the operator steps in. They do some training with the communities as well.

Mr. Blake Desjarlais: In relation to that, of course, is the fact that climate change is going to increase in the Arctic. It's going to have one of the most catastrophic impacts in the north. It might be one of the areas where Canadians would expect most of the catastrophic damages brought on by climate change to be.

In relation to that, what is the likelihood of natural disasters increasing due to the increased traffic in shipping lanes that you're talking about, due to climate change? Given the fact that climate change will likely increase shipping, the likelihood of disaster within those shipping lanes will also increase.

Is your department prepared for that increased challenge?

Mr. Mario Pelletier: Yes, we have what we call the northern marine corridor that we have developed as well. Basically, it's tracking where the ships are. We're going to ask the ships to follow the preferred routes. This is where we can focus our energy to put in aids to navigation. We can do the proper charting in those corridors. This is ongoing. This is exactly in preparation for what you're saying. This way, we can also map sensitive areas. If there is bird migration in certain areas, depending on the time of year, we can redirect traffic—

The Chair: Thank you very much, Commissioner.

Mr. Kram, you have the floor for five minutes.

Mr. Michael Kram: Thank you, Mr. Chair.

I would like to circle back to page 22 of the report and the Nanisivik Naval Facility. The report says that for the other 48 weeks of the year, "the rest of the navigation season, the ships' refuelling will continue to depend on commercial options or allies' cooperation".

I was wondering if you could elaborate on what capabilities our allies have in Canada's Arctic waters that we do not have.

Mr. Mario Pelletier: The Coast Guard has been operating in the Arctic for over 60 years. The way we've refuelled our ships has been through tankers that come from down south. Those tankers are maybe going up to refuel communities, and we use that opportunity to buy fuel as well. This is planned months ahead of time. It doesn't happen from an ad hoc perspective.

From a navy perspective, we have transferred fuel to the navy in the past too. I cannot speak for their other operations or their intent, but from the Coast Guard perspective, if Nanisivik is operational, we will use it. If not, we'll continue the way we've been going, through bringing tankers and barges up north.

• (1230)

Mr. Michael Kram: When you say tankers "from down south", do you mean down south in Canada or from the United States?

Mr. Mario Pelletier: Depending on the procurement, it's mostly from here, from a company like Desgagné's. There are some companies down south that resupply the communities in the Arctic.

Mr. Michael Kram: Okay.

Maybe I should turn to the deputy auditor general, Mr. Hayes.

On page 22, where the report says “or allies’ cooperation”, what are you referring to? Are our allies operating up there right now?

Mr. Andrew Hayes: I'll ask Mr. Swales to add to this. I will say that, obviously, the remoteness of the north makes it difficult to get supplies up there. There are a number of ways that supplies travel to the north.

Go ahead, Mr. Swales.

Mr. Nicholas Swales: Thank you, Mr. Chair.

Part of what we were referring to was the use of ports that our allies have. For example, there are ports in Greenland that belong to Denmark and ports in Alaska that belong to the United States.

Mr. Michael Kram: Okay. Fair enough.

I'd like to shift gears a bit now to page 3 of the report. It says, “Waters are largely not charted to modern or adequate standards.”

Are there any plans to chart these waters to modern standards?

Ms. Annette Gibbons: We are continuously charting. Of course, with the way we do it now, the functionality on the ships is much better than it was in years past.

Mr. Mario Pelletier: We've installed multibeam sonar on all of our ships. Whenever the ship is transiting, we can switch it on and collect data that is then sent to the Canadian hydrographic service to allow them to update all the charts. In the last six or seven years, there's been a lot of data collected.

Mr. Michael Kram: Are there any plans for this data to be included in Canada's claim to the Arctic seabed in front of the United Nations Commission on the Limits of the Continental Shelf?

Ms. Annette Gibbons: I can't speak to the use of the data in the claim, but certainly we can come back to you with more information on that. I think we'd need to work with Global Affairs.

Mr. Michael Kram: Canada presently has, I believe, six icebreakers in operation in the Arctic. I understand that Russia has about 40.

Why are Russia's icebreaking capabilities so much larger than Canada's?

Mr. Mario Pelletier: I cannot speak to the Russian capability and priorities and so on.

We've actually been serving the north with seven icebreakers that we send every summer. As I said, a couple of years ago it was up to nine. They do the work.

We have levels of service that we need to meet as we provide services to industry, and we meet those levels of service over 95% of the time.

The Chair: That's just about your time, Mr. Kram. Thank you.

Mr. Dong, you have five minutes, please.

Mr. Han Dong (Don Valley North, Lib.): Thank you, Chair.

I want to thank the witnesses for coming today. My first question goes to the Department of Fisheries and Oceans.

Ms. Gibbons, earlier we heard questions about the effect of climate change. I want to hear from you. In the last decade or two, how has climate change posed a challenge to your department when it comes to the Arctic?

Ms. Annette Gibbons: I think that just the overall changes in the environment would be taken into account as we figure out what our approach is in the Arctic, both for Fisheries and Oceans and for the Coast Guard. We've talked extensively in the Coast Guard about enabling more marine traffic. That is something that we need to be equipped to respond to. We've talked about the various ways we'd do that.

In terms of other impacts, there are changes to fisheries from climate change, including in the Arctic. In some cases, there are fish that move north—salmon, for example, are moving further north—so we then make sure that our science assessments for managing different fisheries are fully incorporating those sorts of changes.

Those are a couple of examples.

• (1235)

Mr. Han Dong: On the fishery data collection, do we have a system that collects data to assess the risk to commercial fisheries and guard our waters against piracy fisheries? Is there any action on that?

Ms. Annette Gibbons: We're involved in a lot of different activities with respect to illegal and unreported fishing, which is a problem all over the world. That, of course, would include the Arctic.

Part of how we participate in working against illegal and unreported fishing is through our involvement in various regional fish management organizations with other countries. In the Arctic, of course, that would include involvement with Denmark and other countries.

Mr. Han Dong: Do we have the capability to work with our allies to defend our waters from illegal fisheries? If not, what investment should this government consider to make sure we do have that capability?

Ms. Annette Gibbons: We work extensively with our allies on it, and we'll be working further with them. The Indo-Pacific strategy, I would note, includes funding for a shared ocean fund, which is intended to be used, at least in part, to do more on illegal and unreported fishing with other countries.

Mr. Han Dong: Does your ministry work in silos, or do you have ongoing collaboration with the ministry of defence when it comes to surveillance and the potential threat to our Arctic territory?

Ms. Annette Gibbons: We would be working with DND through the Coast Guard. As well, DFO's conservation and protection officers are very active with their colleagues in the RCMP, for example, on the management of fisheries and the management of conservation efforts.

Mr. Han Dong: Okay.

From the legislation side, do we need to do more or offer you more tools to fulfill that responsibility?

Ms. Annette Gibbons: The Fisheries Act is updated every five years, and there is a further review of the act coming up in 2024. Certainly in that context we would take a look at anything that needs to be changed to allow us to better protect fisheries and promote conservation.

Mr. Han Dong: Is there regular interaction between us and the United States on protecting the Arctic on an annual basis, systematically?

Ms. Annette Gibbons: There is constant interaction, both within DFO and also the Coast Guard.

Mr. Mario Pelletier: Yes, we meet yearly at my level with the U.S. Coast Guard commandant and we discuss strategic plans going forward. We exercise together in the Arctic and we're also part of the Arctic Coast Guard Forum. Both the United States and Canada are very active participants in this forum.

Mr. Han Dong: Thank you, both.

The Chair: Thank you very much, Mr. Dong.

Commissioner, using the chair's prerogative, I have two brief questions.

You mentioned that when vessels come into the Arctic, reporting is voluntary if they are under a certain size. That's interesting, because in our Great Lakes—and I represent an area, Passamaquoddy Bay, which is right next to the Bay of Fundy—if any vessel of any size just crosses the international line between Canada and the U.S., they're required to report in.

Why, in your opinion, is that not the case in the north? If that's not something that's on the books now, is that a cabinet decision or would Parliament be required to make that change? Do you know?

Mr. Mario Pelletier: It would be a regulatory change.

Just to correct something, if a ship is sailing through Canadian waters but doesn't make land, they don't have to report. If they are coming to a port, they have to report within 48 hours.

The Chair: I will correct you on that, actually. That changed about 10 years ago, to deal with cross-border smuggling. It was a big change. I use those waters. Just crossing the line, even if they do not disembark in a foreign country, all boaters in Passamaquoddy Bay, and the Great Lakes, are required to report, just crossing that line. It was a considerable change.

My other question is this. You mentioned, on the question of the Arctic and Russia's icebreakers, that it's something you couldn't comment on. Is that because it's a DND issue or because it's one that you didn't think was relevant to the testimony today?

• (1240)

Mr. Mario Pelletier: The Russian fleet is very different from what we have in Canada, where we have the Coast Guard and we have DND and a navy ship. There is kind of a mix, so that's why I said I don't exactly know.

The Chair: Fair enough.

Have there been instances where Russian icebreakers have crossed into our waters or have attempted to do so?

Mr. Mario Pelletier: Not that we know of. We went to the North Pole a number of times to map the continental shelf. It happens that the Russians are around there, but never in what is known as "Canadian waters".

The Chair: I appreciate that. Thank you very much.

On that, to all the witnesses, thank you very much for attending. You're excused.

I'm going to suspend this meeting just for two minutes so members can get organized. We now have some committee business that will take place in public. Witnesses are welcome to stay if they'd like, but I'm just going to pause for two minutes, please.

• (1240) _____ (Pause) _____

• (1240)

The Chair: Now we turn to our committee business. I'm going to turn to Madame Sinclair-Desgagné in just a few seconds.

I'm informed we have a hard stop at one o'clock.

Ms. Yip, is this to speak to the motion or something else?

Ms. Jean Yip: I want to move that the committee move from public to in camera.

The Chair: All right, we will vote on that.

It's a tie. I vote to keep this meeting in public.

(Motion negated: nays 6; yeas 5)

The Chair: With that, I'm going to turn to Madame Sinclair-Desgagné.

[*Translation*]

Ms. Nathalie Sinclair-Desgagné: Thank you, Mr. Chair.

I will try to be brief, as I know we have only 16 minutes left in this meeting.

First of all, it is within the mandate of our committee to get to the bottom of the Auditor General's reports. As the Auditor General states in her letter sent on February 8, 2023, under subsection 13(3) of the Auditor General Act, including the requirements related to documents, she cannot publicly provide us with information on said contracts with pharmaceutical companies. That is why it is up to the committee to question the nature of the contracts and purchase options between the government and the companies. The reasons were mentioned to all members of the committee.

These are commercial agreements. There are no more lives at risk in this case. Also, we know full well that the statute of limitations has expired on these commercial agreements. So, competitive reasons can no longer be cited. The pandemic—we wish it and we know it—is behind us. Those doses will not be used anyway. A certain amount of time has passed and it is only right that now, having turned the page and learned from the pandemic, the Standing Committee on Public Accounts have access to those contracts.

I will just conclude by saying that this process was undertaken in good faith. That's why we're going to look at these documents in camera, under certain constraints that have been described in the motion. We will also do so in an in camera meeting with representatives of Public Services and Procurement Canada.

Once again, we have acted in good faith, and we wholeheartedly hope that the government and its representatives will act in good faith, as well.

Thank you.

• (1245)

[English]

The Chair: Thank you.

Mrs. Shanahan, I will recognize you, please.

Mrs. Brenda Shanahan: Thank you, Chair.

It is true that Madame Sinclair-Desgagné discussed this motion with us. It's not a topic that is unimportant. It was one that was the subject of a full meeting on an Auditor General's report. The Auditor General came back basically saying the job was done and she could not provide any further details to us. That's not out of the ordinary. The Auditor General, in her verification work, is often in a position where she's examining contracts and secure documents. That is why we have an independent Auditor General. She has access to those documents. She does the analysis and then she reports back to us.

Our role here in public accounts is to look at the reports of the Auditor General. My concern—and why I would have liked to have this meeting in camera, because I think it merits a full and frank discussion among the members here—is whether we are in the process now of undermining the role of the Auditor General. There is that issue.

The second thing is that we have a full calendar. We have a schedule already before us. We are expecting new reports to come in.

Our role is to study the work of the Auditor General. I know we have a minister coming in on indigenous affairs. Actually, if we are going to be stepping out of the box, I think that's the box I would like to be stepping out of. For all intents and purposes—and I disagree that lives are no longer at stake—we don't know the next thing that is coming. To undermine the ability to work in a commercially sensitive area, that's a discussion that may be appropriate to government operations. We have the good fortune to have Mr. McCauley here, who is the chair of OGGO and is certainly well versed in those kinds of discussions when we're talking about ongoing work.

I believe we had a fulsome discussion last week when the Auditor General and Health Canada and so on were here. For me, I think it's time to move on.

[Translation]

The Chair: Ms. Sinclair-Desgagné, you have the floor.

Ms. Nathalie Sinclair-Desgagné: Unfortunately, I see that good faith has remained on only one side of this committee.

It is precisely because we believe in the work of the Auditor General that we want to get to the bottom of her report and fully understand her findings.

When she talks about wasted doses, did that happen because pharmaceutical companies took advantage of the situation to make commercial agreements with the government at the expense of taxpayer dollars?

The Auditor General could not have disclosed that kind of information in her report, as purchase options cannot be publicly disclosed. So in this case, it's simply because we want to get to the bottom of the Auditor General's report and support her work that we want access to the same contracts that she was able to see.

• (1250)

[English]

The Chair: I will first recognize Mr. McCauley.

Go ahead, please.

Mr. Kelly McCauley: Thanks, Mr. Chair.

I support the comments of my colleague from the Bloc on this. I think we owe it to taxpayers, not just to their unelected lords and masters in the bureaucracy, to at least give them access to their elected officials.

This information has been made public by other governments around the world, in America and Europe. I'm concerned about what the Information Commissioner calls a culture of secrecy within government, where everything that taxpayers or parliamentarians should be able to get answers for is blocked.

This is not information that's going to be shared outside of this room. The motion has been very specific that there be no phones, etc. We have seen this before with other committees, where we have accessed information in a private room, overseen by the department and the clerk. I see absolutely no reason why elected members by themselves cannot be given access to what seems to be public in other countries, though not yet in Canada.

I fully support the motion as presented and hope we can move forward.

The Chair: Thank you.

I will return to Mrs. Shanahan.

[Translation]

Mrs. Brenda Shanahan: Thank you, Mr. Chair.

I just want to respond to my colleague.

I understand that there may be times when not all members are present at all meetings.

We can ask the analysts to confirm this, but we did hear that the waste was in the distribution. This was done in the 48 hours after we received the vaccines. It was in the hands of the provinces afterwards.

My colleague seems to want to say that we bought too much. We were in the middle of a pandemic and people's lives were at stake.

The Chair: Thank you very much, Ms. Shanahan.

[English]

Mr. Peter Fragiskatos: Thank you very much, Mr. Chair.

Just to be clear, I think originally when we wanted to have this conversation in camera, it was simply in response to the motion itself, which calls for an in camera meeting. That's why we moved in that direction. However, that's a moot point now.

I think we have to keep in mind the work plan. Meetings have been scheduled, and I know members across the aisle, not just on this side, are very much looking forward to those meetings.

This issue is not to be dismissed. I'm certainly not saying that it's unimportant to my colleague in the Bloc who has put it forward, but I think we have to keep in mind the work plan itself.

It can be taken up at other committees as well. This is something that can be looked at in the government operations committee or the health committee. In fact, the member does have the ability to call on those committees to study this.

For these reasons.... Let's also keep in mind, Mr. Chair, and you know this very well, that just a few days ago, on February 8, you received a letter from the Auditor General. Let me quote from it:

After having consulted internally within my office, I would like to reaffirm my answer given during the hearing. Due to the restrictive confidentiality clauses in the agreements, I am unable to disclose information about the agreements and related confidential information to the Committee. The in-camera nature of a meeting would not affect the obligation to respect the confidentiality provisions in the agreements with the vaccine companies.

In effect, what the Auditor General is obviously saying here is that she still could not answer our questions in an in camera meeting. She's not able to do so.

The public accounts committee has, at its core, engagement with the Auditor General. If the Auditor General is telling us that she cannot engage with us, then the idea of having this particular meeting is itself moot. I think that's something we have to keep in mind, because the result would be that we go ahead with this and it's just us looking at documents. Some of us might be well versed in contracts and contract law and the like, but I'm not sure how far we would get.

This is something that can be taken up at other committees that have more of a mandate to carry out that work. I think we should stick with our work plan and continue with that agenda.

● (1255)

The Chair: Before I turn to Mr. Dong, I have just a couple of comments so we're all clear.

The motion is not calling on the Auditor General to break her contract with the government; it's calling on Public Services and Procurement Canada to release this information and to come in and

address that. The Auditor General is not the target of this motion, nor should she be. I would have ruled such a motion out of order, because she has a contractual obligation not to release a document. The government, of course, is answerable to Parliament and this committee.

I will make one last comment. The calendar is far from full, and if we don't resolve this today, this debate will then begin to impact our calendar.

Mr. Dong, you have the floor.

Mr. Han Dong: Thank you very much, Chair, for clarifying that.

I voted to move the meeting in camera so we could have straightforward discussions about this and frank comments, but it's not going to stop me now that we are in public.

This committee is a highly non-partisan committee. We were able to do that, in my mind, because we studied the Auditor General's report. She is non-partisan and has already formed an opinion and done her investigation very professionally. She is not taking any sides. That's how the system is built, and that's how Canadians trust this institution.

To say that we got her report and that we agree with her but we want to understand how she came to that conclusion and we want to agree with her more doesn't make any sense to me. She wasn't praising the government. She had criticisms about bits and pieces throughout, and that's how she formed her recommendations.

When we are talking about sensitive information like a contract that the government signed with vaccine companies—and there are only a few proponents out there—we know very well that, going forward, we still have to deal with these proponents on the procurement side. Now, all of a sudden, to breach the contract and open it up for us to take a look, and everything is in public.... I don't believe for one second that what we discuss even in camera does not make its way to public. There are so many examples I could use of discussions we've had at the committee level, maybe not in camera, that get mentioned in question period.

We're politicians. It's very easy for us to look at something, see it from a different perspective and use it in a partisan way. That's our job. To critique the government is our job. I understand that, but when it comes to running the risk of opening something that is confidential, that the proponents signed confidentially with the government.... That contract has been looked at and reported on by an independent officer of Parliament, the Auditor General, and we still want to say let's open it up, let's take a look. We're over the line.

Of course, I support my colleague Peter's comment that if you want to look at the procurement details, this is not the committee. This is the committee to look at the AG's report.

Thank you, Chair.

The Chair: Thank you.

I will just take some exception. Committees, as well as parliamentarians, see documents all the time in this building. There is a requirement not to divulge that. I recognize that we are politicians, but if an obligation is made, we are duty-bound to uphold it.

Mr. Desjarlais—

Mr. Han Dong: Chair, can I just respond to that, please?

The Chair: I'll recognize you after Mr. Desjarlais.

Mr. Han Dong: No, that's not my point. I just want to respond to that.

The Chair: Mr. Dong, I have time here. I will recognize you. You're back on the list, but I'm going to turn to Mr. Desjarlais.

Mr. Blake Desjarlais: Thank you, Mr. Chair.

I also take exception to the fact that any of us would breach our requirements for in camera sessions. There are laws that ensure that. Just from a parliamentary position, I don't think we should cast doubt on that procedure, because it's an important procedure of Parliament. It's an important procedure for all of us. Not just on this committee, but in Canada and in any western democracy, that is an institution we need to value no matter which party you represent, no matter what evidence you need to see. In camera is a very important forum that even the government benches acknowledged the importance of just a minute ago by moving to go in camera.

If we didn't believe in those principles and how valuable they are, then we wouldn't be utilizing it as a tool of measure, but beyond that, which is in some ways offensive.... I know, Han, that you weren't meaning it to be offensive to any one member here or accusing any one member here, but I would like to recommend caution on that.

I am torn on two items of this motion. One is the issue of the calendar. We did, in fact, have a lot of calendar space, Chair, just to repeat what you said. Do we have enough time to satisfy this request without amending or changing the existing action plan, in particular in consideration of some of the meetings we have with the minister?

• (1300)

The Chair: It's my sense that we do.

For Mr. Fragiskatos, and this is déjà vu all over again, given the timelines required for the department to get back to us, we have very little scheduled in March and nothing in April and May, so we can accommodate this without disrupting what we have scheduled currently.

Mr. Blake Desjarlais: Thank you for that.

The second portion I have is in relation to what Mr. Fragiskatos was saying and what Madame Sinclair-Desgagné was mentioning in regard to the Auditor General's requirement of confidentiality. I'm wondering if we could maybe get a bit of a note from the clerk about what the requirement is for the Auditor General, especially if she is in camera, and what she can divulge in that setting.

Is the letter saying that she can't divulge any new information, or is she saying that in relation to the contracts we would be able to investigate them without her maybe mentioning them?

The Chair: She can't divulge information, period.

Mr. Blake Desjarlais: Can she be present while the contracts are present? We can ask—

The Chair: From reading the motion, she would not be present.

Mr. Blake Desjarlais: But the ministry would be. The letter that she mentioned cited the fact that we'd have to hold the ministry accountable rather than ask her to do that work.

The Chair: That's correct. The Government of Canada, not the auditor, is the holder of this information. That's why she directed this back to the government, which is probably where the question should have been posed initially.

Mr. Blake Desjarlais: I see. Okay. That's why her letter mentioned the ministry.

