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# Standing Committee on Public Accounts

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Chair: Mr. John Williamson





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• (1000)

[*Translation*]

**The Chair (Mr. John Williamson (New Brunswick South-west, CPC)):** Good morning, everyone. I call the meeting to order.

Welcome to meeting number 111 of the House of Commons Standing Committee on Public Accounts—

**Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.):** Mr. Chair, I have a point of order, much to my chagrin.

**The Chair:** Go ahead, Mrs. Shanahan.

**Mrs. Brenda Shanahan:** It's about the procedures of our committee and the meetings scheduled in weeks when we should be spending time with our constituents. We did receive a work plan for the meetings this week, but we only got it this morning at 8:43 a.m. I would remind you that normally members should be in their ridings this week to work with their constituents.

It's not really how this committee usually operates. Normally, we do confer and the meetings are not unilaterally planned by the chair. Now that we have our work plan, I hope that from now on we won't have any surprise meetings like the ones this week.

Thank you very much.

**The Chair:** Okay. It was more of a political speech.

[*English*]

Ms. Shanahan, I took the courtesy of having the clerk instruct everyone about these meetings, plus the work plan came out today, but before that, the notice of the meeting came out both at the end of last week and yesterday.

**Ms. Iqra Khalid (Mississauga—Erin Mills, Lib.):** I have a point of order, Mr. Chair.

**The Chair:** Ms. Khalid, I'm addressing a point of order right now. Why don't you just hold on a second? I'll finish up with Ms. Shanahan and then hear your point of order. When I turn to you, I'll address your point of order just once, and then we can deal with it later if you would like.

Ms. Shanahan, the work plan is not, of course, a notice. We had a subcommittee meeting on this. Your representative on that subcommittee was welcome to brief you on what was discussed. I've sent Ms. Yip a note today so we can talk about it tomorrow or wait until next week. The preference is to wait until next week.

Ms. Khalid, go ahead on your point of order, please.

**Ms. Iqra Khalid:** Chair, I object to your calling Ms. Shanahan's concerns political. I think we have worked very well through con-

sensus on issues in this committee in the past. We are a non-partisan or a multipartisan committee, and it's not fair for you to make those objections, Chair.

• (1005)

**The Chair:** Thank you.

Ms. Khalid, all committees are—

**Ms. Iqra Khalid:** I'm sorry, Chair, but I'm not done.

**The Chair:** This is not a point of order, Ms. Khalid; this is a statement.

All committees are multipartisan. This is one that is also opposition-led. We had a subcommittee meeting on this, and I gave everyone what I thought to be suitable notice and I received no objections beforehand. I am now on the floor, which is disrupting the meeting. This is not a point of order, so I'm going to move on. You will be in a position to make a further statement when it is your time.

I will say that my email works even when I'm not in committee, and members are of course welcome to work either through me or through their representative on the subcommittee.

The idea, to Ms