In this case, our colleague from the Bloc is recommending that those ministry officials be present. In the instance where they themselves have to discuss the contract, would they also be subject to the same confidentiality clauses that the contract requires?

The Chair: Yes. That would take place in camera. Like any department, they would be expected to answer questions from this committee in camera, as per this—

Mr. Blake Desjarlais: And the ministry wouldn't breach the requirement of confidentiality if present in camera?

The Chair: I don't know if I want to answer that question. I would think not, but the government might have a different position on that.

Again, for Mr. Fragiskatos and me, this is déjà vu all over again. We did this on the Canada-China committee. There could very well be objections from the government. I just can't speak to that.

Mr. Blake Desjarlais: I have one last question. Would we be putting Canadians at risk if these ministry officials divulged information that breached the contract with this company? Would we then be liable?

The Chair: You're raising lots of questions here. I'll maybe nod to Mr. Fragiskatos, the parliamentary secretary. He might want to answer some of these. He is not obliged to.

Look, there are three routes if the committee adopts this motion here. I'll mention them, and then I'll turn to Mr. Dong before the time runs out.

The government can provide the information. That's obviously the easiest from the committee's point of view, should it pass this motion. It can refuse, which then returns it to this committee, at which point the committee can either let it go or elevate it. By elevating it, it would go to the House of Commons for review, at which point the House could then vote and order the government to release this information to this committee.

Mr. Desjarlais, can I turn it over to Mr. Dong and then come back to you? We're obviously not going to solve this now. I do plan to suspend this meeting when the time runs out. I do see speakers here, but we will definitely pick it up and I'll keep the list.

Mr. Dong, you have the floor. Then I believe it's Mrs. Shanahan.

Mr. Han Dong: Thank you, Chair.

Mr. Desjarlais, I wasn't trying to be offensive to anybody on this committee. We are quite collegial here at this committee.

My point is that we have the Auditor General responding to us in writing, saying that she is not in a position to divulge this information as pertaining to the confidentiality of these contracts, but we're okay to move beyond that point and ask the government officials whether or not they can divulge that information.

I know exactly how this is going to play out. We're going to put the government officials in a very awkward position. If they say they cannot, which is the same answer as the Auditor General, then they will be criticized. The government will be criticized for hiding information. As committee members, we cannot accuse or criticize the AG—I know the public wouldn't support that—for not divulging that information, but as politicians, it's our right, our job, to criticize the government for doing the same thing. I think it's a little unfair in this situation.

As to the sensitivity and the confidentiality clause and how tightly sealed the contracts were, I think maybe we should ask the law clerk. With this, are we knowingly entering a legal minefield in asking for details of these contracts to be looked at by politicians and their staff in their offices and so on? Maybe we should have a meeting with the law clerk.

● (1305)

The Chair: Thank you very much, Mr. Dong.

Mrs. Shanahan, you have the floor.

Mrs. Brenda Shanahan: Thank you, Chair.

I understand you want to suspend this meeting.

I think there are a lot of questions, and I would like to have full answers on the legal questions, because we cannot ask government officials to break a confidentiality agreement when that might be legally and criminally against them. I certainly don't want to be in that position.

The Chair: I will suspend right after my remarks.

The government is answerable to Parliament and this committee. If the committee requests documents, the government is duty-bound to provide them.

In my experience, the law clerk will have comments. I'll speak to our clerk about seeing, perhaps, what's been done in the past.

I can speak to other committees I was on. Given what Madame Sinclair-Desgagné has proposed, keeping this information private actually goes above and beyond what a parliamentary committee is required to do. In fact, as a committee, we could request that the government provide this information without any shield or cover.

What Madame Sinclair-Desgagné is proposing to do is the same process we saw with the Afghan detainee documents from the Government of Canada in the previous Conservative government, as well as what the Canada-China committee attempted to get from the Liberal government more recently. There is precedent for what Madame Sinclair-Desgagné is proposing.

In fact, she's put in place mechanisms that I think will ensure that sensitive information is protected. She did not have to do that. The committee could ask for this information and not concern itself with maintaining any confidentiality. The fact that she's done that goes a long way and I think answers the question of whether it safeguards the information. My view, from experience, is that it does, but we can check on that.

On that note, I'm going to merely suspend this meeting and we will pick it up on Thursday, February 16, at our committee time.

[*Translation*]

Ms. Nathalie Sinclair-Desgagné: Mr. Chair, if everyone is ready, we could hold the vote.

[*English*]

The Chair: I have a call for a vote. I hadn't hit the gavel.

That is a debatable motion. I can see from the response that it's not going to be resolved quickly, so I will suspend this meeting.

[*The meeting was suspended at 1:09 p.m., Monday, February 13*]

[*The meeting resumed at 3:30 p.m., Thursday, February 16*]

● (8730)

The Chair: We'll now resume meeting number 50, which was suspended on Monday, February 13, 2023.

We are debating Madame Sinclair-Desgagné's motion with regard to a contract by public service procurement for the supply of COVID-19 vaccines.

The Office of the Law Clerk and Parliamentary Counsel has prepared a note for the committee with regard to its power to send for papers and records. The note was sent by members. There are also copies in both official languages on your desk.

I will recognize Mr. Housefather, who caught my eye first—only, I think, because he's the new member—and then I will turn to Ms. Shanahan...

If you'd like to turn it over to Ms. Shanahan.... I didn't catch Mr. Housefather first...plus he was banging my ear.

Mr. Anthony Housefather (Mount Royal, Lib.): If she wants to go first and I'll go second, I'm okay with that too.

The Chair: Go ahead, Ms. Shanahan.

Mr. Anthony Housefather: Let her go first. She's a lady.

Mrs. Brenda Shanahan: Do you see that? Courtesy and good manners are certainly not lost here.

Chair, I wanted to review the speaking order with you, but to take up where we left off at the last meeting, I wanted to reiterate my support for the independent work of the Auditor General and for the quality of the work of that office. I was reading some of the testimony. I, for one, am very reassured. They were certainly tough questions that were asked, and with the quality of the answers that were received.... However, I am open to hearing views from other members.

With that, I cede the floor to Mr. Housefather.

Mr. Anthony Housefather: Thank you very much, Mr. Chair.

It's a pleasure to be here with so many familiar friends and faces. I really appreciate the committee for having me.

Mr. Kelly McCauley: You're an associate, not a friend.

Mr. Anthony Housefather: You are the greatest chair, and I think we are friends.

Mrs. Brenda Shanahan: Chair, you can hear that now.

Mr. Anthony Housefather: I'm sure this chair is also excellent. I just haven't had the pleasure of being in his company yet.

Mr. Chair, having the parliamentary secretaryship of PSPC, I heard about the motion and I wanted to present an amendment to the motion that I think will, hopefully, provide the committee with exactly what it would like to have, which is the unredacted versions of the contracts.

My friend Mr. McCauley will tell you I come at it from a principle that is somewhat unusual. I believe that committees don't exercise all the powers that they sometimes have a right to exercise, and I believe committees have a right to documents. There are a couple of other principles that I want to lay out as well.

Number two is that we want to make sure that confidentiality is respected with the documents. There are ways to do this that we have in our parliamentary precedent, which relate to looking at documents in a secure location like a SCIF. That is a way our friends in Congress in the U.S. look at confidential documents. It's a way our committee that deals with national security looks at documents. I think that would be a reasonable way for the committee members to look at the documents in a confidential manner, without anybody worrying that confidentiality will be breached.

The third thing that I was hoping the committee would consider is the fact that we—as the Government of Canada, not as members of Parliament—have confidentiality obligations vis-à-vis the suppliers. These were contracts that were signed at a highly unusual time, right at the beginning of a pandemic, when vaccines were very scarce and the suppliers had a great deal of leverage with respect to national governments as to what they could extract in terms in the contract. That is not unusual to Canada. It would be the same for other countries as well.

The contracts that we have with these suppliers require that an NDA be signed in order to access those contracts...in order for the Government of Canada, without breach, to give people the right to sign contracts.

I would like to read into the record, Mr. Chair, if it's okay, an amendment that I'm making to the motion that's on the floor.

• (8735)

Mr. Kelly McCauley: Do you have copies?

Mr. Anthony Housefather: Yes, I have copies for everybody. Would you rather I circulate it before I read it?

Mr. Kelly McCauley: Do you mind?

The Chair: The clerk will come and collect them and hand them out.

Mr. Anthony Housefather: No problem.

The Chair: Go ahead.

Mr. Anthony Housefather: I move that all the words after “(Auditor General's Report 9 and 10);” be deleted and replaced with the following:

That the committee clerk write to each of the suppliers signalling the willingness of committee members to sign non-disclosure agreements in order to review unredacted copies of the contracts, and, should the suppliers decline, the suppliers would be required to provide a written explanation to the committee as to nature of the information being withheld and the reasons for withholding it from members of Parliament; and if, after 30 days, the committee has not received a response, or the committee is not satisfied with the responses, members sign non-disclosure agreements in order to review unredacted copies of the contracts. In either case, these contracts would be provided by PSPC in a predetermined Government of Canada secure location and PSPC officials be made available to respond to committee members' questions regarding the documents. Documents would be provided to members of Parliament only and on the condition that the documents not leave the location and all of the rules of the secure location are followed.

Furthermore, the committee requests that PSPC officials be available for future in camera meetings to discuss the topic.

[*Translation*]

The French version follows, and I believe you also have a copy.

[*English*]

Basically, this tries to set a stage where we have an obligation to let the suppliers know. If they have objections, the committee can still sign the NDA in any case. Hopefully, they won't have objections and it will happen faster than 30 days. If they have objections, the committee can say, after 30 days, “We're going ahead, signing the NDAs and looking at the documents.”

We want to make sure we don't draw liability to the Government of Canada for any unnecessary reason, even though I understand that parliamentarians have a right to see them without signing NDAs. Given that the intention is to keep these documents confidential, I don't think signing NDAs should be problematic. It avoids the government's being in breach and having potential liability in this case.

I would point my colleagues to the committee related to Afghanistan, where a confidentiality undertaking was signed by members of that committee before accessing documents.

I hope members see this as a reasonable approach. We're saying, “You should definitely see the unredacted documents.” It's my very strong belief that you should, but do it in a way that doesn't create unnecessary liability, and do it in a secure location.

I will stop at that, Mr. Chair. I don't need to belabour it. I'm happy to answer questions afterwards, if I come back on the speakers list.

The Chair: Thank you very much, Mr. Housefather.

[*Translation*]

Ms. Sinclair-Desgagné, you have the floor.

Ms. Nathalie Sinclair-Desgagné: Thank you, Mr. Chair.

I thank my colleague the member for Mount Royal for being with us. I note, however, that he is a proud representative of pharmaceutical companies rather than his fellow citizens of Mount Royal. This disappoints me deeply, knowing that I grew up right next door.

I find this amendment inappropriate. In light of parliamentary privilege, we have no business signing non-disclosure agreements with pharmaceutical companies. This is completely out of order. This exercise is purely an exercise in transparency. There are no lives at stake, as there are in cases of espionage or in cases of national defence. These are commercial contracts with pharmaceutical companies.

It is in the interest of the Canadians and Quebeckers we represent to know what was in these agreements, as has been done elsewhere. It has been done in the United States, in Europe and in Colombia. Yes, there are developing countries that are perhaps more intelligent than some government members. I'll even tell you what has been done in Colombia.

Based on national and international laws, the country's administrative court rejected the government's argument that contracts with pharmaceutical companies could not be released because these agreements were confidential. That's the same argument we're hearing here. In a landmark decision, the court found that the access to information right trumped confidentiality agreements. I repeat: the right of access to information has precedence over confidentiality agreements.

I would also like to remind the committee that all confidentiality provisions have been respected. Everything in the motion was drafted according to the rules of adoption that have been established in other committees. First, it was established that parliamentarians could consult the documents in the presence of the clerk and only in camera; second, that the meeting with the people from Public Services and Procurement Canada would also be in camera. Constraints have already been included in the motion, in good faith, so that the motion can be adopted as is.

I will also read the opinion of the law clerk and acting parliamentary counsel, Mr. Bédard. He is an employee of the House of Commons. So he is neutral. Here it is:

The motion proposes measures to protect the confidentiality of required documents, including that the documents be available for viewing only in the clerk's office, for one day only. While such measures are not mandatory, they are a legitimate exercise of the committee's power [...]

• (8740)

[*English*]

Mr. Blake Desjarlais: Excuse me, Mr. Chair.

The Chair: Go ahead, Mr. Desjarlais.

Mr. Blake Desjarlais: It's just that translation services would like Madame Sinclair-Desgagné to slow down a bit.

[*Translation*]

Ms. Nathalie Sinclair-Desgagné: Good timing, I'm reading what is already translated in the law clerk's document.

The Chair: I don't know if the interpreters have a copy.

Ms. Nathalie Sinclair-Desgagné: That's too bad.

The Chair: I'm told they have one, but I must still ask you to speak more slowly.

Ms. Nathalie Sinclair-Desgagné: Yes.

The motion proposes measures to protect the confidentiality of required documents, including that the documents be available for viewing only in the clerk's office, for one day only. While such measures are not mandatory, they are a legitimate exercise of the committee's power and they can help to address confidentiality concerns.

So everything has already been established. The motion is clear, and action has been taken. I am not the one saying this, this is a law clerk in the House of Commons.

I would now like to direct your attention to some figures.

The prices of the vaccines were set through a confidential agreement with several countries, and they were set to avoid competition between the different players. They were chosen according to the price that countries were willing to pay. For the same vaccines, pharmaceutical companies charged different prices to different countries. For example, Europeans paid \$14.50 per dose while Americans paid \$19.50. It is therefore to the advantage of these companies that the deals remain confidential.

Will the members opposite, members of the government, put the interests of the drug companies ahead of those of Canadians and Quebeckers, who have a right to access information? They have a right to know whether or not these deals were done fairly.

It's really important for everyone to think about their role as MPs. Why were we elected? You represent 120,000 people, and they have a right to know. I don't know if MPs have talked to a few citizens in their constituencies about this, but I'm sure citizens agree that parliamentarians should have the right to see these kinds of business deals.

If the government has nothing to hide, it will agree to disclose the information contained in these agreements, in line with good transparency and accountability practices.

Thank you, Mr. Chair.

The Chair: Thank you very much, Ms. Sinclair-Desgagné.

[*English*]

Mr. McCauley, you have the floor.

Mr. Kelly McCauley: Thanks, Chair, and Mr. Housefather. It's good to see you again. Long time, no see.

I appreciate the probable intent, but I'm going to be blunt. I find whoever wrote this motion.... I find it's insulting that a member of Parliament would have to agree to a non-disclosure for something that we as parliamentarians are entitled to—I hate to use that word—that we have a right to see. I've been here only seven years, but I have followed politics before this, as well as the Afghan committee....

There have been other issues going back, such as access to documents for the F-35, and I've never once heard of MPs going out and making anything public. It was stated by one of your colleagues last time that this somehow would find its way to question period. I find it frankly offensive, again, that MPs, whether Liberal, Bloc, NDP or Conservative, would be accused of that or would actually have to sign an NDA. I would prefer we stick with the original motion.

There are a couple of things I just want to go over, to that point. I just want to read a bit from The Washington Post, which we all know is not exactly a standard-bearer for right-of-centre politics. They say of Pfizer, “The Manhattan-based pharmaceutical giant has maintained tight levels of secrecy”—where have we heard that before?—“about negotiations with governments over contracts that can determine the fate of populations. The 'contracts consistently place Pfizer's interests before public health imperatives.'”

I'm not casting aspersions against Pfizer. I thank God for them, that they created that vaccine, but that being said, it is an issue.

The Washington Post further says they had access to unredacted draft agreements between Pfizer and Albania—and if you look around the room, who would say Albania is more open than Canada, but apparently it is—Brazil, Colombia, the DR, Peru and the European Commission. For the European Commission, I was looking at their study. The only condition placed on their contracts is not about secrecy or hiding it from the public. Their only condition was around liability agreements. For the whole of the EU, then, they published theirs, not like our government, which enforced strict secrecy. The EU's only condition was around liability.

India has provided the information. The provinces have asked confidentially for this information, not to make it public, but confidential, like we are asking, and there's just one other little thing. Novavax, which was of course one of our vaccine contracts, actually had details of its contracts publicized in the U.S. as part of its security, its regulatory filings.

However, here we are. We are not allowing elected members of Parliament to view these items in camera, but at the same time these are the ones that have been made available to the SEC in the States. The American security regulators have access to our vaccine contracts, but parliamentarians are blocked.

We've gone through this before. I think Ms. Shanahan was with us on the Canada Post study, where we had a lockdown of the secret study on postal banking. We had the MPs go into a room, supervised, to look at the confidential information that Canada Post had. Not one bit of it ever made its way out and I, as a sociopath does, follow Canada Post religiously in the news. Not once has it ever come out. I trust MPs from all sides.

Not during the Harper era, the Chrétien era, the Martin era or the current era have I once heard of anything leaked from in camera—

anything fun, anything scandalous, anything boring. MPs from all sides stay true to what in camera means. I think we owe it to ourselves and to Canadians that we have access to these documents and we can decide ourselves about viewing them, without asking permission from Pfizer, without asking permission from Novavax that they share what they've shared with the SEC, and without asking permission from these other multinationals.

We're here for a reason. We're here to protect Canadians and not the rights of Pfizer or Moderna or the others. I fully support the motions brought forward by our colleague from the Bloc, and I continue to support them.

That's all, sir.

• (8745)

The Chair: Mr. Desjarlais.

Mr. Blake Desjarlais: Thank you very much, Mr. Chair.

I also want to mention three things from my perspective.

First, I believe we can get to a consensus on this—and hopefully the members opposite will agree—because this is truly in the interest of Canadians. Canadians deserve to know that MPs have access to incredibly sensitive and important documents on what the government dealing with, particularly in this public accounts committee. I recognize that this is in the interest of Canadians. I think my colleagues from the Bloc and the Conservative Party, and hopefully from the Liberal bench, will also see that this is an important piece of information.

My second principle is the rights of parliamentarians. Both previous speakers and Mr. Housefather mentioned the rights of parliamentarians. We have a letter from the law clerk in relation to those rights. It's not a matter of whether this is possible. It's certainly possible. There's a difference between the Government of Canada and Parliament. The Government of Canada, from my perspective, should not have come into an arrangement that would have the possibility of breaching its confidentiality with companies, knowing that this committee or Parliament had an ability to get those documents.

That's one very important fact of this. Maybe in the future or in other dealings with the government, this could be a consideration when entering into contracts and agreements.

Another part of that is that I also agree that we can disproportionately damage Canadians. I don't think that's what any of us wants to do here. I don't think that the procedure laid out in the motion from the member from the Bloc Québécois or the amendment of the government.... I believe both have the requirements that would ensure that those two first principles are met—that the rights of parliamentarians are protected and the interests of Canadians are met.

I think these are the real questions for us as a committee. What level of satisfaction do we require in order to exercise our rights? What process is the best function to do that? Where will we get most of that information?

We need to get to an agreement that we are going to actually see these contracts. I think we've done that point and we all agree—looking at this amendment, the government does in fact agree—that this is a matter of interest to Canadians that should be reviewed in this committee. I agree with that. That's good production so far.

As I said, the second piece is the rights of parliamentarians. To my colleague from Edmonton West's credit, I see his argument relating to the fact that the amendment is insulting in some ways in asking parliamentarians to give up an aspect of their duly granted rights in this place, which is an obligation that is part of this work in public accounts.

The third principle, however, is at what cost this committee exercises those rights. With this current amendment—which I'd like us to debate, because I'd like to get further answers on from the government bench—is it reasonable to ask this committee to sign an NDA for some of these things?

I can see in the instance of national defence, where we're talking about all kinds of matters of national security, maybe a NDA is responsible there, but as the member from the Bloc mentioned, this is a commercial contract. For other commercial contracts that would be entered into by a Liberal or a Conservative government—even a New Democratic government—I'd hope that someone would press on and see that these commercial contracts don't deserve the extraordinary protection of Parliament. They may get the extraordinary protection of the government, but not the extraordinary protection of Parliament.

Those are some of the questions I had in relation to the member from the Bloc's motion, the difference between that and the amendment from the government, and the three principles I just mentioned.

That's what I would offer, and I hope to hear some important information on that.

• (8750)

[Translation]

The Chair: Thank you very much.

Ms. Sinclair-Desgagné, the floor is yours.

Ms. Nathalie Sinclair-Desgagné: I would like to add another source. It is the *Journal of International Law and Politics*, a prestigious publication.

There was an article published on the level of confidentiality required in contracts associated with COVID-19; it is very interesting. It is in English. So I'll read an excerpt in the language of Shakespeare:

[English]

The level of redactions required by the NDAs on COVID vaccine procurement contracts is unprecedented. When comparing prior vaccine contracts with COVID-19 vaccine contracts between the same country and pharmaceutical company, the COVID-19 vaccine contracts have nearly fifty times as many redactions.

The NDAs allow pharmaceutical companies to hold an unfair advantage over the price of vaccines. For example, AstraZeneca sold vaccines to South Africa at 2.5 times the price per dose that European governments paid.

By conditioning desperately needed vaccines on the signing of NDA agreements, pharmaceutical companies force governments to violate both international

standards of transparency and their own domestic law on transparency in public procurements, in order to protect the lives of their citizens.

[Translation]

I repeat, the government must represent the people, not the pharmaceutical companies.

If the drug companies abused their position during the pandemic, they should pay for it, and they should defend their uncompetitive and abusive practices.

All parties should work together and agree that these pharmaceutical companies and agreements need to be scrutinized.

• (8755)

[English]

The Chair: Mr. Housefather.

[Translation]

Mr. Anthony Housefather: Thank you, Mr. Chair.

First of all, I want to say that we are here as Liberal MPs. Today, we are not part of the government; we are here as members of Parliament.

Secondly, we are not here to defend the pharmaceutical companies. I want to say to Ms. Sinclair-Desgagné that I have not heard from any of my constituents in the last few years about these contracts.

As I have said before, it is important for the committee to have access to the documents. I fully agree that this is a member of Parliament's right.

[English]

I agree with what Blake said before. Everything we decide to do is because we choose to allow that to happen. We have a right to see whatever it is that we want, so let's start from that premise. Unredacted documents should come to parliamentarians.

As premise number two, I think we all agree that we should look at the documents in a confidential location. The only difference between this amendment to the motion and the motion itself is the location: one is the clerk's office, and one is in a secure location where these types of documents are normally accessed. I don't think that's a big difference. We're just saying that parliamentarians can access it in a location that is close by. I don't think we should fight about that. I think it is a reasonable request, based on what the contract says, to just have it done there.

Then we get to the real issue, which is the issue of the NDAs. I am in agreement that normally members of Parliament should not be asked to sign non-disclosure agreements to access contracts, particularly commercial contracts. I'm in total agreement.

However, these are agreements that exist. They're not agreements that we're about to negotiate. They were already negotiated. These agreements require employees of the Government of Canada who access these documents to sign confidentiality agreements.

Why is that? Why are there many more redactions, as my colleague said, in these documents than in other documents? It's because these documents were signed at the beginning of the pandemic, when everybody was desperate for vaccines. Companies were being told to rush vaccine production and do testing in an unprecedented way, in a way that they don't normally do it.

These companies were exposed to a way higher liability in putting their products on the market than they normally would be, because they didn't do the type of testing that normally means these drugs take years to come to market. They did it all in less than year.

That's why these companies said that if they were going to deliver this product that they hadn't tested in their normal way, they wanted to have different conditions. Also, with countries around the world competing with each other to get these, the countries had less leverage than they normally do. For example, if we were entering into flu vaccine or monkeypox contracts, or other things that are normally available, this would be a different issue.

However, these are already signed. They were signed at a time when the government didn't have that leverage in negotiations. We just wanted to sign as many vaccine contracts with as many producers as possible, because Canadians were desperate for vaccines. In the end, it worked out. We got vaccines, and we were one of the countries that got to vaccinate everybody the fastest.

These are the terms of the contract, that people accessing the information are supposed to sign NDAs. What will happen if we don't? Well, then theoretically there would be a right of action by the pharmaceutical company against the Government of Canada.

Is that worth the potential liability to taxpayers, that parliamentarians see it without an NDA? That's up to everybody on the committee. I personally don't see such a difference. I would be happy to sign an NDA to see the document.

Again, I let everybody decide where their line is crossed, because as Blake said, it's a question of a line. What is the liability that we want to potentially put on Canadian taxpayers to follow the principle of seeing a document without an NDA?

That's why we proposed this amendment. We thought it was reasonable, but I'm happy to hear other views on it.

The Chair: Thank you.

Go ahead, Mr. Fragiskatos.

Mr. Peter Fragiskatos: Thank you, Chair.

It's good to see colleagues again.

Mr. Housefather did this in the introduction, but I think it's good to keep in mind not just what's been presented but also the fact that we have come, I would say, a long way in the past few days, since the original motion was presented. When the original motion was presented, there was debate back and forth on a number of things, but substantively, I think what's been suggested here is quite reasonable. I'll go through a few points.

The desire to fulfill our obligation to Canadians and ensure that we do so as parliamentarians, as elected representatives, is fulfilled.

I commend Ms. Sinclair-Desgagné for proposing it in the first place.

We will see the contracts unredacted. I think that bears a lot of emphasis. Yes, it will be in a secure location and not together, but still, that is a very good step forward and, again, completely in line with the idea of ensuring that the rights of parliamentarians are respected.

If we're going to get hung up on the point about the NDA, then let me suggest that, going forward, perhaps this committee can make a recommendation, thinking about the future, on how we collectively feel about NDAs and future contracts. That could be something we consider.

Mr. Housefather has ably, not just as a parliamentary secretary responsible for the file but also as a lawyer who's worked on these things in the past.... He brings that knowledge to the table to look at it.

Mr. Kelly McCauley: [*Inaudible—Editor*]

Mr. Peter Fragiskatos: Mr. McCauley says that in sarcasm, I'm sure. He's made a good point about an NDA.

I don't think there's a problem here. As I said at the outset of my comments, we've seen movement in a good direction. I consider this to be a compromise. If the documents were redacted, that would be one thing, but they're unredacted. We can go in, take a close look, understand more about the nature of these contractual arrangements and then move from there, I hope. I think what's on the table here is, as I said, quite reasonable for colleagues to consider.

● (8800)

The Chair: I'll turn now to Madame Sinclair-Desgagné again.

[*Translation*]

Ms. Nathalie Sinclair-Desgagné: Thank you, Mr. Chair.

The argument that the pharmaceutical companies could sue the Government of Canada and that Canadians and Quebecers would pay the price in the end sounds a lot like misinformation.

First, if the Government of Canada has entered into agreements so clumsily, the Government of Canada should take responsibility and pay for its mistakes, not Canadians and Quebecers.

So, first of all, we need to correct the government's mistakes, as we do every day in opposition. If you want to include provisions for Canada to sign more thoughtful contracts, they would be welcome.

Second, and this is very important, none of the countries that disclosed the price of vaccines were sued. Whether it's Colombia, South Africa or some countries in the European Union, like Belgium and France, no countries that disclosed their prices were sued.

I feel that having this type of conversation creates confusion, and I find it totally inappropriate. It even insults our intelligence.

[*English*]

The Chair: Mr. Chambers, thank you for joining us today.

Mr. Adam Chambers (Simcoe North, CPC): It's always a pleasure to be at public accounts.

I wanted to touch on a couple of points. When we were talking about leverage, I'm wondering whether the government is more concerned about what it negotiated as opposed to protecting what's in there on behalf of the pharmaceutical companies, because the difference, it seems to me, is one of leverage. At the time we negotiated these contracts, the government had zero leverage, because it had spent some time negotiating an unfruitful contract with CanSino. At the time we came to the table, we actually had less than little leverage, and I think the pharmaceutical companies likely saw this.

With respect to liability, I would be open to a legal opinion from the government or from members of that side who suggest there's a liability potential for the government. I also suspect there are other opportunities for us to receive these documents, and that rather than compelling them from the government, we could get them directly from the pharmaceutical companies themselves. At that point, it's not the government that's providing the documents, it's the pharmaceutical companies.

I think the motion itself is reasonable. I think in the interests of transparency—and Madame Sinclair-Desgagné referenced the international principles of transparency—Canadians have a right to understand or at least know that their members of Parliament have seen the documents.

I don't believe it's a compromise that we get to see unredacted documents. That is something that parliamentarians are allowed to see anyway, so if the sense or the implication is that it's a compromise that unredacted documents would be provided when they are able to be summoned in any event, that isn't really a compromise on the part of the government, in my view.

● (8805)

The Chair: Ms. Shanahan.

Mrs. Brenda Shanahan: Thank you, Chair.

I think members heard me very clearly when this motion was first introduced. Again, my initial objection had to do with the Office of the Auditor General, how important it is to safeguard the work that office does, and to recognize that working with the Auditor General is the work that we do in this committee.

I was persuaded by the arguments of other members. Indeed, I heard from Mr. Desjarlais here today about how important it is for this committee to assert its rights to see documents, because there could be a time in the future that the committee would want to see contracts, be they commercial...including defence contracts, any kind of contracts, and that perhaps there would be a different context at that time. It could be a future government. Who knows? Times do change.

I agree, therefore, that this committee needs to safeguard the right to view contracts, at the same time recognizing that the work

that we oversee is ongoing work and we certainly don't want to impede the work of our public servants.

I don't think anyone here is saying that our public servants were in any way responsible for not negotiating contracts to the best of their ability, but I want to reiterate that it's important for us to recognize that in any commercial dealing, but especially in an emergency when we're dealing with people's lives, our public servants need to have the tools to do the best job possible.

The amendment brought forward by Mr. Housefather reassures me that we're not going to be unduly penalizing public servants who are doing their job, because they would be, if I understand correctly, personally responsible, even criminally responsible, if they were to divulge information that they had contracted not to divulge.

We heard something to that effect from the Auditor General. She was contractually, by oath, not able to provide those documents to us. I think that's something this committee needs to weigh in the balance.

Thank you.

The Chair: Go ahead, Mr. Desjarlais.

Mr. Blake Desjarlais: Thank you very much, Mr. Chair.

First of all, the letter we received from the Office of the Law Clerk talks a bit about some of the aspects in instances of refusal regarding the production of documents. It outlines what would otherwise protect the government in these types of contracts. I understand that Nathalie Sinclair-Desgagné's motion reads, in many parts, in direct relationship to these aspects.

My proposal would be for evidence, from the government or the members of the Liberal Party present here today, as to the necessity. Why do you feel these qualifiers aren't enough? I think that's a reasonable.... At least, that's what I read from the amendment you're tabling: The existing safeguards that are tabled aren't enough. Therefore, I think it's reasonable for Canadians to ask why an amendment like this, from your perspective, is important. I believe the Bloc's motion creates safeguards that are reasonable and in, I'd say, nearly direct citation of some of the language used by the law clerk.

I understand there may be a difference between absolute risk and minimizing risk. I feel that in this approach, the amendment may be attempting to dissolve all risk of the government's divulging information that is the right of these members to see. That second portion is important to note, because, if there is risk present for the government, we have to determine whether or not it outweighs the benefit of Canadians getting transparency for this work.

You need to establish that the motion presents a reasonable risk to the government, other than, “We think they might sue us.” I don't think that's a compelling enough reason for this committee to engage in an amendment that would otherwise seek to do the same thing the original motion does. The difference between the two is important for me to understand. Is this difference trying to ensure all possible legal risk to the Government of Canada is negated, or is it far deeper than that? I think that's the important question for Canadians.

I'm satisfied with everyone's co-operation on the fact that we've established that this is an important piece of information we all need to see. I'm happy with that. We can get to that point. On the rights of Parliament.... We can obviously agree we all have, as parliamentarians, rights established there.

The last question remains, what is the risk? Why are you presenting an amendment that would otherwise create such a closed, tight seal, in some ways to limit the government's liability, but also asking that these members give up, in some aspect, a piece of their rights? It would have to be a reasonable exchange for risk...in order to establish why we would vote in favour of signing an NDA, for example, as opposed to agreeing to the original motion.

• (8810)

The Chair: Thank you.

I have the speaking list.

Mr. Fragiskatos, you have the floor next.

Mr. Peter Fragiskatos: I was going to suggest we pause for five minutes, Mr. Chair, in order to have a conversation.

The Chair: I'm sorry. You—

Mr. Peter Fragiskatos: Taking into account everything that's been said, I suggest just a five-minute pause. It's not unprecedented. We've done that before. It's just a five-minute break. Then we can come back.

The Chair: Again, I'm not clear on why that is. There's a discussion going on. I will look for unanimous consent on that.

Give me one second.

Mr. Peter Fragiskatos: Five minutes....

The Chair: I'm going to canvass the opposition to see if there's any will to suspend.

I'm seeing none, so...yes or no?

Mr. Kelly McCauley: Yes, that's fine.

The Chair: All right, we'll suspend for five minutes.

Thank you.

• (8810)

(Pause)

• (8820)

The Chair: I want to raise a concern that was just brought to my attention about the NDAs.

It is possible and perhaps likely—particularly if this motion isn't passed with unanimity—that a member could take this before the House as a question of privilege. They could say their parliamen-

tary privileges are being clipped or curtailed by being required to sign an NDA in order to fulfill their parliamentary functions on this committee. This is something members need to consider.

I'm also going to highlight that in Westminster, a member of the House of Lords broke an NDA, but because he had parliamentary immunity there were no repercussions for him.

One question I have not yet had to address, but which I'm going to ask the clerk to look into, is about the review of these pre-determined Government of Canada locations. My question is simply, what's wrong with Parliament?

I will now return to the speaking order.

Mr. Fragiskatos, you have the floor.

Mr. Peter Fragiskatos: That's right. My hand was up, but I believe Ms. Yip wants to—

The Chair: Okay, it's Ms. Yip, then.

I'm sorry. I thought you wanted to speak, but okay. That's very generous of you.

Ms. Yip, you have the floor.

Ms. Jean Yip: Mr. Desjarlais talked about risk. I feel there could be a risk to our international reputation, as a government and as a country, to secure contracts and not be in breach. It's not just about the cost of vaccines but also about proprietary information, such as manufacturing technology and related supply chains.

COVID is not yet over. We are still purchasing vaccines, so I feel that breaching our commitments will impact not just our current agreements but also future access to vaccines. Companies may not want to do business with us. They may not want to come to Canada if they don't feel the trust is there.

The Chair: Thank you, Ms. Yip.

Mr. Housefather, you have the floor.

Mr. Anthony Housefather: Thank you very much, Mr. Chair, as always, for your very lucid comments and the questions you asked.

The first thing, going back to your previous comment, is that if the Government of Canada is liable, the taxpayers of Canada are liable. The money to fund the Government of Canada comes from the taxpayers. On the argument that the government should just pay, and not the taxpayers, I don't know how that's possible, unless you're arguing that somehow there is another source of funding I am not aware of.

Number two, again, my understanding.... I am not offering legal advice, because I am not here as an attorney and I haven't signed an NDA and reviewed these contracts. My understanding, though, is that every employee within the Government of Canada—or the limited number who have seen these contracts—had to sign the NDA, and in order to mitigate....

Blake has asked a very good question: What are the risks? The risks, I think, again would be that somehow we didn't follow the procedure in the contract, so the government breached the contract by not following the procedure, and then the information became public and the supplier had a loss and sued for damages. What the loss would be...it could be that another country had a different price and suddenly saw that Canada's price was better and then got all upset with the supplier. I don't know the answer to what it is that could come out, but there certainly could be.... Now, how high a risk that is, I don't think I'm equipped to assess. I just know that the reason for the motion was to mitigate that risk, to make it so that the supplier didn't have a right of action against us.

I take the point—I absolutely do—that contracts should generally be drafted in a way that allows parliamentarians access to them in any case. These I would consider to be very special contracts, like defence procurement contracts, because of the fact that the vaccines were new. They were right at the beginning stage of development when these were signed. It wasn't like they were signed way after other countries. I believe we were one of the fourth or fifth countries to sign the vaccine contracts. I just thought I'd add that point. We were early on in the process. The suppliers had a lot of leverage, and they're unusual forms of contracts. The only ones I know of that are like this are defence contracts.

Is it so much of a burden to follow the procedure of the contracts and sign it? That's my question. I understand that there are some people who feel that it is, but I believe that I would be willing to sign it as a member of Parliament, because I don't believe that I intend to divulge what's in the contract in violation of my confidentiality oath, and it prevents taxpayers from potentially funding litigation and a potential damages award, so why wouldn't we...? I take the point that contracts should be redacted as little as possible in this vein, and I think that's universally agreed. The committee could even pass a motion to that effect.

With respect to the question of breach of privilege, Mr. Chair, I'd ask you the question. If the member felt that way, wouldn't having to access the documents in a secure location be equally as constraining as signing a document? I'm not a hundred per cent sure that is a fact.

● (8825)

The Chair: That is, in fact, why I raised it, Mr. Housefather.

Since you asked me the question, I think it is. I think Parliament is secure. It is a secure location, and I wonder why the government has inserted that. I'm answering because you asked me.

Mr. Anthony Housefather: Yes.

The Chair: I view that as an abridgement of the rights of parliamentarians, along with the NDA.

Mr. Anthony Housefather: Let me come back. The committee, the national committee that is charged with looking at our intelligence agencies, views everything at a SCIF. That's where they go for their meetings. There is—

The Chair: Can I ask you, did the Auditor General have to go to a SCIF to review these documents?

Mr. Anthony Housefather: My understanding is that the Auditor General signed a confidentiality agreement, and I don't know where the Auditor General went to see the documents.

Members of Congress go to a SCIF.

My understanding is that there is a secure location in the Justice Building. I don't think you're going to be going far away. The question of a secure location.... It has been set up to be a secure location. It doesn't mean members can't go there together. There is nothing that says you have to go one at a time into the SCIF.

In any case, I don't think either of these are unreasonable requests, but—

The Chair: Would the committee meet together in this SCIF? I'm a little confused now. Mr. Fragiskatos referenced this, seeing them all together. I let that go, because I didn't know what he meant. Are you now suggesting that we would go as individuals or in small groups?

Mr. Anthony Housefather: No, I'm suggesting that, in a SCIF, the committee could do as it wanted. You could have the entire committee at once in a SCIF, or you could have members able to go from 8 a.m. to 10 p.m., or whenever, into the SCIF. Again, I look at our colleagues in Congress, where that is what they do. For certain types of sensitive documents, they go into a SCIF. They have the right to review it from x time to y time. I don't think that's a really difficult thing to do.

● (8830)

The Chair: You realize that you're conflating a contract with pharmaceutical companies that are available in other countries around the world with national security. I think members have reason to be skeptical about that linkage, particularly when these contracts are available, and no other country that I'm aware of has put them on the same pedestal as a national security document.

Mr. Anthony Housefather: This is now a back and forth, as opposed to...but that's fine.

Again, I don't know what every other country in the world has done. I would be surprised to hear that you know what every other country in the world has done and how every other country in the world has handled these in terms of requests from parliamentarians. I believe that in most countries they are highly confidential agreements. Again, my understanding, which is the only thing I can look at, is that the Canadians ones have confidentiality agreements. I'd be very surprised if the Canadian ones are that different from the ones signed with most of our allies in most other countries.

If the requirement under that contract is that you need to sign a specific NDA, which is an unusual provision in our contract, but it exists in some cases, then I don't know that following it is such a difficult step. Again, though, I understand the views of the chair and others that it might be something that goes beyond what they want to do. Again, I think it's not unreasonable to propose it as an amendment, because I think that, again, it mitigates risk. I believe this is a good-faith attempt to find a way for everybody to quickly see all the documents in an unredacted way.

If the committee wishes to change the 30-day period to a 15-day period to be the same as Madam Sinclair-Desgagné's motion, I think that would be a perfectly easy and friendly amendment so that there's not delay. If anybody has another suggestion to deal...

I'm going to make one other suggestion, Mr. Chair, because I think that was also Mr. Desjarlais's question. If what is really requested is a legal analysis from the department as to why there's a risk related to seeing these contracts without an NDA, I'm sure we could probably provide something like that, too, but I don't have the ability to do that right now.

In any case, those are the reasons, again, that I proposed what I did. Everybody has a right to say they don't agree, but it was done in good faith.

The Chair: I'm not trying to be argumentative. I'm going to ask just one question, and this is for everyone's information.

Is your concern that the risk of being sued exists merely by this committee's members' viewing the documents, or is it preventative if the information were to leak out after it? What exactly are you trying to guard against?

Mr. Anthony Housefather: I'm answering a question acting as if I'm a lawyer, which I am, but this is me as a member. I'm not speaking for anybody but me. Although a technical breach would occur, as I understand it, if an NDA was not signed with the specific individual who was given access to the unredacted contract, if the company could suffer no damage as a result because nothing leaked from it, I couldn't see any breach that would warrant the company suing us, right? They may not like it, but I don't think they'd have a right of action, because they couldn't prove damages.

My concern would be that something came out afterwards, and they said to the Government of Canada, "You didn't follow the proper form. You didn't bother to get the NDA signed, and this leaked. Now we've lost this money, and we're suing you."

That would be my feeling, but again, I'm not acting as a lawyer here. It's just my own personal feeling, Mr. Chair.

The Chair: Thank you.

Now we have Mr. Fragiskatos, please.

Mr. Peter Fragiskatos: Personally—I speak for myself here—the NDA is not something that should cause offence to members of Parliament. For the reasons we've just heard, I think it's risk-mitigating.

To the point that was raised earlier, that it's the government that would be liable and not taxpayers, yes, of course it would be taxpayers who would be liable. With great respect, that's not a strong

argument. I think we have to think about this issue in broad terms and recognize our responsibility with respect to the taxpayer.

There's a lot of movement that's happened here. We have something on the table that would allow us to see documents unredacted to understand more about the nature of these agreements. I'm not so sure how the signing of a non-disclosure agreement gets in the way of our parliamentary privilege. Others will have different views. Personally, I don't have a problem with that based on the risk mitigation that I just referenced.

• (8835)

The Chair: Thank you.

Mr. Desjarlais, you have the floor.

Mr. Blake Desjarlais: Thank you very much, Mr. Chair.

I did leave my last comments in regard to a question, so I appreciate the answer from our Liberal colleagues in relationship to the risk. I think there has to be an established risk, a great risk, if we are to ask members to sign an NDA to view documents that are within the purview and the responsibility of this committee.

I am of two minds. One, the question still stands on whether or not there is sufficient risk here, and if there is sufficient evidence of that risk to suggest that the comments from Madam Yip, one being proprietary information, supply chains and international reputation.... Those three risks are risks that are present, not because of this committee's willingness to review the contracts, but because the government itself accepted those risks when signing an agreement with corporations, pharmaceuticals, that would bind the government to these outcomes.

I sympathize with the government on how difficult the circumstances would be. I recognize as well that maybe in extraordinary circumstances this would be required, but that argument alone is enough for this committee to want to investigate the reasons these things happened. Canadians, I think, deserve to know that.

I'm really torn on this, because I think the interest of Canadians would demand—not just of me but of all of us as committee members—to take that approach. I would offer one more opportunity of the government to present risk beyond those three factors, but I believe those three factors aren't the responsibility of this committee. It is the responsibility of the government to be doing its dealings so that, one, that would not damage the credibility of our country internationally; two, there is no risk to the proprietary information and dealings it has with these companies; and three, there is no risk to supply chain management.

These three things, I think, are beyond the scope of Parliament and committees, but are really within the scope of the government. I think those are the same reasons this committee is asking for these documents. They are the same reasons that Madam Yip was mentioning, that three items—international reputation, proprietary information, supply chains—are at risk.

That is to me a great enough risk to want to investigate this even further now, because it makes me very concerned that these contracts could have this kind of level of risk and no oversight. I think that's an important piece we need to answer because, of course, this committee's job is not to protect the government's dealings with companies, but to protect the interest of Canadians. That greatest interest in this case would be to ensure that the documents, which I think are important for us to review, and you agree with.... I think honourable members from the Liberal Party agree that this is in the interest of Canadians to see.

My problem in the amendment that's tabled, which I share with my colleagues in the opposition, is not understanding the difference between the request of the amendment and that of the motion. The motion itself establishes risk-mitigating factors from the letter from the law clerk of Parliament, which has outlined several recommendations to ensure there are reasonable safeguards. Those safeguards are built into the member of the Bloc Québécois's motion.

I need to know what the difference is between the advice provided by the law clerk of Parliament, from which his recommendations are read into the motion, and the requirement of the amendment tabled today, which would ensure that members of Parliament sign NDAs other than to bind these members to the liability of the government, which is outside the purview and requirements of these individuals.

I need reasonable grounds from the members opposite to establish why an NDA is necessary beyond the three aspects mentioned that I believe are insufficient to the requirement of an NDA, and I will cite them again, as Madam Yip so eloquently did. They are the international reputation of the government, proprietary information and supply chains.

I hope you know that's not the goal of this committee; it is just to ensure that those things are properly investigated. If that risk is present to the government, we deserve as members to know why these contracts have such a great risk. I'm more concerned now, but I want to have a very narrow question, which is an important one to my understanding of this, which is why you feel the NDA portion of your amendment and the 30-day portion is a requirement for you to vote in favour of the interest of Canadians, when I believe the Bloc Québécois's motion establishes reasonable grounds, as noted on page 3 of the letter sent to us by the law clerk on safeguards.

• (8840)

Do you understand what I'm saying? I can't understand the difference between the safeguards tabled by the motion and the safeguards established by the amendment, which to my mind only brings greater risk to members of this committee, rather than the other potential risks mentioned by Ms. Yip.

Thank you.

The Chair: Thank you.

Next we have Mr. Housefather.

Mr. Anthony Housefather: Thank you.

I appreciate that, because it clarifies things. Again, this risk and the risks mentioned by Ms. Yip relate to the relationship with the suppliers that would only arise as a result of the divulgence of con-

fidential information to the public domain by somebody who sees that information. That's not because of the contract, and it's not what's in the contract that's embarrassing.

What she's saying is these suppliers rely on the Government of Canada to follow the procedures set out in agreements with them, and if they don't, that's both a breach of contract and a potential business relationship risk for future deliveries and future contracts with a supplier. In this case, there are provisions in those agreements that require the Government of Canada, before furnishing the information, to have people sign NDAs. This is what I understand from the department. Everybody had to sign an NDA when they saw this contract.

In order to do that and avoid the government being told by the suppliers that it didn't follow the modalities of the contract, the amendment asks people to sign NDAs. We follow the modalities of the contract in the event that there is such a breach of confidentiality in the future. The Government of Canada at least followed what was required under the contract and didn't breach the contract to give the information to somebody who didn't sign the NDA. That, I think, is a relatively straightforward proposition.

It has nothing to do with what's in the contract as it relates to the risk she's talking about. It's the result of a potential breach, and what happens if you didn't follow the procedure of the contract that led to the breach arising. I think the main risk is related to the supplier who is upset, potentially sues us and potentially doesn't want to do business with us in the future. It's not to protect the supplier in any way. It's only to follow the procedures that were set out in the contract.

That's the best way I can answer that question. That's why the NDA is being proposed. That's what the contract says is supposed to happen.

The Chair: Thank you.

Ms. Bradford, you have the floor.

Ms. Valerie Bradford: Thank you, Mr. Chair.

I haven't participated in the debate so far, but could Ms. Sinclair-Desgagné clarify for me why she feels the need for us to go back and look at the background documents the AG reviewed in confidence in order to prepare a report? Does she feel we're more qualified than she is? I ask because we don't normally ask to see the documents the AG looked at in order to make a report for this committee.

The Chair: I'm going to turn to Ms. Shanahan first and then to Ms. Sinclair-Desgagné.

Ms. Shanahan, you have the floor.

Mrs. Brenda Shanahan: I will follow.

The Chair: You're welcome to flip with her, if you like.

Mrs. Brenda Shanahan: Yes, because it's actually along the same lines. I welcome the remarks of Ms. Sinclair-Desgagné.

The Chair: Members, don't be shy about putting your hand up until you catch my eye.

We'll go to Ms. Sinclair-Desgagné, then Ms. Shanahan and Mr. Desjarlais.

[*Translation*]

Ms. Nathalie Sinclair-Desgagné: I'd like to thank my colleague Ms. Bradford for her question, because it gives me the opportunity to reiterate what I said when I introduced the motion.

It's a fairly simple concept. The Auditor General was supposed to audit a lot of things, but then under the legislation governing what she does, the Auditor General Act, which specifically applies to the Office of the Auditor General, she's required to censor the content of commercial agreements. So it's up to us as parliamentarians, and particularly us as members of the Standing Committee on Public Accounts, to obtain that information and better understand the findings in her report.

Some findings, particularly those dealing with wasted doses, could be explained in the contracts. For example, pharmaceutical companies may have prohibited the Government of Canada from reselling vaccine doses. If such provisions were included in the contract with pharmaceutical companies, this would explain why many doses were wasted. In that case, it would be up to us as parliamentarians to find out why the pharmaceutical companies abused their position of power to get the government to agree to provisions like that.

I hope I've been clear.

• (8845)

[*English*]

The Chair: Thank you.

Go ahead, Ms. Shanahan.

[*Translation*]

Mrs. Brenda Shanahan: Mr. Chair, this is very difficult, because we'd like to get to the bottom of this. We'd like to understand what happened during the pandemic in terms of vaccine research—vaccines hadn't been created yet at the time—and contracts and so forth. That's precisely why we have the Office of the Auditor General.

In her report and testimony, the Auditor General very clearly said that she had observed—

The Chair: I'm sorry to interrupt you, Mrs. Shanahan.

[*English*]

Mr. Desjarlais and Mr. Housefather, can you take your conversation back a bit?

Mr. Anthony Housefather: Yes, of course. I'm sorry about that.

The Chair: Thank you.

We'll go over to Ms. Shanahan.

[*Translation*]

Mrs. Brenda Shanahan: As it happens, Mr. Desjarlais talked about how important this oversight work is. It's very important that it remain in the hands of the Office of the Auditor General. The Auditor General had access to the information and at our February 6 meeting she answered questions from committee members about

why the wastage was occurring. She said it was a distribution issue, and we heard that from several government officials as well. The details of this testimony are available. They said there was always wastage, first because it's a very fragile product, and second because it was delivered in 48 hours and there were issues with logistics, distribution and data sharing.

That's what we heard in the Auditor General's testimony on the issues encountered. She never indicated that the problem was the contracts and that she could not disclose those because of the confidentiality agreement. In fact, I can't believe that if there were problem provisions in the contract, she wouldn't have been able to tell us. That's not what she concluded at all. She felt that the departments had worked well together to get enough doses of vaccine so that 82% of Canadians would receive at least two doses. In terms of the wastage that occurred afterwards, I remember Mr. Desjarlais asking some very good questions about that, and some lessons were certainly learned from that.

The agreement the government is negotiating with the provinces focuses on better data sharing and greater health care cooperation. I believe everyone knows that if another pandemic comes along, we should be ready and we shouldn't just wait until it happens. It's urgent. So I can't underestimate the work of the Office of the Auditor General, although I also understand that parliamentary privilege exists.

I've said it before, and I want to say it again: It really bothers me when people talk about the work of the public service with apprehension or directly or indirectly suggest that it has not acted with integrity. What I really like about this committee is we ask questions respectfully, but we always rely on the work of the Office of the Auditor General. We can trust their data and their findings. We can dig into them and work to do things better in the future.

• (8850)

In that respect, I think about what this committee has already accomplished. We do studies, for example, a study on the report of the Commissioner of the Environment and Sustainable Development. I was delighted to work on that with Ms. Sinclair-Desgagné. We have worked together on other projects to advance the work of this committee.

I am pretty much always ready to compromise. I follow the committee's mandate by the book. I feel we should stick to the mandate to the letter. On the other hand, I agree with the argument that has been and is being expressed. It's very important that this committee ensure that these contracts have been properly entered into. Despite our confidence in the Auditor General, this is an issue that we should at least look at. I have some experience in this area—I used to be a commercial banker—but I have to say I'm far from being an expert.

The Chair: Thank you very much, Mrs. Shanahan. You are certainly a progressive conservative.

[*English*]

Mr. Desjarlais, you have the floor.

Mr. Blake Desjarlais: Thank you, Mr. Chair.

I'm returning to the result of my question. It was a reasonable and straightforward one.

It was to establish a great enough risk present to the government that would be able in some way, shape or form to convince members of this committee that extraordinary safeguards are necessary. I am not necessarily convinced that the evidence provided today can establish that risk. Risk to the government is different from risk to Parliament. This risk is present to the government.

The role of Parliament in this case is to ensure that we protect Canada's and regular Canadians' abilities to have trust in our institutions. It's part of why our committee is present here today. I believe the perceived risk would have to be greater than the principle of oversight in this case—which I say in agreement with our chair—for us to suspend aspects of our privilege in order to do this work.

I perceive the actions and advice being offered by our Liberal colleagues today. I respect them. I want you to know, first and foremost, that I understand the role you're taking right now. You need to protect your government's ability to come to contracts regarding, in this case, pharmaceuticals for a better outcome in some instances, as you believe, for Canadians. However, you must be able to see the need of the Bloc Québécois, the New Democratic Party and the Conservative Party to provide oversight on behalf of Canadians.

I hope we can come to a consensus. That's my greatest hope today. That consensus could be worked on in building a foundation of our core principle, which is that this is in the interests of Canadians. That's number one. We share that. Every member here shares the belief that commercial contracts entered into by the government require a level of oversight, in particular the oversight that this committee has asked for.

The second aspect of this is an NDA or a time limitation, which is a request from our colleagues to this committee. That is the request we need to contemplate. My goal of getting to a consensus on this is important to that process.

However, I'm beginning to see that it's unlikely we'll get consensus today. I would like to give the government one last opportunity to read into the Bloc Québécois motion. I believe it is made with good intent. I believe that the intention is to ensure there's oversight for Canadians.

My last point is that none of us, not any one of us as members of this committee or Parliament, should or ought to breach our ability to represent not only our constituents but our role here. I don't think they would in the case of going in camera. The institutions that built this country and the institution that we're in right now have built safeguards to ensure that a thing like this could very well be done in a secure place like Parliament and in a secure way like at committee and done in camera. I think that is a reasonable request by the Bloc Québécois.

That is the part you can see I'm trying to get to. They have a reasonable request to view documents on behalf of Canadians. They understand—which I agree with—that there need to be sensitivity safeguards to this information. We agree with that. That's why the motion is the way it is. I agree that we should be able to do that.

What I'm seeing is that the government—at least those whose job it is to protect the government from liability—thinks that we, in some way, shape or form, may in fact breach that confidence. That is an accusation that I believe to be an insult. I don't believe that's what we're saying, but I believe if we move forward without a good reason that establishes greater risk, it would be perceived that way.

I believe that our institutions are strong. For our institutions to work properly, we need to ensure that we follow regulations and the nature of in camera meetings. They are built to protect this country and built to protect committee members. They are built, in this case, to protect the government.

• (8855)

I don't see how I could disagree with the advice that our members opposite are receiving in relation to risk. I believe the risk is negated—not entirely, of course, but that shouldn't be the goal of our opposition colleagues here. The goal should be to limit risks the best we can.

The enemy of the perfect is the imperfect. In this case we have an imperfect motion that I agree with, because in this case we're never going to get to a perfect motion that gets to the position the government would like to see, which is immunity from this Parliament.

I believe this committee should take up the charge of having this information released in an in camera setting, a setting that can safeguard the information in a way we can see, but also in a way that doesn't breach these members' or any member's privilege. Some suggest that an in camera setting or the requirements and safeguards built into the motion as read by the Bloc Québécois would in fact do that, but I don't believe that is a sustained claim. I don't think we can say that the Bloc Québécois motion will bring risk to the government. I believe it was built in good faith. The Bloc consulted me. Our party consulted everyone else in advance, and we walked through some of those steps. I'm just a bit confused as to those two points. I request that my colleagues across the way see that what's built into the existing motion is sufficient for the purposes of our viewing information.

Your opinion is that it is insufficient, if I understand correctly. It is insufficient to negating the legal risk present to the government. If that's your claim, then we as parliamentarians can't make a decision that would otherwise be the mandate of this committee, which is to see that information, while also satisfying your requirement to have no risk. I see mutually exclusive positions here, which I'm not a fan of. I would rather us come to a consensus that this is important for all Canadians. Every Canadian and all parties believe that it's important we see these contracts. We all agree there's risk, and that's why we have safeguards.

The safeguards that are being imposed by the amendment are onerous, I believe, and, to the chair's statement, could breach privilege. Any one of us members could then take this to the House and have these documents ordered there. However, I believe we can do this in committee. We have reasonable members at this committee who have come to a reasonable conclusion to see these documents, which are in the interests of Canadians and have existing safeguards. That seems to be a very reasonable path forward.

I agree with the members opposite that it doesn't negate all the risks, but I'm saying that most of the risks are negated this way. I believe and have faith in our institutions and that when we go in camera in a closed setting, we will not breach that confidence. To suggest otherwise would be to attack our integrity and our institutions. The in camera setting is built to protect from the exact situation the government is afraid of. I acknowledge that, which is why I agree with the safeguards put in place.

I hope those facts are clear enough to establish that we have a common interest—all of us here. The safeguards are proper and important, and they are there. I believe that a consensus on this is also important. For us not to divide Canadians on this important issue, the government and the opposition should come to a consensus. Madam Shanahan often speaks about the requirement and need for consensus on these items, and I'd ask that the government see this request for what it is. It's an important and honest request to public accounts and members of Parliament to see the contracts that were entered into—commercial contracts by the government—while also offering the government safeguards.

I believe those are entirely reasonable. They don't negate the complete risk; I accept that point. I thank all the members opposite for doing their best and their due diligence to protect the government and the dealings of their ministers in this work. That's honourable and commendable. I'm sure anybody here, if they formed government, would be in the same position you are. However, the reality is that this is Parliament. This is not the government. The Parliament is requesting that this information be presented to us, and safeguards are in place.

I believe this may be my final statement before we go to a vote. I will give the government one more opportunity to look at some of what I've said and attempt honestly and earnestly to come to a consensus position to ensure that Canadians have the advantage of knowing that we are working to provide oversight of these documents properly and together.

• (8900)

Thank you.

The Chair: Thank you.

Next is Mr. McCauley.

Mr. Kelly McCauley: I'll be very brief, Chair. Has the committee—you or the clerk—been contacted by any of the pharmas in question about this motion?

The Chair: I have not. I'll double-check with the clerk.

One company did contact the clerk about the motion, but because of our privilege, he didn't get into a discussion about the motion,

which is available for the public to see. There was at least one inquiry regarding the motion.

Mr. Kelly McCauley: Thank you very much.

I'll be very brief. I think a lot of this has been covered so far.

I wish to reiterate that I find requesting an NDA—and I'll be polite here—offensive. If you look around the room, we have clerks, we have interpreters and we have other people assisting us in every committee meeting throughout government and in camera. We place a great deal of trust in all these people assisting us, and that makes Parliament work. Again, we have seen zero leaks. We've placed such trust in them that we can discuss anything in front of everyone here today, and now some say all of a sudden that because it's a government contract, it cannot be revealed to parliamentarians.

We had the same request from McKinsey and the same veiled threat: You cannot release this because of confidentiality agreements. But the operations committee did send for them, and we are receiving them. We had further requests from McKinsey, as Mr. Housefather knows, saying that the government had asked them to redact information before they gave it back to the government, and the committee said, no, the MPs will take a look at that. Without casting doubt upon my colleagues across the way, it sounds almost like they're trying to protect the government, not the taxpayers. The government seems to be the one putting up the fight, as opposed to the pharmas.

I understand the concerns. I think Mr. Desjarlais has commented very well on them. However, the reality is that we cannot allow something like this to stop parliamentarians from doing their jobs.

It makes you ask what's next. Does McKinsey get a pass because they have confidentiality agreements? Do we go to Finance and say they cannot look at budgets because of other issues? It sets a horrible precedent, because you know that the second an NDA is forced upon us, it will be at other committees, whether it's OGGO or another committee. As soon as it becomes a precedent that we're depriving parliamentarians of their rights and obligations to pursue issues, we'll stop functioning as we should, which is representing people and representing taxpayers in holding government to account.

I'll leave it at that. I believe the motion put through by our colleague is well written. Nothing is perfect in this world, but I think it covers everything. It allows us access but protects the government and protects contracts. Let's be frank. If I sign an NDA—or Mr. Housefather or anyone else—and then step into the chamber, I can speak about it.

As to requiring or requesting an NDA, again, I'll be polite and say that it's offensive, at the very minimum. I'll leave it at that.

I think we should get to a vote and be done with this so we can continue with the other important studies we have coming up.

Thanks, Mr. Chair.

• (8905)

The Chair: Thank you.

Mr. Housefather, you have the floor.

Mr. Anthony Housefather: Thank you, Mr. Chair. I have a few things to say.

Number one is that the Government of Canada is not the Liberal government. It's the Government of Canada. The government represents all Canadians, not just the Liberals. That's number one.

Number two is that with parliamentarians on the committee, it's not just the opposition that exercises oversight. It's also MPs on the Liberal side. Kelly will tell you that I voted in favour of the McKinsey contracts being released. I don't like when they try to make redactions. I don't believe that's appropriate. I don't think anything should be withheld from parliamentary committees. I find it very insulting when they say that employees of the civil service can access things and parliamentarians can't. I am very much of the school that the committee has a right to unredacted documents. We're all of the same mind on that issue.

With respect to the question of the NDA, in the same way that I trust the committee members absolutely, I also trust the high-level employees of the civil service. They have to sign NDAs because that's what it says in the contract. The contract itself requires that. It says—which the McKinsey contracts do not—that every individual accessing it needs to sign an NDA.

That is the reason this is on the floor. It's not the same as those other contracts. I didn't suggest that we have NDAs for McKinsey. I would never suggest NDAs unless I'm told that there's a legal reason to do so because of potential liability. That's the difference with this specific group of contracts. They were negotiated at a time of great need, with great urgency. That was what the suppliers—who had great leverage at the time—requested.

There is trade secret information in those contracts, I'm sure, in addition to pricing and other things that might have been confidential to them at the time. They probably told every country that they had to do that. Countries leapt to sign whatever they could to get vaccines for their people.

I get the parliamentary privilege. I get the idea that people don't want to sign NDAs. I've heard from my colleagues all across the opposition benches that it's an uncomfortable thing to be asked.

I'll give an alternative. I am willing to go back to the department to ask them to go to all these suppliers—the pharmaceutical companies that have agreements—and see if they can find a way to have these NDAs waived for members of this committee and parliamentarians. If you'll give me until the next meeting, I will go back and see if those companies will say that, despite what it says in the contract about NDAs, they agree that parliamentarians....

What Mr. McCauley said is absolutely true. They probably never thought of that. If he goes into the House of Commons and despite his NDA discloses the contract and what he remembers of it, he likely doesn't have any liability under the NDA because he did it under his parliamentary privilege. Perhaps if the companies are approached with that in mind, they will agree to say that the contracts are amended and they can provide it without....

Mr. Chambers suggested another option, which is to go to the companies. If you summon documents from the companies, there's no liability to the government because you've summoned them from the companies. I don't know that we need to go down that road at this point.

Based on what I've heard today, it's clear that most of my colleagues on that side do not want NDAs. It's clear that the chair felt uncomfortable about that for other reasons in terms of parliamentary privilege. If the committee would be willing to suspend this discussion until the next meeting, I would be willing to figure it out with the department and come back to you. Hopefully we can get those companies to waive the requirement, and then we don't have the legal risk and don't have to worry about it.

I can't assess that for you. I haven't even read the contracts. I'm almost one hundred per cent sure that this is not in the contract, but I entered into contracts in my life as a general counsel of a company, and there were fixed penalties for violating the terms of the agreement. I don't believe that is the case in these agreements. You could theoretically, just by a form failure, hit a fixed penalty. Again, I don't know what's in these contracts. I haven't seen them. I don't think that's there.

My real request would be for the committee to consider—because I don't think any of us wants to put liability on the Canadian taxpayers that does not need to be there—giving us until the next meeting. We'll go back and see if these suppliers can waive it. If not, then the committee can in full knowledge of that make the decision to go ahead anyway, without the NDAs. That would be my request.

• (8910)

The Chair: Go ahead, Mr. Desjarlais.

Mr. Blake Desjarlais: Thank you, Chair.

I think we've said everything we possibly can. You could go back to the companies and hypothetically imagine that every single one of them says, "No problem. This is going to be great. We want you to waive it." First of all, I doubt that. I don't think, considering our clerk is being harassed about this, that the companies are going to welcome the government's request to waive it. That is not in their interest, and it's not in the government's interest.

The interests of this are transparent. That's the problem with this, Mr. Housefather. It's very transparent why the government would want to have an NDA. We're saying that the requirement to protect those contracts does not establish a reasonable risk to mitigate the request from the Bloc's motion. If you presented evidence that could suggest something other than the idea of being sued or protecting the company, then maybe we'd have a better way to establish that.

You have to know that I fully respect what you folks are doing. I understand the interests you have, very clearly. It's written into a contract. You're talking about not breaching that contract. It's the government's position that you should not breach that contract. I understand that, and I have sympathy for each and every one of you having to carry that into this committee. However, I'm saying Parliament deserves.... You never know. There could be a Conservative government, New Democratic government or Bloc government. You never know what could happen in this place, and in case that happens, I'm saying I would expect the Liberals to come out and say that they expect to see this contract. I'd also expect them to be reasonable and say that they're going to put in safeguards. I believe that's what the motion does. They're only in there because those aspects seek to protect our colleagues and the government.

I do agree, though, that legal counsel from the government will likely be furious and say, "My goodness, what a breach." But that should have been a perception when entering into that contract knowing that Parliament had this power. I know that each and every one of you agrees that the government cannot circumnavigate the will of Parliament, and the will of Parliament is asking that these documents be readily available in conditions that continue to keep them confidential.

It may not be the kind of confidentiality required for dealings between a company and the government, but it is a kind of offering that I hope you can see as important, because the alternative is worse. This committee can summon this information publicly in the House of Commons. That is a real potential here, and it's not far from happening in just a few minutes if it gets down to that. I'm encouraging the government to see how valuable the safeguards built into the motion are, and to utilize and exercise your role as MPs to see the value of your colleagues asking for this information.

It may not be the kind of safeguard the government would like to see, but it is the kind of safeguard that Parliament has established. We have processes here, including in camera sittings, that are confirmed by the law clerk as important.

I hope you can understand the position this committee is in and how important it is to see the existing motion as more valuable than a motion that would otherwise summon all of this information in a far worse manner and penalize the government directly rather than limit risk. That's the real decision here. The real decision isn't between whether there's risk or no risk. The decision is between establishing a breach of contract or minimizing risk. That's the real position you're in.

• (8915)

The Chair: Thank you.

Mr. Fragiskatos, you have the floor.

Mr. Peter Fragiskatos: Thank you, Chair.

This is in response to something that was raised by Mr. Desjarlais. He said something to the effect that we would want to understand as a committee more about the nature of these agreements, how certain decisions were made and a number of other things, obviously. Questions could be raised about NDAs and these kinds of things that Mr. Desjarlais was talking about.

Notice that the amendment concludes by saying, "Furthermore, the committee requests that PSPC officials be available for future in camera meetings to discuss the topic." Built into the amendment is a provision that would allow us as parliamentarians to engage directly with public servants from PSPC to understand more about how these agreements came together. From there, I think we as a committee could formulate recommendations to the government on what to keep in mind as far as best future practices are concerned for these kinds of agreements.

Hanging in the balance, of course—and I don't think it's a small matter—is what Ms. Yip raised earlier. I was glad to hear the opposition acknowledge it. It's the matter about the future availability of vaccines. From a public health perspective, this is incredibly important. Yes, we do have engagements and relationships with pharmaceutical companies on a range of different vaccines, not just with respect to COVID-19. I think all of that has to be kept in mind, from a public health perspective, when we take this topic up. I think it's incumbent on all of us to understand the issue from that perspective.

The obligation of members of Parliament to live up to their responsibility to understand the business of the day is not just an idea. To be able to examine documents as part of that is sacrosanct in any parliamentary democracy. The government is the government. We as parliamentarians have an obligation, yes, but we also have the ability to decide on what's in front of us. Again, let's not lose sight of the fact that we can look at these documents unhindered. I'm not sure how our privilege would be violated.

Mr. McCauley spoke before. Sometimes I agree with him and sometimes I disagree. I disagree on the point about being insulted. I don't see how my parliamentary privilege as an MP would be breached here, but again, I emphasize that I speak for myself. Others clearly feel differently. I think all of these things must weigh on us when we're making this decision.

By the way, I think what Mr. Housefather just proposed is quite reasonable. It's not as though he's saying let's put this off for six months and give PSPC the ability to get back to us in six months' time or something like that. No, not at all; it would be a few days. In fact, if I remember correctly, his suggestion was that we look at this at the next meeting. What is wrong with that?

The Liberal side has moved very significantly in the past few days, going against what was originally proposed but thinking about it further and coming back to the table constructively with a compromise amendment that doesn't water down the substance of our Bloc colleague's desire at all. It doesn't in my humble view, at least. We still would be able to look at the documents unredacted.

This is not just about living up to our responsibility on this side. I think all of us would have a collective responsibility to do whatever due diligence is required to ensure that we've ticked all the boxes, so to speak, when it comes to understanding the question of risk. In that vein, what is wrong with going back and asking PSPC to examine this whole issue of the non-disclosure agreement more thoroughly, and to waive it in the way that was suggested, potentially, for this committee by Mr. Housefather, if I remember the exact wording of what he proposed? That is beyond reasonable, in my mind. Again, that could be put off for months and months and months. It's not being put off.

Humbly, I put it to colleagues again to really consider this and delve in. What we could do is continue to remain firmly in our corners, so to speak. I think the easiest thing to do would be to remain in our respective positions, stay in the corner and not want to compromise at all. This is my view and I'm not changing it.

• (8920)

We've taken a few steps forward here. I would ask that the opposition recognize this by entertaining, at a minimum, what was just proposed by the parliamentary secretary, Mr. Housefather. It would advance the dialogue in a constructive way. Let's see what PSPC says. It could be they come back with something we agree with collectively as a committee—or not.

Yes, the government is the government, but as I said before, we're all parliamentarians. I don't think it should be assumed that the Liberal side, if PSPC came back with something that... Whatever view they held, it's not automatic that our side would be forced to agree with it—not at all. We've disagreed before, every single one of us on this side. Mr. Housefather is an associate member of this committee, but the regular members, as a common practice, have asked very difficult questions.

I'm looking in that direction, because I'm used to the Auditor General being there with officials. Every one of us has asked very difficult questions of officials since this committee's inception. I'm a relatively new member of the committee and didn't know what it was all about when I joined. It's a different kind of committee. It's the audit committee of Parliament. It gives a great deal of freedom and leeway to all members of Parliament, including those on the Liberal side, to ask challenging questions of officials.

With that in mind, and thinking about our roles and responsibilities as parliamentarians, not Liberal members of Parliament in the first instance—

The Chair: Wait one second, please.

Mr. McCauley, talk a little lower. Thank you.

Mr. Peter Fragiskatos: That's fine. I don't think he interrupted me, Mr. Chair, but I appreciate you raising the point as a matter of respect. That's very kind of you. You're always kind.

I was talking about how we as members of Parliament have an ability to question the government and regularly put forward our points of view, because we are, in the first place, members of Parliament. Yes, we belong to parties, but we have our own minds, as Mr. Housefather raised today and as he's demonstrated in other committees. He's made reference to that. Frankly, he's not giving

himself enough credit, because he is exactly that: He represents his constituents very well. He comes to the table regularly prepared, in all meetings. I've worked with him for seven years. He asks tough questions, not just of the opposition, public servants or deputy ministers, in particular, when they make a point he disagrees with, but also of members of the government.

We have a willingness, on our side, to go back to PSPC in this case and ask for their perspective on the entire issue of NDAs in just a few days. The obligation would be that they have to return with an answer to our question. We could then take that up as a committee.

I think one of my colleagues has something to say as well. It's Ms. Shanahan or Ms. Bradford.

• (8925)

The Chair: I have a list, Mr. Fragiskatos. Are you done?

Mr. Peter Fragiskatos: Yes, I am, for now.

The Chair: Ms. Shanahan, you have the floor.

Mrs. Brenda Shanahan: Thank you, Mr. Chair.

Can you review the speaking order for us? How many speakers are on the list?

The Chair: It's short. If folks want to speak, they can put their hands up.

Mrs. Brenda Shanahan: We always had the convenience, when we were in hybrid meetings, of seeing the hands up.

Thank you for giving me the floor.

I have something to say, but following on my colleague Mr. Fragiskatos' indication that we have moved quite a long way on this—and I would put myself in that camp—I think this committee not only has the reputation of but has long prided itself in coming to unanimous decisions. That's what gives it its strength, because then it's not a partisan issue. It is an issue of getting to the root of the problem discovered in the Auditor General's reports. Otherwise, what are we doing here?

I'm sorry. I don't want to disparage OGGO, but it becomes a different kind of committee. Mr. McCauley is free to respond to me on that.

I have sat on OGGO. Those were tough sessions we had. There were ongoing negotiations and ongoing initiatives by the government, and risk was definitely... Risk in procurement, risk in implementation and so on were definitely the issues on the table, as well as who was best to judge the best policy going forward.

As we know, we don't discuss policy here. The policy is rightly the function of government, and that means ministers. Ministers appear before committees, such as government operations, health, public safety or what have you to answer for their policy decisions. What we're concerned with here is implementation, and that is what the Auditor General brings us every time she deposits reports. I believe there are reports coming very shortly. In fact, there are a number of interesting reports. They're all interesting.

I know we were affected by the pandemic and by the ability of the Auditor General to deliver reports in recent months, but it certainly appears that the Auditor General is back on track. Those are reports that I am looking forward to getting to.

On this issue, we had our meeting with the Auditor General about procurement. We heard from the Auditor General. She distributed a news release, and we had testimony, which I'm going to get to in just a moment.

Again, I fail to see how augmenting, if you will, the motion by Madame Sinclair-Desgagné to ensure that PSPC officials who will appear before us are not individually penalized in their ability to answer our questions.... I think that's what the NDA is all about. They have signed these non-disclosure agreements. I worry—and this is a question I want to have answered—about putting those officials on the spot, if you will. They have signed those agreements. Even though it's in camera.... We heard from the Auditor General that being in camera would not even allow her to discuss those contracts with us, the part—

• (8930)

Mr. Blake Desjarlais: [*Inaudible—Editor*] exclusively the Auditor General.

Mrs. Brenda Shanahan: It's the Auditor General. Exactly.

That was actually the first discussion I had with Madame Sinclair-Desgagné. Let's have the Auditor General. She has seen the contracts. Let's have that in camera meeting with her, when she is able to. They've done all the work. She has 600 auditors.

Mr. Blake Desjarlais: She can't do that. She's not in the government.

Mrs. Brenda Shanahan: This is what we learned from the letter.

I'm sorry, but there's a bit of back-and-forth. Are people picking that up?

The Chair: Mr. Desjarlais, I'd be happy to put you on the list, but I'd like to just proceed as we have been.

It's back to you, Ms. Shanahan.

Mrs. Brenda Shanahan: For those watching at home, we're discussing this original idea that because it's in our mandate to review and report on all reports of the Auditor General of Canada, what I discussed with Madam Sinclair-Desgagné is to have the Auditor General come. She's already done the analysis work. That's what she could not show, and I have that from the testimony of February 6, when Mr. Perron asked the Auditor General about it:

Ms. Hogan, there is something I have a lot of trouble with: the confidentiality of vaccine supply agreements.

First, I would like to know if you obtained information during your evaluation to which we do not have access.

Ms. Karen Hogan: If I may, I would even add some information. Item 9.1 of our report provides the initial application date of each company and the subsequent approval date. That will probably be helpful for you.

Yes, we had access to all the contracts, all the information, all the corrections and all the amendments.

Mr. Yves Perron: So that was not a problem in your audit work.

Ms. Karen Hogan: No, not at all.

Mr. Yves Perron: As I understand it, you cannot provide that information to the committee. If the committee were to meet in camera—and I am asking the chair at the same time—, would you be able to provide that information to us then?

Ms. Karen Hogan: I have to maintain the confidentiality that the government assigns to a document. The information is confidential for reasons of competition. I would have to consult a lawyer. I can say though that I don't think I can provide that information to you.

Mr. Yves Perron: If that possibility could be explored, I would perhaps....

Then the chair had to interrupt Mr. Perron because his speaking time was up.

I think that was when we received the letter from the Auditor General saying that even the in camera nature of a meeting would not allow her to discuss the confidentiality of the information that she received.

What reassured me was her answer to the question, which was that she indeed saw everything. Her staff saw everything and they were able to conclude in their report that not only did the federal government secure COVID-19 vaccine doses to meet the needs of Canadians, but, as Ms. Hogan stated:

In 2020, Public Services and Procurement Canada established advance purchase agreements with seven companies that showed potential to develop viable vaccines.

Signing advance purchase agreements increased the chances that the government would obtain enough doses to meet Canada's needs, recognizing this approach brought the possibility that Canada would have a surplus of doses if all vaccines were eventually approved. That was the issue. It was that in the procurement, there could be a potential for a surplus. Those questions were asked.

I'm glad to see that Dr. Ellis has joined us, because Dr. Ellis asked some very pointed questions, although I still take exception to disparaging remarks that were made about the Auditor General's work. I think that is still something that every member of this committee needs to be concerned about, because as Mr. Desjarlais pointed out, our institutions, including the Office of the Auditor General, are such that Canadians need to have confidence in the work that her office does.

• (8935)

Once in a while, the Auditor General says that we did an okay job. I've sat on this committee long enough to have seen some very damning reports. When I first started on this committee in 2015 and 2016, it was, of course, with the previous government. I actually remember a case.... Unfortunately, I don't remember all the details, but it had something to do with the Auditor General at the time wanting to obtain cabinet confidences from the Stephen Harper government. It had something to do with energy pricing.

Maybe my colleagues on the Conservative side remember the circumstances of that more ably. At the time, the committee was very seized with that question, because it was the Auditor General that was asking for these cabinet confidences. Mr. Ferguson, at the time, felt he needed that to do his work fully, so we were very concerned that he should have that information.

In further deliberations and consultations with the law clerk and the analyst at the time—I think at least one analyst was here at that time—it was determined that in fact cabinet confidences had to be respected. It was the Liberal side that voted with the Conservatives to safeguard that. I don't believe the Bloc was with us at the time, but certainly Mr. Christopherson, the NDP member, put up a spirited argument. I think he said, “One day you're going to want to have access to those.”

There are always these different degrees of questions and risks. Will a government be able to function if everything is known to everybody at all times? We can agree, even in our own personal lives, that parents who are running a household do not tell their children everything that's happening every time, and so on. When I was in banking and in the business world, it was certainly my experience that there was an understanding that to be better able to safeguard intellectual property and encourage research and development and innovation, these things were appropriate at that time.

Much as I am conservative in this matter of what this committee is charged in doing, I want us to come to the consensus that we can look at these contracts. Quite frankly, I anticipate that it will be quite a heavy read and that the questions will be highly technical. There may be more than one of us who will regret that we have to put ourselves in that position.

I have no idea what the size of these contracts will be. I mean, I don't know. Are they going to be a pile this tall? I've seen some highly technical contracts in my time, but if that's the work we have ahead of us, I certainly want to participate in it with other members. It's the Office of the Auditor General, again, and public servants. These are people who have worked all their lives and developed an expertise. They're professionals. That they should be punished or penalized at the whim of... I'm sorry to say that if we don't have consensus here, I can only think that there are partisan objectives at work, and I cannot agree with that.

● (8940)

We all remember previous occasions—

A voice: [*Inaudible—Editor*]

Mrs. Brenda Shanahan: I'm sorry; I have to disagree. We have come a long way on this question and we're open to it—

A voice: [*Inaudible—Editor*]

The Chair: Order.

Mrs. Brenda Shanahan: What I'm concerned about, again, is the protection of the Auditor General's role and of the public servants who would then come before us. I'm concerned that they would be at risk of being themselves criminally charged with disclosing information. That's in the immediate time. It's also the risk that if we're out there looking for more vaccines—God forbid—there will be companies that just don't want to do business with us anymore. That would be extremely unfortunate.

Chair, I'm going to leave it at that for now. I hope that my colleagues hear the fact that we do want to look at these documents now. I say “want”; I “will” look at them. I have confidence in what the Auditor General has told us, which is that these were done in good faith and to the best of the abilities of all those departments

that work together. That is one of the conclusions that she comes to in report 9.

However, I would like that to be done on a consensus basis. If my colleague is offering a way to get to that consensus, I think it's something that I would ask my colleagues to consider.

Thank you, Chair.

The Chair: Thank you. I am going to suspend for five minutes to give the audiovisual folks and everyone a quick little break.

I'll be back, and you should all be back too. The clock is going.

● (8940)

(Pause)

● (8950)

The Chair: Beginning again, as they say in the old union hall, she's all for one until it's every man and woman for themselves.

Mr. Blake Desjarlais: They don't say that at my union hall.

The Chair: You should come down east and come to some of our union halls.

Mr. Blake Desjarlais: Solidarity forever, John.

The Chair: On that note, Mr. Desjarlais will be ordering dinner, then. Failing that, you're all on your own for dinner, I'm afraid. We also inadvertently left the company card back in the office, and that's only half a joke.

Before I return to the speaking list, I am going to come back to this motion. Because the motion was delivered quickly, I've talked this over with the clerk, and we are concerned about this motion. I'm not going to rule it out of order but I am concerned about NDAs and the conditions they set on this committee and about setting a precedent going forward. If I had had this motion overnight with the clerk, we might have consulted on it and gotten more feedback, but this debate is ongoing.

It's a good debate, so I'm not going to rule it out of order, but it does concern me, because what we decide to do here could have an impact on other committees if it becomes a request the government makes of all future committees when it comes to disclosing information.

With that, I'm going to turn back to the speaking list.

Go ahead, Ms. Bradford, please.

Ms. Valerie Bradford: Thank you so much, Mr. Chair.

It's actually been over three years since the COVID-19 epidemic was first discovered and broke out. We kind of forget what went on, so I think it's important that as part of this debate, we take a look back at where we were and where we are now today:

Vaccines typically take years of research and testing before getting into people's arms. When the genetic sequences for COVID-19 were released in January 2020, researchers around the world raced to develop safe and effective COVID-19 vaccines. The most optimistic scenario for the development of viable vaccines was thought to be late summer 2021, but many warned that it would take much longer.

Based on the advice of experts, Canada adopted a sweeping vaccine strategy to supply everyone in Canada with the most promising COVID-19 vaccines. At the time, it was unknown which vaccines would be successful or when.

Intense negotiations throughout the summer of 2020 resulted in Canada signing advance purchase agreements (APA) with 7 manufacturers of promising vaccine candidates.

Canada's vaccine planning began in April 2020, when the government created the COVID-19 Vaccine Task Force. This team of experts provided medical and health insight based on a review of the emerging science and technology of the companies racing to develop vaccines to combat the coronavirus.

In June 2020, the task force began identifying the most promising vaccine candidates. It advised that the best approach for Canada was to diversify supply with different types of vaccines, based on ones that looked most likely to be effective and delivered the fastest.

Based on the recommendations of the task force, the Public Health Agency of Canada decided which vaccines to buy. A vaccine procurement team, led by Public Services and Procurement Canada (PSPC), was assembled in early July 2020 to initiate negotiations with vaccine suppliers.

● (8955)

Mr. Kelly McCauley: I have a point of order, Chair.

The Chair: One second; I have a point of order.

Mr. Kelly McCauley: I fail to see the relevance of this reading from what appears to be a propaganda forum when the motion we're debating is about releasing documents to us in camera.

The Chair: While I agree, I think you can see the relevance as much as I can.

I'll continue to let Ms. Bradford make her point, but I hope she will come to her point quickly.

Ms. Valerie Bradford: I think as I go on, with all due respect, you'll see where we're leading to with this.

As I was saying,

A vaccine procurement team, led by Public Services and Procurement Canada (PSPC), was assembled in early July 2020 to initiate negotiations with vaccine suppliers.

Canada built its vaccine portfolio through APAs with 7 companies. The first 2 agreements, with Moderna and Pfizer, were announced in August 2020, followed by similar agreements with Johnson & Johnson, Novavax, Sanofi and GlaxoSmithKline, AstraZeneca and Medicago. None of the portfolio vaccines had a Canadian-based manufacturing capability at the time.

In most cases, initial agreements were signed through memorandums of understanding and term sheets with international sources to secure access to an early vaccine supply for Canada, while providing time for the regulatory process and to work through complex terms and conditions with the manufacturers.

The APAs have the obligations of a contract, while being structured to allow flexibility given uncertainties around the development of new vaccines. Essentially, they allow[ed] for the purchase of something that [didn't] yet exist.

When these agreements were signed, it was not known which vaccine candidates would go on to receive Health Canada authorization, and if so, when that would be. As well, production capacity and supply chains were still being developed. All of these unknowns meant that it was impossible to establish detailed delivery schedules. Instead, the agreements include[d] quarterly delivery targets.

Each company had its own negotiating strategy and different demands and pricing per dose depending on the investments made in research, manufacturing and supply logistics, which added to the complexity of landing agreements. As a common element, all agreements required initial investments with the vaccine manufacturers to support vaccine development, testing and at-risk manufacturing.

While waiting for the authorization of vaccines, Canada began to put in place contracts for the logistics, storage and distribution networks that would be needed once the vaccines were authorized and ready for distribution.

Canada has consistently sought ways to secure quicker deliveries of approved vaccines. Once vaccines were authorized for use in Canada, the Government of

Canada worked closely with suppliers to accelerate deliveries and to ensure that a steady stream of vaccines was arriving in the country as quickly as possible.

Doses of Pfizer-BioNTech's Comirnaty, Moderna's Spikevax, AstraZeneca's Vaxzevria and Johnson & Johnson, the first 4 vaccines authorized by Health Canada, [arrived] in the country since December 2020, allowing provinces and territories to carry out their COVID-19 vaccination programs.

The Chair: Ms. Bradford, I'm going to ask you to speak to the motion.

Ms. Valerie Bradford: I'm just wrapping up.

The Chair: Okay.

Ms. Valerie Bradford: Thank you.

On July 27, 2021, the Government of Canada announced that Canada had reached a major milestone, receiving more than 66 million doses of COVID-19 vaccines. This meant that Canada had received enough doses to fully vaccinate every eligible person in Canada.

I think this bears repeating:

Canada continues to work closely with suppliers to ensure that we have enough doses to meet not only our current needs, but future ones as well.

These contracts, in fact, are still in force, so the government can make further purchases as required, I believe, through 2024-25. This is another consideration in our discussion about reviewing the contracts and looking at the prices and the terms.

Thank you, Mr. Chair.

● (9000)

The Chair: Thank you.

Mr. Housefather, I believe you signalled. Thank you.

Again, don't be shy about waving at me. I do my best, but...

It's over to you, Mr. Housefather.

Mr. Anthony Housefather: Thanks very much, Mr. Chair. I appreciate the committee's attention to all of these things.

Look, I think it's pretty clear that we're right now at an irreconcilable difference over the question of the NDA. I think that we're all agreed—and I felt very strongly about it, as strongly as many others do—that the committee has a right to see the documents in an unredacted way. I think we all agree that it should be done in a way that retains confidentiality.

The real difference, based on the information that I have, is that as I best understand the situation, there is a process under the contract that needs to be followed.

Mr. Chair, you mentioned before—and I appreciate your saying it—that you were concerned about the issue of the NDA in the motion. I would refer you to the justice committee. It has adopted motions saying that any members of the justice committee who wish to see certain things have to sign an NDA. That's related to, for example, Supreme Court appointments and vacancies. When I was allowed to see the application forms of the candidates, I had to sign an NDA. I don't think it's unprecedented.

I hope that I'm not doing this only because I'm a Liberal MP saying that I think an NDA is required. I think, no matter who I was, whether I was in government or opposition or whichever party I was part of, that it's my responsibility as a member to say, "Yes, I want to see it. Yes, I insist on my role in seeing it, but I want to mitigate any potential damages."

I don't believe in filibustering and rambling. That's not me; I don't do that. I'm very honest and candid about stuff like that. It's not me.

To me, there has to be a solution that allows the committee to achieve consensus. We're not going to achieve consensus today on an NDA or no NDA. What I again ask is to let us go back.

I get what you're saying about the fact that the companies are unlikely to waive NDAs willy-nilly, but maybe they'll have an option other than an NDA. Maybe what should happen is that not only should the committee be informed by the department, but, at the very first meeting coming back, we call the department's legal advisers to explain to the committee in an in camera session what they see as the legal risks of not signing the NDA. Then the committee can make that decision based on full knowledge and not just my hearsay knowledge.

I'd like to be clear—

[*Translation*]

I believe it's "*décision éclairée*" in French.

[*English*]

—and lucid about exactly what the risk is. Nobody here is making this decision knowing the exact risk. If we know that there is some risk to the Canadian taxpayer if there's a breach, why wouldn't we at least try to inform ourselves of exactly what that risk is?

Today is the first that I've heard about any of this. I think that's my best suggestion. Let's, again, all agree that the documents come in an unredacted way. The committee is free to vote, after they hear the information about why the NDA is required, to reject that advice. Hopefully, they'll even come and say that we've found a solution that doesn't require an NDA.

The only way that I think we'd find consensus is to suspend the discussion and bring it back at the next meeting. If you want, call as witnesses the people from the department who can explain what their interactions were with the suppliers over the last couple of weeks and what the risk is. They can provide that to the committee in camera. Then you can assess whether it's reasonable or not. Maybe we'll listen and all agree that it's not reasonable either, that it's an over-legalization of the problem and there's not really such a great risk. Maybe it will be the reverse, and you guys will say,

"Yes, there is a risk we didn't really understand. As a result, we think this is the right way forward."

That's my best suggestion. I'm not going to talk any longer.

The Chair: I see everyone. I just....

This is maybe a silly question. You're not withdrawing your motion, are you?

Mr. Anthony Housefather: No, not unless I hear a consensus about doing the other thing.

• (9005)

The Chair: All right.

I have Ms. Shanahan first.

Mrs. Brenda Shanahan: You can put me back on the list, Chair. I believe Mr. Fragiskatos is next.

The Chair: Mr. Fragiskatos, you have the floor.

Mr. Peter Fragiskatos: Well, thanks, Mrs. Shanahan.

Thank you, Mr. Chair.

Here too we have another reasonable proposition that's been offered to the committee. I would hope that it somehow breaks the logjam, so to speak, that unfortunately has materialized here tonight. I'd just remind colleagues...and sometimes we do need this reminder, because particularly in today's political environment, whether it's in Canada or elsewhere, we do have a lot of partisanship that unfolds. On this committee we try to be above that, or we certainly should.

Mr. Chair, you'll remember that in the summer we attended a gathering here in Ottawa. You were there, I was there and a number of the members of the committee were there. As members of Parliament of the public accounts committee, we joined with others at provincial levels and certainly in the public service as well to understand more about what the committees focused on this issue of public accounts do in their work and how they seek to carry it out. One thing that really was evident was this: The non-partisan nature of each of these committees is absolutely instrumental towards the success that each committee is or is not able to have. When a committee is politicized, when it is nothing but partisanship, that committee is all the more likely to not succeed. That is particularly true of a committee that is supposed to be, under the terms of its mandate, non-partisan.

As to where I'm going on this, because I'm sure either you, Mr. Chair, or more likely Mr. McCauley will question me on relevance, we just heard another very sensible, I think, and reasonable point of view put forward by Mr. Housefather. What is wrong with what he is suggesting? Again, in a few days' time, when we reconvene here on Parliament Hill, we would have the ability not just to examine a written response; we could also, in an camera session, talk to public officials about all these matters and then decide for ourselves where risk lies or does not lie. We might come to the view that the view of PSPC on this is wrong and that we can proceed in the way that has been proposed by the Bloc and by some other members of this committee.

I speak for myself, but I think colleagues certainly on this side would join me in saying that it's very difficult to come to a decision when we haven't properly understood a fulsome point of view on this question of NDAs and as they relate to this subject at hand.

Let me also point out—Mr. Housefather referenced it in passing, but I don't think it's a point to be dismissed—that in other committees, the signing of non-disclosure agreements is not ruled out. In fact, some committees have embraced that.

I point you, Mr. Chair, to an earlier report of the justice standing committee. The report was written when the advisory committee on the appointment of Supreme Court judges was put into place a few years back.

Recommendation 3 in the early report on how the committee would be constituted says the following:

The Committee recommends that all members of the House of Commons Standing Committee on Justice and Human Rights, who agree to sign a non-disclosure agreement, be consulted by the Minister of Justice on the shortlist of candidates for appointment to the Supreme Court of Canada. This will allow members of Parliament to fulfil their roles as democratic representatives and law-makers.

Notice that there is a direct link there between the signing of the NDA and members of Parliament carrying out their obligations.

Recommendation 3 continues:

The Committee also recommends that all the material in the possession of the Advisory Board concerning the candidates be shared with members after signing the non-disclosure agreement and that sufficient time be allocated for members to do their research on the candidates once they are in receipt of such materials....

It continues from there, but I won't belabour the point, Mr. Chair. You're nodding, so you agree with me that members of Parliament have signed non-disclosure agreements. That is not outside the norm. Therefore, if they have signed non-disclosure agreements, it is logical to conclude that the signing of such agreements does not breach parliamentary privilege.

• (9010)

This is a point that's been raised by the opposition today. In fact, Mr. McCauley said he would be deeply insulted at that proposition. However, members of the justice committee, and perhaps there are other committee.... Maybe that's something we could look at in order to resolve this whole debate and discussion. That's something that certainly colleagues on the justice committee have done. If they've done it there, their parliamentary privilege hasn't been broken, unless they've resigned themselves to that outcome, and accepted that their parliamentary privilege would be broken. I don't think they did that.

With that in mind, I put it again to colleagues, let's think reasonably here. If they don't want to agree to Mr. Housefather's amendment today, and they clearly do not, let's give it a few days for us to reconvene, and talk to officials in our normal way, in the way we've become accustomed to at this committee. Officials from PSPC can come in. They can talk about the risks as they see them. They can talk about why there's a necessity from their perspective of a non-disclosure agreement. As I've said before, that's eminently reasonable. That's what we should be doing at this committee. We should always be trying to find ways to be reasonable.

I've seen this committee work in that direction. When it happens, we do very good work together, whether it's on subjects relating to the environment, indigenous affairs or the public accounts in general. I think we've had some very good meetings where there's been a lot of collaboration. In fact, I've seen members, and it happens both ways, give up time to fellow members to raise questions in matters in which they are particularly interested. Collectively, we're interested in all the subjects that naturally come to our attention. There will be some items that come our way, and I'm thinking of last week when Mr. Desjarlais, for very clear reasons—

Mr. Blake Desjarlais: [*Inaudible—Editor*] don't say what you're going to say.

Mr. Peter Fragiskatos: No, I understand that. I'm making the point, Blake, that we have worked constructively together on an issue that, for clear reasons, Mr. Desjarlais feels very strongly about. We gave up time. He's been very good to work with at this committee as a whole.

My point is that when we work together, we do find ways to advance this committee's agenda constructively. In the spirit of reminding colleagues of the fact that we can get to good outcomes, I remind all of them that we've seen this committee do very good things when we co-operate.

Mr. Housefather's amendment moves in that direction. If there's no agreement on that, this suggestion that he's put forward, where we would call on public servants to answer questions on this whole matter of NDAs, confidentiality and their concerns....I think this is something that at least we can, I hope, agree on, give it a few days, and come back.

I think Mrs. Shanahan had some comments she wanted to put on the record. I'll leave it there for now, Mr. Chair.

Thank you very much.

The Chair: Thank you.

First, I'm going to hear from Mr. Desjarlais, and then Mrs. Shanahan.

Mr. Blake Desjarlais: Thank you very much, Mr. Chair.

For those folks who, in the words of Mrs. Shanahan, may be watching, I want to just bring them up to speed. We're dealing with a reasonable motion that was tabled by the Bloc Québécois to look at commercial contracts entered into by the government.

I've tried my best, today and in the past, to try to find a consensus path forward here. It seems as though we've made some efforts to get to that point, but it's clear that the government's interest in protecting the government from liability is outweighing its commitment to having transparency for Canadians. I take issue with that.

It's important. I told you folks before: I understand why you're doing this. Anyone in your position would likely be doing this—defending the contracts of the government. However, while you sit here in public accounts, your job is different. You should be looking out for the best interests of Canadians right now.

You agreed in your own amendment that this is a matter of interest for Canadians—a matter of national import. To disagree on semantics, to disagree and not answer a direct question.... As the reasonable member of this committee that I believe I am, I have asked for what would constitute the difference between the motion and the amendment. I would be willing to hear what that is.

The only difference between the motion and the amendment is that you want to bring liability to these members by having them sign an NDA. I understand that the government's dealings with corporations may or may not damage our international reputation, release these companies' proprietary information and cause supply chain issues.

These are reasons that ought not fetter this committee's ability to investigate commercial contracts between the government and the pharmaceutical companies. I'm disappointed in the level of obstruction and attacks I've just heard from the opposite members. I'm not happy with how this has all turned out.

If there was true partnership in the committee's sense that we would have non-consensus on these things, you would see that the NDAs are obviously a concern. A willing partner may look at that and say that we may not be able to get a consensus on the NDAs, but we can get a consensus on going in camera. That is a reasonable level of security.

It may not be reasonable in the legal opinion of the government to continue that way, but it is the legal opinion of the clerk of this place. Not the clerk of this council, but the law clerk who's delivered us a letter. You may look at it.

I'm not going to read directly from the Auditor General's report in a way that will waste committee members' time. I think that is offensive to our time. I think it's important to actually realize that the question on the table is whether or not we, as members of a committee of Parliament, should have access to documents.

The law clerk had to tell us how to do it. It's clearly in this letter that's on all your tables.

I want to repeat this, particularly for the government members who may be providing advice: This is not the Government of Canada. This is the Parliament of Canada. The Parliament of Canada absorbs no risk or liability that the Government of Canada enters into in its dealings with private companies.

Do you see how that's different? That's an important core principle.

Mr. Housefather, I know you know these things. I know you're a reasonable person. If you were on our side, you'd be doing the exact same thing. You'd be wondering. This is in camera, it's confidential, the rules of the law clerk are built within the motion and it's of reasonable import, but it may not be convenient for the government.

You would have to see the frustration this puts members of the opposition in. I've done my best to try to get to a consensus position that would guarantee the members of this committee, including the Liberals, a confidential process where you could review this information. It's a request of your colleagues on behalf of Canadians.

• (9015)

It's a reasonable request, but you seem to be obsessed with this idea that the government's risk is more important than Parliament's ability to review commercial contracts. That is not okay.

You need to see that the paramountcy of having this information for the sake of our institution is important. If a New Democratic government were there, you'd be asking the same thing. If a Conservative government were there, you'd be asking the same thing. What are the dealings of the Government of Canada, with public dollars with private corporations like pharmaceutical companies? It's wild, the level of obstruction we're witnessing here.

It's a really basic motion that gives credibility to the fact that there's risk, and it offers a solution, one that is highlighted by the letter from our law clerk. It's obvious and apparent to me—and probably to everyone who's following along with this—that you have information that we do not. It's motivating a tremendous refusal to co-operate with what I believe is a good and reasonable amendment.

I don't believe, as Ms. Shanahan said, that this is a highly partisan request. If it were highly partisan, the option would be to amend the Bloc Québécois' motion, take out all the procedures that would protect the government in camera and proceed that way. Alternatively, we can refer this to the House and do the same thing.

Why would the government increase the level of risk when right in front of you is a process that guarantees you an in camera session? You would rather protect the companies' interests and the government's interest than the interests of Canadians and Parliament.

It's understandable, which is why I'm making all best efforts to sympathize with you. I understand the two hats with which all of you play, but I need you to see how important this is. If you build goodwill and co-operate at this portion, whatever bogeyman you fear on the other end of this may not come to fruition.

Canadians have decided that the Liberals don't deserve a majority government. You can't make these decisions without co-operation from other people. We're asking for co-operation.

You're scared that we're going to leak this information if it's in camera. If that's not what you're saying, and you're saying that the process that the Bloc have put forward is not secure enough, then I need to know why you believe that's not secure enough. I believe it's a secure process. I believe that the items outlined by the law clerk about going in camera are an option that protects us and likely protects the government.

These corporations are definitely upset about this. I fully agree. They're probably phoning each and every one of you, probably phoning the government—not you folks, the government. They're phoning the Government of Canada, we know that. As for the risk of having that information presented to members of Parliament, you're qualifying your decision by saying that Canadians are more dangerous than these companies. It's quite shocking but not unpredictable.

The government came into a contract. It agreed to the terms of that contract. Now you're here in front of us telling us that those terms of the contract, which we members were not a part of, is our problem somehow. What I'm telling you is that there's an opportunity to do this work in camera to give the government the benefit of the doubt about what is within these contracts, and the process this committee's asking for is done in a way that meets both of the requests halfway.

You seem to think that this is a decision between risk and no risk. It's a decision between risk and risk: full documents ordered by our House of Commons or the documents we can see in camera here in this committee. The option you're presenting isn't an option that is going to have the result you want, which is complete nullification of all the risk by having individual members of Parliament sign NDAs.

• (9020)

That's an extraordinary procedure. It's one fit for National Defence.

We're talking about a commercial contract. There's nothing to hide here. If there was, I'd be more concerned, but I believe there's nothing to hide. However, in fairness to Canadians, they need to see that. They need to have members of the opposition, like us, go in and verify those things in a way that is transparent to us and to Parliament.

That's a fair thing to ask for.

The reality is that the NDA, if it's the pill you can never swallow, and the kind of precedent that sets.... It's very plausible that this becomes a common occurrence if you allow this to happen. In committee after committee, MPs will be shut down in their ability to second documents.

Why would you do this to our institutions? No wonder Canadians don't trust these institutions, when this is the level of difficulty MPs have to go through to get a very secure process to analyze information.

I need you to listen to your colleagues, not the narrow advice of a lawyer in the government department. Their job is very different from our jobs. Of course they're going to tell you not to release any information. They're going to tell you it's going to blow everything up and everyone's going to sue us. It's their job to tell you those things, but your job, my job and this committee's job is to ensure that we have access to documents and that we're able to review them.

We understand the sensitivity of it. That's why the motion is dealt with in the way it is. It's reasonable. You're asking members of the

opposition to come to an agreement to review documents. This is a pretty good deal.

However, to go so far as to suggest that we bind ourselves to an NDA to exercise our privilege and our right is strange, and it creates a dangerous precedent. It's one that I would not want to be on the other end of, but we find ourselves there.

It's morally deplorable, because Canadians don't deserve that. They deserve better access. They deserve co-operative committee members who see that we're offering you the very thing you want.

You're asking for confidentiality. We're using the utmost tools at our disposal to do that within the prospective vote-infringing privilege, which includes the notes by the clerk and the law clerk that have been read into this motion. Rather than seek the advice of parliamentarians, your colleagues in this committee and the colleagues we have who serve us here in Parliament, you'd take the narrow advice of the department, which is a narrow interest. It is not to release or divulge information to Canadians. Their narrow interest is to ensure that their contracts are protected.

I understand the advice they're giving you. It's good advice, because that's their job, but you need to listen to different advice. Listen to the advice of your colleagues who, in committee, have the power to second these documents, whether you agree or not. We're offering you a solution.

We will go in camera, we'll review the documents and we'll protect the government's dealings, which is what you want. That is the compromise. To suggest that you want more on this scale makes it unfair, and you're hearing that from the members here. If it was easy to do the NDAs, everything else would be done already, but the reality is that's too much. You're asking for extraordinary circumstances that set a terrible precedent, because you would not want to be on the other end of that.

It's a simple request. I really believe and I really hope there are folks who are watching, particularly those folks who may be concerned about the level of risk present in the government...good job, because these members are heeding your advice at the disservice of Canadians.

• (9025)

The law clerk has been clear. We can do this. I recommend all of you take a look at that note from the law clerk to our chair. It's an important piece of information that allows us to do the things that Canadians need us to do. To think otherwise is an act of partisanship.

I fully expect, following my remarks, the same rhetoric we've already heard from the government members, who are sliding into, so far, detracting from this subject. We need to find a process where you look at the evidence that's tabled in front of you by your committee colleagues, who have the right to have these documents seconded. We're not asking. It's a demand. It's important that that perspective is heard in this minority Parliament. You can't do whatever you want in this place. There's oversight that's reasonable, and that oversight is being presented to you in a reasonable way. You're saying that the processes that are identified by our colleague from the Bloc are insufficient and that going in camera is ignoring the information presented by the law clerk in favour of advice from the department, whose narrow interest is to defend its contracts, not to disclose them to the public.

Who do you think the department is talking to about these things? It's the pharmaceutical companies. Of course, the government doesn't want you to have us look at these documents. Of course they're sitting here in front of us asking us to sign NDAs. It's because the companies want that. It's important.

It's not because of partisanship. The Conservatives and the New Democrats are probably the furthest distance...in terms of ideology, but we agree with the basic principle that oversight in this committee is an important piece to how this government, or any government in the future, ought to function. I would never want to see, which could possibly happen, the honourable member from Edmonton West sitting across from me asking me to sign the NDA and saying, "Well, remember in the last Parliament that happened." We need to have some foresight here.

The narrow interest of protecting these contracts is not worth it, my friends. To sacrifice so much, to go this far, I'm aghast by it. To use this much time and effort.... I'll talk all day, because that's obviously what's going to happen here. If I give up this time, you're going to go on forever. I know that, and so I'll use that time to continue to talk to each and every one of you about that.

It's a serious thing. We're talking about billions of dollars here, billions and billions of dollars between a private company that we want oversight for, and you're saying they need to sign an NDA. That's wild. That's a wild level of extraordinary protection when there are already clear safeguards. Why wouldn't you take the opportunity to accept those safeguards? You can play strong all you want, but these safeguards are built in. What you are asking for is there, absent of an NDA, something the corporations want of the department, something this committee is obviously not willing to do.

With that fact, you're presented with two options. One option is to vote on the amendment the Bloc has tabled, which is reasonable, has safeguards. It takes your position into account far greater than any other party here in hopes to build consensus. You know just as well as we do, and the law clerk apparently, that all of these things aren't necessary for us to have oversight over documents. Why would you gamble like this? If you really care about the government and you really care about Canadians not being exposed to risk, you would take the opportunity that the security of the motion provides, rather than force us to go to Parliament to have these documents seconded to us.

• (9030)

It is one of the worst instances of risk management I've seen. It is not appropriate risk management review. There is no option that is presented to you that says zero risk and 100% risk. That's a fallacy. Both motions and the amendment present the exact same risk—maybe differently to the government rather than to Parliament, but to us parliamentarians, the exact same risk.

You have an option to take what I think is a pretty good deal, and that's to go in camera to have these documents reviewed. It's not so hard. It's not going to be a big deal like you think it's going to be. If you get sued, defend Canadians. Don't push them away like you are now, asking that they don't deserve to have oversight because you're going to get sued and it's a risk to all Canadians and the taxpayer. You should never have come into a contract like this, that would require NDAs, knowing that Parliament has power to view these documents. Why would a government seek to make something secret, knowing that Parliament could make it un-secret?

I'll say it again for Peter: Why would you as a government enter into a contract with a confidentiality clause knowing that you could not stop what is happening right here today? It was going to become public. It's going to become public one way or another, because this committee has decided it's important, and Canadians have decided that it's a matter of national import.

Thank heavens for the Bloc Québécois. You know what? There is some risk here. Maybe we should review this in a reasonable way. Maybe we should look at this within a committee. MPs are duly elected. Who's going to look at these other than MPs? It should be MPs.

I thank Mr. Housefather for bringing those rights up. I wish he'd rely on those principles of good governance now. It's the right of MPs to view these contracts. To suggest anything else is a "request", a "please", and you've heard "no".

We now need to take the reasonable perspective of having some level of protection versus no level of protection. I suggest that we as colleagues accept the level of protection that is offered to this committee and to the government by way of going in camera, a verified option by the law clerk in their letter to us and to our chair. These are reasonable steps.

Why is the perspective of the department greater than the perspective of Canadians? It's an important piece of this work. It's unfortunate that we've evolved into the position we're in now. I'm going to keep saying these things until you can really hear how important it is, really hear it, and listen to your colleagues about this, or you can do what you accused us of doing and have a narrow perspective. The narrowest perspective present at this committee is the perspective of the department, which would seek to protect itself at all costs, even at the cost of transparency, which is how institutions break. It's how institutions die.

The in camera portion of this protects each and every one of you. It protects the government even against the department's legal recommendation. Perhaps that's true. You're probably all concerned about that the most. But that's a different thing you're doing than looking out for the interests at public accounts. You need to be transparent about that. That's what I find offensive. And then you would accuse us of being partisan for that. I won't name the member—unless, Housefather, you want me to.

It's important. This is really important. It's billions of dollars. This isn't your money. This is Canadians' money.

● (9035)

They deserve to have MPs, especially MPs, get a chance to review these documents. It's a reasonable request, one of compromise, one that has thoughtful input on your behalf.

It's gotten to the point now where I believe our member from the Bloc is offended. You're breaking down collegiality in this place. You're breaking down the purpose of this institution, of the laws that are already in place to protect in the exact circumstances in favour of an opinion from a department whose narrow interest is to defend itself. There's a difference there, a pretty incredible difference, actually.

You've recognized it yourself, Mr. Housefather. The Government of Canada is not a Liberal MP, but in this case we have Liberal MPs not wanting to look at the motion put forward in a reasonable way because the department is concerned about liability so much so that it would request that these members table an amendment that would force NDAs upon members of this committee, and duly elected members of this House whose rights are paramount in this place.

If that weren't the case, we wouldn't have a Parliament. We'd have a dictatorship where the government would enter into any contracts and any agreements it wants, without any oversight. The extraordinary circumstances you're requesting in this committee are being rejected. That doesn't mean your principle of ensuring the confidentiality of those agreements is there. No, that's very different. There's a process that's been identified.

Should any one of us breach the requirements of going in camera, we all have rights to ensure that that member is held accountable. That is a level of security of this place, a level of trust that's been going on for over a hundred-and-some-odd years. To change it now for the benefit of a department of the government is inappropriate. I know that these members, our Liberal colleagues, would not want to be on the other end of that, should it be another government. They would not want to be held liable for the dealings of a government from whom you never even had an opportunity to see the contract or dealings of.

I know each of you understand that. You're good, reasonable people. I believe everyone in this place is a good, reasonable person. I also understand that we have a job to do and there are interests involved. I can see your interests very clearly. I'd hope that you can see our interests as clearly as well, and see that our interests are paramount here to the interests of protecting the department. That is, the interests of transparency and trust for Canadians in one of the greatest times of division in our country. To do this, to ask

members to do an NDA, will very much verify the things that some of our opposition colleagues often fearmonger about.

That's why I believe we can come to a position absent of the department's recommendation, that each and every one of you take upon yourselves in your roles as duly elected members of this House, and see that one of your colleagues, another duly elected member, has tabled a motion that seeks to benefit Canadians and is a matter of national import. In addition, it takes into account your position and the department's position. That's the offer. It's a reasonable one.

I trust that when the Bloc tabled this, it was of the perspective that there was obviously confidential information in there. It's obvious that there was information related to confidentiality clauses. It was built right into the motion.

In the time that we have remaining here, I hope that my colleagues would see there's a reasonable request, a reasonable motion on the table, that would do away with this circumstance we're in now.

● (9040)

Otherwise, we return to the subject after two weeks. I'm sure some people fundraise. Why even give the opportunity when you have a chance and the goodwill of the mover of this motion?

There could be a time when that goodwill runs out and the worst-case scenario for the government becomes possible—the release of these documents without the protection of in camera—because of how important it is for Canadians to understand that there's trust in the expenditure of billions of dollars. I hope you can see those things for what they are.

I might not be here forever. However, I hope that anyone who sits in this room—anyone who sits in public accounts in the future and any government—has the respect, and that their rights are respected as MPs and as members of Canada's chamber in Canada's national Parliament to be able to do really basic things, like always have the opportunity to make sure, as per the laws of this country that allow us to, let or hinder.... The signing of an NDA is one of those things.

It's the goodwill I'm requesting on behalf of all members of this committee. When the Bloc brought this forward, it was one of the very first questions. Is it secure enough? That was the first thing that was brought up. That's why the motion is the way it is. It is one of the most secure processes we have in this place. It's one of the most secure processes in this country, and you're requesting...and it was made mention by our chair that he's concerned about the breach of privilege. I don't take that lightly.

If we begin to pick away at the institutions that protect Canadians by adding barriers and requirements of law, and binding them to NDAs, you would not agree. This will happen one day. The Liberals will be in opposition one day. That's how democracy works. You would not want this to bind you.

What a request of this committee.

I don't even know if this has ever happened, where commercial contracts dealing with medicine like this were so secretive in a time of great division and when you would think we would unite to ensure that we can get consensus on these things.

The best way forward is to have consensus at this table. That's what I'm interested in. That's why this motion, I believe, is well written. It's fair to all persons here. It utilized the existing processes of Parliament. It used the precedent that has been set in this place for a hundred-and-some-odd years.

We have a note from the Auditor General and a note from the law clerk, but those aren't enough. The department wants NDAs, because the department knows it's going to have to have dealings with these companies and their interests are far different. Whatever their interests may be, they are not the interests we are asking about here.

I would humbly request that members.... I doubt we're going to get to a vote on this today, so I hope that later on, during the break, you take opportunities to talk to folks and see whether or not you would want to be on the other end of this, because it puts us in a difficult position. It's a really difficult position. It's an unfair one that you wouldn't agree with yourselves.

If Stephen Harper was around and asked you to do that.... It would be a historic moment watching Peter Fragiskatos sign an NDA in the Harper government.

● (9045)

That's what's being requested here.

Even in a minority setting, you'd think our members would want to be as co-operative as possible, knowing that they don't have the will of the majority of Canadians, which is a really important piece to this, because you're going to have to go home and tell your constituents all about this. You're going to have to say the same things that you said to us. "It's really important. The government's going to get sued, so we don't want to release these contracts." They would say, "What?" You know that. You know that they'd be aghast by this, but that's what we're faced with.

I want to summarize the fact that there is will at the table to come to a consensus on this. The Bloc Québécois, New Democrats and even Conservatives are willing to go in camera to protect the confidentiality of these agreements. It may not be the perspective the department wants you to take, but it should be the perspective you take on behalf of Canadians, because you're not in the department itself.

If you were an ADM or even deputy minister, your job would be very different. It would be to protect that contract and to protect the agreements within it. I understand that's the perspective you're taking now, but there's another perspective, a perspective of being MPs and maybe even future members of the opposition after this becomes a precedent.

You know some parties in this country would use that as a process to forever exclude members from seeing contracts. I really suggest that these members take seriously the will of Parliament and the will of duly elected members instead of the narrow perspective of a department that seeks to protect a contract of private deal-

ings with a commercial company, because that is ultimately what's happening here.

The corporations want an NDA. Maybe the government even knew that. Maybe the government, when entering these contracts with these corporations, said, "Let's put an NDA clause in here, just in case those parliamentarians of Canada want to review it" or, even worse, "Let's put in a confidentiality clause."

This is the reason committees in Canada exist. This is why one of the oldest oversight committees in the country is here. Public accounts is one of the oldest standing committees for this purpose.

To not see the opportunity and the cover that the motion provides you is foolish, because the alternative is worse. Read the note. The law clerk tells you what the alternatives are and what options this committee has, and it doesn't say to make the members sign NDAs. It says the opposite. It says that there are many actions we can take to protect information.

I refer to page 3 of the note from the law clerk. We have any of those options. Look at it right now. We're all going to be here for another 50 minutes or more. I'll read the whole letter, since it's important.

It says, "To the Chair...."

● (9050)

The Chair: Mr. Desjarlais, would you yield for a minute?

I can either come back to you or I can go to the list.

Mr. Blake Desjarlais: Am I back after?

The Chair: You can always go back on the list.

Mr. Blake Desjarlais: Am I starting at the bottom of the list?

I'll allow you a moment, but I'm going to continue.

The Chair: Let me just give an update here.

Normally at this point the committee realizes the writing is on the wall. Having said that, this is a motion the committee debated and debated. I've added time to this committee. If you have flights tonight, you might want to move them. I'm not averse to having this committee sit over the break as well.

In fact, if this obstruction continues, I will work to that effect. I am not going to let this motion, when the writing is on the wall, derail important committee work. If I must, I will begin to move the Auditor General out of her meeting slots with us. We're going to resolve this at some point, and I can count, just like everyone else here can, so I would yield back to you, Mr. Desjarlais.

You're making a very impassioned speech. I appreciate that. You can go on and on, but recognize that there are more people who want to speak to this motion as well.

I'll go back to you.

Mr. Blake Desjarlais: Thank you, Chair.

I do recognize that other members may want to speak to this. I also realize that only one member may speak after me, so I want to make sure that my points are very clear.

There are two important facts.

The perspective being taken by our colleagues from the Liberal bench is not one that is consistent with this committee or its traditions. Mrs. Shanahan can maybe answer this better: In public accounts, have you ever been forced to sign an NDA?

These are important aspects of questions. These things have just never happened—for commercial contracts especially. It's shocking to know that contracts were even entered into this way.

I digress from that point because governments make dealings all the time, but governments should also know that while they make those dealings, they are accountable to Canadians at the end of the day. This is a measure of accountability that is being requested in an oversight committee, which the opposition controls.

We need co-operative members to see that the value and import of Canadians to this issue is critical—first, to have consensus to end division on this topic, which is my greatest goal.

I would hate to see this motion voted on and just the opposition.... I really want to give you folks the benefit of the doubt that, in your perspective, the processes undertaken through the motion are truly insufficient. But, the request that you're making to compensate for that is just so extreme.

We're left in a very difficult position here. It's nearly unreconcilable, but it's not impossible. It is one where, if there's a more reasonable amendment that does not create a precedent where MPs need to sign an NDA to see commercial contracts—which is obviously an issue here—then I'm willing to hear that amendment.

I'm not willing to allow a precedent that would disproportionately harm all future committees this way to become the standard or norm when any private contracts are dealt with. I know you wouldn't want to be on the other end of that.

My position now is that, when we come to a vote on this, we utilize the goodwill that is within the Bloc Québécois' motion. There's goodwill present there. I don't want to take words out of the Bloc Québécois' or Nathalie's mouth, but those were built in there for the specific and explicit purpose that these documents are confidential. That's why the motion reads the way it does.

It's important you see that, as the opportunity presents itself, because that can have the effect of compromise between both sides. We see the documents and you get confidentiality. Those are both good things.

To be so partisan to say “our way or the highway” is extreme. To set a precedent that would have us sign NDAs for commercial contracts.... Come on. Canadians deserve better than that. The members of this committee deserve better than that.

MPs aren't out to hurt everybody. We're here to do a job that Canadians have duly elected us to do.

They've requested a reasonable motion, for which they have force because they have a number of willing members of this committee.

You're not reading the writing on the wall, which says that no one is going to go along with this amendment because the amendment is intrusive. That being said, the next best thing is the motion.

● (9055)

I do believe that if this motion began by demanding all documents publicly in committee, you would probably come back with an amendment of confidentiality in some way, shape or form. Then we would have agreed. Maybe it would have arisen in the way the motion, as originally tabled, is in terms of the confidentiality and the secure location. Those are important pieces to this.

I would like to see us get to a vote on this. I'd like us to do this without interrupting the procedures of this committee. I do maintain the fact that I know that members know the right thing to do here on behalf of Canadians and on behalf of the country: It's in camera.

Anthony, it's in camera. When you spoke about this, you offered a compelling argument about the need for confidentiality. I agree with that. That is what's offered in the motion.

On the risk that going in camera presents, yes, I agree, you never know what could happen in this place in terms of what someone says in the House of Commons chamber. But that was something you were never going to stop to begin with.

Han Dong even mentioned it last week, if I remember, accusing members that, when something goes in camera, it's going to end up in the House. The member from Edmonton West refuted that. That was reasonable. That was a good thing to refute, because we would never do that. To start from that position of fear and risk is a problem when we need to talk about transparency in the place of transparency.

I think it's a reasonable motion. We're not going to get the amendment agreed upon today. The motion is something that is reasonable and that we can get consensus on right now. The motion, the way it reads now, does have the quality of best ensuring protection and important aspects of confidentiality. I suggest that unless a new amendment can be tabled that takes out some of the important aspects that were mentioned, like the desire not to have an NDA, then maybe we can get to a point of agreement. But if that is the hard line of the government, that entrenched position to protect the government at all costs, the department at all costs, that is the opposite of what.... That is exactly what you are accusing us of, being in entrenched positions, when as a matter of fact, the position that's presented by the motion is actually on account of yours. It's directly a compromise.

I hope you can see the goodwill there. I still stand by my words that we all have a job, and our job on this committee is to be able to review these contracts. That is how the motion reads now, that we discuss that in camera. We review those contracts in camera and Canadians are better assured, or we continue down this path of creating more and more confidentiality clauses to continuously and onerously fetter Parliament.

Before I leave it there, Mr. Chair, I would really invite members to read some of the documents that were tabled and sent to our chair.

Thank you.

● (9100)

The Chair: Thank you very much.

I believe Mr. Housefather is next in the speaking order.

Is there any chance that you are willing to withdraw your motion, sir?

Mr. Anthony Housefather: No.

The Chair: Pardon me. I meant your amendment to the motion.

Mr. Anthony Housefather: I meant no.

Thank you, Mr. Chair.

Look, I'm going to, again, not go on too long. I'm just going to briefly respond.

Lots of accusations, I think, were almost thrown out about the motive of people on this side, which I don't take very kindly to. I didn't come here with any partisanship. I didn't say anything that was partisan at all. I didn't make any imputations of the motives of anybody. In fact, I acknowledge and agree that the committee has the right to the documents. I said it from the beginning. I have never taken the position that parliamentary committees don't have a right to documents. Parliamentary committees have an absolute right to documents.

The question, then, is this: When we say there is an absolute right to the unredacted documents, what is the responsible way to get that?

I agree with you as well that confidentiality is important. But it was also clear, from what I understand, that the easiest way to get the documents in an unredacted way without breaching the agreement is through this process that was said in the amendment.

We came here in good faith with an amendment. We didn't come and say, no, we don't want you to have unredacted documents. We agree that you should have them. We came with an amendment that would set out a different process, a slightly different process than the one in the original motion. Now, everybody has a right to agree or not agree with that amendment. But to say that that amendment somehow is seeking to protect X or X....

It's seeking to protect Canadian taxpayers from litigation for no reason, because there's a process to get the documents that doesn't involve that level of risk. Of course, we can all assess whether that risk is worth it or not. To say that our non-partisan civil service that enters into agreements and then provides advice as to what the

scope of that agreement is and the way that parliamentarians should best access it, is somehow against Canadians, I don't think is fair either.

Tonight, I heard from my opposition colleagues, fairly, that they don't want the NDA. Okay. So, I came back with another proposal. I said let the department have until the next meeting to go to the suppliers and see if there's an alternative.

Sorry? You were talking.

● (9105)

Mr. Blake Desjarlais: You can continue.

Mr. Anthony Housefather: Okay.

That's what I suggested. I didn't hear any other suggestion about anything. I suggested that.

Then, I suggested that, okay, we'll even bring the legal representatives of the department to the next meeting so they can actually explain to the committee directly what they feel the risk is. I think I'm actually the only person tonight who has actually presented any alternatives whatsoever and offered different suggestions to move forward.

I haven't heard anything about a suggestion, a concrete proposal to deal with the concerns that I legitimately have, not as a government person, but as a Liberal member of Parliament who doesn't want to go beyond what it is that we should do to avoid risk. I don't think it's unreasonable. I don't think I would be in a different position whatever side I was on. It's not unprecedented for a member of Parliament to sign an NDA, as Mr. Fragiskatos pointed out. Other committees have had NDAs. In fact, in my last job.... Every employer has their employees sign an NDA when they start work with the company. That's normal.

In this case, members of Parliament, because we're elected and we're in a unique position, don't sign NDAs. But what is the real harm of suggesting it?

Again, if there's a desire not to sign the NDA, okay, that's fine. What is the other alternative?

We don't know, because we haven't explored it with the suppliers or heard from the people who are the most knowledgeable and who have access to the agreement and can talk to us about the scale of risk.

I don't know what to say other than tonight, I don't feel that I'm in a position to suggest things other than what's there, because I have no new information to provide than I had when the meetings started. I do believe it's up to parliamentarians, even though they do have an absolute right to see documents, to consider whether or not there are ways to see them that mitigate risk or not. I don't think that's inappropriate.

The Chair: Order, please.

Mr. Anthony Housefather: In any case, again, I just want to come back to the premise that I do agree that transparency is important. I do agree that everybody should see the document. I do agree that it should be seen in the near future. I do agree that it should be seen in a secure location.

I do note that I have read the counsel's letter, which basically sets out what the motion was, what the powers of the committee are, which nobody disputes, what to do if there is a refusal regarding production, which nobody disputes. Then it goes on to say:

The motion proposes measures to protect the confidentiality—

There should be an “of” here.

—the requested records, namely that the documents only be consulted in the Committee clerk's office for one day.

I agree with that. That is one way to protect confidentiality, which in normal course would be absolutely acceptable.

Then, it says, “While such measures aren't mandatory, they would be a valid exercise of the Committee's power and that may address confidentiality concerns.”

They “may” or they “may not”...depending on what the contract actually says, which the person who wrote this doesn't have access to.

Mr. Blake Desjarlais: [*Inaudible—Editor*].

Mr. Anthony Housefather: Well, right, because he doesn't have access to the agreement to give legal advice as to what the potential liability under the agreement is.

Mr. Blake Desjarlais: It doesn't say NDA.

The Chair: Mr. Desjarlais, could you not interrupt the speakers, please.

Mr. Anthony Housefather: Again, this basically says, which is absolutely true, all of this would be a valid exercise of the committee's powers and that may address confidentiality concerns. They may or they may not.

And again there are people who have seen the agreement who understand what the scope of the risk is and they can come and advise the committee on that scope of risk, or alternatively, maybe now that they have the knowledge of the motion and where the committee wants to go, they can get an agreement with the suppliers to drop that or come up with an alternative.

I don't think any of these things are unreasonable. All that this would do is delay the discussion on this and a solution to the next committee meeting. Because I actually don't want to filibuster, I am stopping now.

Thank you.

The Chair: Thank you very much.

I believe Ms. Shanahan is next.

Mrs. Brenda Shanahan: Thank you, Chair.

I just want to react to a couple of things. I think people here, colleagues, know what my preference for this entire exercise would be, but I am an example of a member who has been convinced by arguments to the contrary, and what my colleague is suggesting as an amendment is entirely reasonable to me. And I don't always agree with my colleague.

I don't always agree with Mr. Housefather, but I have enormous respect for his analysis, for his careful and objective reading certainly of legal documents, and also the way that he cares about the

outcomes of what he does. That is what brought me to the position that one thing about these contracts is that they don't just belong to the government. They are assigned by other parties. That is what gives the additional level of concern here, and it wouldn't be expected that we as members of Parliament, because that's not our expertise, would know about it.

So on the suggestion of Mr. Housefather to have witnesses from the department, who by the way are public servants, I find it disturbing that a member here would question the integrity of our public service, especially, I'm sorry, Mr. Desjarlais, but someone who belongs to the New Democratic Party. It's not something that I'm accustomed to hearing. It's almost demonizing the work of these public servants—

• (9110)

Mr. Blake Desjarlais: I have a point of order.

The Chair: No. You can be offended, but that's not a point of order, and I'll give you the right to return to it, but do you actually have a point of order?

Mr. Blake Desjarlais: Okay, sure, if I have a right to return to it, yes.

The Chair: Ms. Shanahan, what you're addressing now is actually not part of this motion. If Mr. Housefather or you wants to put forward another motion to bring them, you can do that, but I will say that the motion we're discussing actually does not involve inviting anyone to discuss it. It is the motion that's at hand.

Having said that, it's your time, but I just want to be judicious with our arguments.

Back to you.

Mrs. Brenda Shanahan: Thank you, Chair,

Again, returning to the work that this committee does, the precedent that is being set here actually is that this committee is looking at original documents that have already been studied by the Auditor General and that the Auditor General has already given her analysis on. That's the precedent of the.... Mr. Desjarlais wanted to know from me as a long-time member if I ever signed a non-disclosure agreement in the context of this committee. No, I didn't because this committee never asked for original documents of this nature.

Why wouldn't we ask for them? Because we have the work of the Auditor General before us, because there are other committees that deal with actual contracts. This committee is a review committee. We review the work that has been done and we review that work through the lens of the Auditor General, who certainly has the resources and we can rightfully ask at different times if the Auditor General indeed has all the resources that they need to do their work. We've had that discussion when we look at the main estimates and when we look at the Auditor General's own annual report about the operations of her office.

But coming back to the Auditor General, this really would have been my preference, that we respect the work that the Auditor General did in this case.

[Translation]

I'd like to read the conclusion taken from the Auditor General's news release dated December 6, 2022:

A report from Auditor General Karen Hogan tabled today in the House of Commons found that the Public Health Agency of Canada and Health Canada, supported by Public Services and Procurement Canada, responded to the urgency of the coronavirus pandemic in 2020 and secured COVID-19 vaccine doses so that everyone in Canada who chose to be vaccinated could be. Vaccines were needed quickly to reduce Canadians' risk of serious illness, hospitalization, and death from COVID-19.

I feel I don't need to remind everyone that when the vaccines came in, MPs asked if we had talked to our constituents. This report was made public in the media and it was discussed in the public space. I can say that my constituents are very pleased with the work of our public service.

I went to a clinic in my constituency to get my fifth dose of vaccine, and the clinic was full. Some people were there with their children. It was overwhelming and from what the nurse told me, it's like that every day. Parents were very happy to be able to come in with their children, and there was a playground so the children could have a positive experience with the vaccines. It was really impressive. I know it was different elsewhere and other kinds of messages were conveyed.

● (9115)

In my region and in Quebec, people were happy that the vaccines had been developed, purchased and delivered. They were pleased to see that the vaccines worked well.

Of course, it is our role and the Auditor General's role to review the contracts in order to determine if abuse occurred.

The Auditor General's report states:

9.26 In order to protect the commercial confidential information contained in the advance purchase agreements, we used publicly available information and unclassified information to estimate that at 31 May 2022, the average cost of 1 dose was approximately \$30, excluding taxes.

I'm going to stop here, for now. Earlier, it was said that elsewhere the cost of a dose might be \$12 or \$16, for example.

We might have expected the public to react strongly when they heard that the price of a dose was \$30. They might have questioned why the price was set at \$30 per dose. They might have suggested that we go to Colombia to get a better price per dose. However, that's not what we heard. I believe Canadians realized that was the price we had to pay to get access to the vaccines; they accepted that fact.

I asked the following question at the February 6 meeting:

If we're in a war and win that war, are we then looking at the number of bullets we used and saying, "Well, maybe we used too many bullets"?

Next time, we're going to have to look at how to prevent a situation like this. Actually, that was the role of the Auditor General's report.

I will now continue reading from the report:

The estimated cost per dose will vary over time based on a number of factors, including, but not limited to, the effects of changes in foreign currency exchange rates and in market forces, such as supply and demand.

Firm contracts or other ways to monitor that come to mind.

I will continue:

As a result, at the end of our audit period, the Government of Canada had spent approximately \$5 billion on vaccines for the 169 million doses paid for between December 2020 and May 2022...

Personally, I follow the media every day. That said, I've never heard people say that the government paid way too much for vaccines, which saved the lives of hundreds of thousands of Canadians. If any other members have received complaints about this from the constituents they represent, I would ask them to let us know.

In any Auditor General's report, the recommendations are the most important thing.

Based on the information that the Auditor General was able to give us about the prices, terms and conditions of the contracts, one would have expected her to conclude, if that had been the case, that officials should do a better job negotiating future contracts, or following Colombia's standards, for example, or that they should look into other means.

● (9120)

The Auditor General could have said that the contract should be free of confidentiality provisions, but she didn't. Instead, her recommendations are along the lines of the one found in section 9.57, which reads as follows:

9.57 Recommendation. To minimize further wastage, the Public Health Agency of Canada should draw on the lessons learned from its management of the COVID-19 vaccine supply and work with other implicated federal organizations and stakeholders to adjust its management of COVID-19 vaccine surpluses.

I agree wholeheartedly. The Public Health Agency also agrees. We asked questions about that.

[English]

The Chair: Ms. Shanahan, it appears that you're now arguing against even Mr. Housefather's motion. Your argument sounds to me like you're not in favour of any disclosure because of the Auditor General's report. I'm just looking for relevance.

[Translation]

Mrs. Brenda Shanahan: Mr. Chair, as I made clear at the beginning, I prefer that we rely on the work of the Auditor General. I hate redundancy, and I think others here feel the same way. We should manage our time effectively. We do have work to do.

Personally, I would tend to stick to the committee's mandate, consider the fact that there was no precedent for looking at contracts in their original form, and rely on the work of the Auditor General. That was my position.

My colleague is arguing that when committee members want to see contracts, is important to find ways to make that possible. The amendment being proposed constitutes one of those ways. It says that we still have to respect the fact that... It's not just up to us. It's not the type of document that would contain a policy developed by the government itself.

We are talking about documents that have an impact on the market. There is a way to communicate with stakeholders. It is actually quite normal to communicate with them. I have seen this before in other committees, for example, when a witness's testimony is sensitive or when the topics include sensitive issues. We have to find ways to do it properly and respectfully. I am thinking in particular of the public officials who have done this type of work, who are bound by confidentiality and may therefore be penalized for not fully complying with some of the terms and conditions of these contracts.

In his amendment, my colleague suggests a way of doing things. If someone wanted to propose a subamendment, I think there is some openness here and an opportunity to do so. For my part, given my preference, I can water things down a bit and say that I am here to work with all other committee members. I do believe in the importance of this committee and that we should reach consensus when we do these studies.

On that note, Mr. Chair, I will conclude my remarks.

● (9125)

The Chair: Thank you very much.

Ms. Yip, you have the floor.

[*English*]

Ms. Jean Yip: Thank you.

Vaccination is one of the world's public health achievements. For over 50 years, vaccines have helped prevent—

The Chair: Ms. Yip, I'm going to ask you to get to the point. Thank you.

Ms. Jean Yip: I'm going to get to my point.

I think I still have three minutes or so. Are we going to keep going? I can keep going.

All right. Where was I?

The Chair: Go from the top.

Ms. Jean Yip: Thank you for that.

The Chair: You have time, too.

Ms. Jean Yip: Vaccination is one of the world's greatest public health achievements. For over 50 years, vaccines have helped prevent and control the spread of deadly diseases and saved the lives of millions of infants, children and adults.

For example, there are vaccines for epidemics such as Ebola, childhood diseases, debilitating diseases such as polio, diseases such as yellow fever that are common in some travel destinations, influenza strains that change every year, and preventing or treating cancer. Many vaccines are recommended as part of Canadian public health programs to prevent people from getting diseases. This means they are given to large numbers of people.

People in my riding of Scarborough—Agincourt and many people across Canada are so grateful to have vaccines, especially during this COVID period. I would rather protect Canadians. This is about protecting Canadians, not the government.

I mentioned that we are still procuring vaccines. Why would we want to jeopardize this?

Vaccine companies may be reluctant to come, to continue to do business or even to conduct research. I want to ensure that Canadians are able to have continued access, not just to COVID vaccines but to other vaccines like the flu, HPV, shingles, travel vaccines and much more.

It is important that we continue to have the ability to purchase vaccines, that companies feel confident there will not be a breach of commitments, and that choice be there for us to be able to select from a variety of companies to purchase vaccines. I worry that this limits our future ability to have ready access to a variety of vaccines.

I believe that Mr. Housefather's amendment is reasonable and that it should be considered.

Thank you.

● (9130)

The Chair: Thank you.

Mr. Fragiskatos, you have the floor.

Mr. Peter Fragiskatos: Thank you very much, Chair, and thank you to my colleague.

It's important to keep in mind that we are part of the Westminster parliamentary tradition. In that tradition, the rules and procedures of what we do here...all of that is held together by precedent. I note that, Mr. Chair, and I'm sure we're all aware of it, because in that big green book that we are given when we're all elected—I'm sure we've read that book—you'll find precedent throughout, cited time and again. In x year, this happened. In y year, that happened, and so on and so forth. That's how we keep our tradition going, as I said. That's what holds things together; not completely, but it is the key.

I say this, especially, because I was surprised to hear tonight—and the comment's been made a few times by colleagues in the opposition—that somehow an NDA constitutes something that is completely outside of the norm. For example, our having to consider an NDA...certainly, arguments have been made that our signing an NDA would be tantamount to its being forced upon us. "Intrusive" was also used.

These kinds of things, I think, have to be understood as situated within this point about precedent that I just made, because it's not as if they would be presented out of nowhere. I say this with reference to a February 2017 report from the committee of justice. It is highly relevant for our purposes here tonight, Chair.

In the report, on page 6, it says:

The Minister of Justice discussed the shortlist of candidates

—being the short list of candidates, Mr. Chair, immediately prior to the appointment of the Supreme Court justice at the time—

with only three members of our committee—Mr. Housefather, Mr. Nicholson, and Mr. Rankin—in their roles as Committee Chair and Opposition Justice Critics respectively.

Now, for those of us who remember, Mr. Rob Nicholson was then the minister of justice in Canada.

Chair, I'm not sure if you served with him. You may have. You did.

He's certainly someone I disagreed with on a range of policy issues, but I don't think his intent as a parliamentarian was ever questioned, nor was his passion for policy ever questioned.

Mr. Rankin is also mentioned. We know him as a former colleague. Murray Rankin is now serving in the province of British Columbia. He's a very good man and someone I was quite happy to work with.

I mention them because the report continues:

These members signed a non-disclosure agreement prior to being consulted.

Prior to being consulted by the then minister of justice, they had to sign a non-disclosure agreement. That is a critical point for our consideration, because if the argument has been made here tonight, as it has been, that the signing of a non-disclosure agreement somehow would breach our parliamentary privilege, that in and of itself, to my way of thinking, is proof that our parliamentary privilege would not, in fact, be breached.

Are we to think that a minister of justice would go ahead and sign a non-disclosure agreement on the understanding that doing so would be a breach of their parliamentary privilege? I don't think so.

Mr. Rankin was not a federal minister. He's a provincial minister now and served with...he was a very distinguished MP. He was really quite liked across the aisle. Would he have done that? Would he have signed a non-disclosure agreement if he had thought that it was a breach of his parliamentary privilege? Certainly not.

All of this, I think, brings to bear the key point that is now on the record. The inclusion of the point on the non-disclosure agreement in this amendment is not a breach of parliamentary privilege. It's simply not. It's not an unprecedented step. A colleague earlier made the argument that this is somehow outside the norm. "Forced upon" was the term used, and—I've already said it, but it's worth saying again—that this would interfere with and intrude on our role as MPs.

● (9135)

It's been done before. It's been done by long-standing members of the House of Commons, elected members of the House of Commons, people who know the rules of parliamentary procedure very, very well, and a minister of justice no less, Mr. Rankin. If we remember him—and I'm not sure members had the opportunity to work with him very closely—those who do remember him know him as someone who understood the rules of this place very, very well, certainly in terms of what constitutes parliamentary privilege and what would be a breach of it. He was very well versed in all those things.

They signed non-disclosure agreements back in 2017. As a result, they consulted with the then minister of justice on the short list for the Supreme Court appointment. Is it that unreasonable that this committee would have its members do the same? There is precedent for this. This has happened before. If we believe very seriously, as we should, in the notion that our tradition, our Westminster parliamentary tradition, is important, then I think we should take that incredibly seriously, Mr. Chair. Otherwise, what are we left with? This, I suppose, goes back to an argument that was made before about what we do in this place. If we're not paying attention to the rules, if we're not paying attention to things like precedent, upon which the rules are based, then we're not doing our jobs as members of Parliament.

I think this is absolutely crucial. It was important for me to make clear that the members being referenced are members from other parties: Mr. Nicholson was a Conservative and Mr. Rankin was an NDP member. I point to their record of service, not just to illustrate the point, but to try to be, in the spirit of this committee, non-partisan. It shows that we need to understand and recognize that colleagues from different parties have made a contribution and have lived up to their responsibilities. I could have pointed to Liberals who have signed NDAs, and it would certainly not have been a breach of parliamentary privilege, but I'm trying to expand the tent, as it were.

I don't see anything wrong here with our going ahead and doing this, recognizing the need, again, to be reasonable. If members still have a challenge somehow, even though there is now precedent on the record that signing an NDA does not breach parliamentary privilege, then what we can do is go back to what Mr. Housefather talked about before.

In a few days' time, when we reconvene here in Ottawa, we can have public servants from PSPC come and tell us their perspective on this particular issue and where NDAs fit in. Again, I see nothing wrong with this. I think this is completely fair. It would allow members to question those public servants as much as they wish and to put very pointed questions to the members of the public service. Let's have a conversation about that. Failing that, I don't think we've considered the issue from all sides, from all perspectives. I think that would be a disservice to us, Mr. Chair.

By the way, I should have made it absolutely clear that I was citing not just a page on the Internet or from some news report, Mr. Chair. I was citing directly from a report of this Parliament—not this Parliament, but you understand what I'm saying—that has been issued by the House of Commons, specifically the Standing Committee on Justice. This is something I think we have to take seriously.

Again, I haven't heard members ask here tonight whether or not the signing of a non-disclosure agreement would somehow constitute a breach of parliamentary privilege. I think I've illustrated the point now by pointing to particular precedents that take us back to 2017. I think the question has been answered; however, we can take time to consider it further, if not in our own deliberations in the coming days, then perhaps by putting the question to the clerk and asking the clerk what they think about this particular issue.

• (9140)

We can also go through the green book I talked about before, *House of Commons Procedure and Practice*, whichever edition it might be. It would be a good idea to consult the most recent one. Perhaps this discussion will make an appearance in a future edition, who knows? I think that when we decide on something as important as this, we take into account all the perspectives, all the various issues at play, otherwise, we're really not doing our job, are we?

The issue of precedent itself.... And, Mr. Chair, you might ask is it just something relating to the Westminster parliamentary tradition? No, I think if you look at the Congressional Record, and specifically the rules and procedures that would apply to the American Congress, there too you have....

I know, Mr. Chair, you're a follower of American politics and you're a student of American history, both in your time as a member of Parliament but in your time as a journalist as well. You will see for yourself, and I invite all other members to look in those rules and procedures, that in the American presidential tradition and that tradition of presidential democracy, precedent plays a very important role in establishing rules, and what would in that case constitute a breach if one is a member of the House of Representatives or a senator. The rules that help to establish that are found in precedent. We now have clear-cut examples that illustrate that there is precedent, certainly, and that's all that matters, that the precedent exists for us to follow here.

This argument that's been raised here tonight—passionately, I'll admit—by members across the way is one that I've considered, and there it was in front of me in a report available to us online. It is public, but I'm glad to, if members wish to have access to that report, email it to fellow members so they can see for themselves right there in black and white text that this is something that has happened. Some might make the case that it's just one precedent. One is all you need, Mr. Chair, one case, and we've had that established already at the justice committee.

The argument could also be posed that this is not a precedent that comes from the public accounts committee, and instead comes from the justice committee. Regardless, I think we can't mistake the fact that each committee is considered on its own merit. In other words, one committee is not more important than another. With that in mind, we have to really take seriously the fact that the examples set from other committees should guide us in all our work and all our deliberations and in how we approach the issues that come to our attention. That's something that I think deserves real respect, otherwise, we're not living up to our role here.

Things that have happened in the past, whether it is the very recent past, 2017, again, the date that this precedent came into fruition, or 1917, count the same and they help guide us. I'm not blaming my friends in the opposition. It's not as if this is common knowledge. We have so many responsibilities as members of Parliament, I'm not expecting that everyone's memorized the rules and procedures—I certainly haven't—of this place.

I try to do my best and it makes for very interesting reading, interesting depending on your definition. Certainly, when you're trying to understand what happens at committees, how they work, and the ins and outs.... I remember as a member of Parliament early in

my days when I was honoured enough to be elected in 2015, delving in and reading as much as I could, but I'm certainly no expert. We need to understand that that offers a guide to us.

Again, I make that offer to colleagues, if they wish to take a look at what I've just cited, because I think it does give us the chance to get past this argument.

• (9145)

There's nothing intrusive about what has been proposed. There's nothing that is being forced upon us here. I think we ought to move in that direction, Mr. Chair.

I haven't thanked them yet. I probably should have. The translators have been kind enough to us tonight. I think they have been with us for, I believe, four or five hours now, or whatever it has been.

I wonder if we can suspend, Mr. Chair, to give them a break. They have been going for quite a while, and we can pick this discussion up, but I do not yield the floor at this point. I just want your thoughts on that.

The Chair: You have the floor.

Mr. Peter Fragiskatos: I'm wondering if we are able to suspend and pick this up at a future meeting because of lack of resources.

The Chair: No. You have the floor, Mr. Fragiskatos.

Mr. Peter Fragiskatos: Okay. I will continue happily.

The Chair: One of your colleagues is next. You're not the last.

Mr. Peter Fragiskatos: Right. I'm happy to continue.

The point was made, and I don't mean it as disrespect when I say that members have missed that we do have previous cases where non-disclosure agreements have been signed by MPs. That's something that is, I think, central to what we're trying to sort out here tonight.

I also made reference to it before, but maybe I can put it back to you, Chair, and to the clerk to sort that question out once and for all, because I'm no authority on this. Perhaps it can be looked at further by the clerk to understand whether or not I'm correct in my assessment, but, yes, I think that this point about precedent is something that can't be dismissed.

I have some other thoughts, Chair, but I don't want to take up time from others. You said that there are others who have a point they want to make.

The Chair: Mr. Housefather, you have the floor.

Mr. Anthony Housefather: Thank you very much, Mr. Chair.

I just wanted to again make the point that it's clear we're not going to reach agreement tonight. It's clear that we have homework to do on our side to go back and figure out with the department whether or not there's a way to do this without NDAs, without having risk, or having lots of risk and understanding that risk.

In my proposal, what I would suggest is that the committee gives us the time to go back to contact the suppliers to see whether or not the suppliers are amenable to another solution. If we haven't found a solution that's acceptable to the committee in between meetings, we could have a representative of the department in camera present to the committee why they are concerned from a legal standpoint. Then the committee can decide whether or not they accept that argument.

At that point, at the end of that presentation, I will very willingly either withdraw my amendment in the event that I feel that the explanation is not warranted, or we will have an immediate vote on it, because I think my colleagues and I will all agree that we will vote immediately on it as opposed to taking up everybody's time talking forever and not coming to any point.

Mr. Chair, that would be what I would propose to the committee. I don't want to yield the floor, because I'm afraid, if I do, that we will just keep going.

I don't know if we have any kind of agreement on that or not, but that's what I would propose.

The Chair: Go ahead, Mr. Housefather.

Mr. Anthony Housefather: All right.

Then, Mr. Chair, since I'm looking around at the faces, that's what I propose we make happen.

I move to adjourn.

• (9150)

The Chair: Well, you can't move to adjourn.

There are no other names on the speaking list.

Clerk, call the question, please.

Mrs. Brenda Shanahan: I'm sorry, Chair; I had my hand up. I was on the list.

Mr. Anthony Housefather: Mr. Chair, on point of order, why can't I move to adjourn?

The Chair: You can't move to adjourn the meeting. Oh, you can move, so we have to vote on that.

There's a motion to adjourn the meeting.

Clerk, call the vote.

[*Translation*]

Ms. Nathalie Sinclair-Desgagné: Mr. Chair, we will take up this debate at the next meeting, correct?

We are not about to adjourn the debate, are we?

[*English*]

The Chair: No, it's to end the meeting.

[*Translation*]

Ms. Nathalie Sinclair-Desgagné: Can you assure us that we will shortly pick up where we left off?

The Chair: Committee members will have the option of resuming debate on the motion or considering report 6 on the surveillance of Arctic waters.

That being said, the motion will be our priority.

Ms. Nathalie Sinclair-Desgagné: Could you be more specific, please?

The Chair: We will still have to debate the amendment to your motion.

Ms. Nathalie Sinclair-Desgagné: I just want to make sure I'm correctly understanding the process.

At the next committee meeting, are we going to vote again on whether to debate the amendment or will we automatically start debating it?

The Chair: We will continue discussing it.

Ms. Nathalie Sinclair-Desgagné: We will be taking up the debate, then.

The Chair: Yes, we will resume the debate.

Ms. Nathalie Sinclair-Desgagné: So, at the next meeting we will continue the debate.

The Chair: Yes, we will be debating the amendment to your motion.

[*English*]

Does that answer your question?

Mr. Kelly McCauley: Chair, I have a question.

It's at the chair's discretion to resume—

The Chair: Yes, but because it's a motion it can interject other business. If we voted to end the meeting, we could pick it up at the first available opportunity.

I'm going to continue the roll call to adjourn the meeting.

(Motion agreed to: yeas 6; nays 4)

The Chair: We are adjourned.

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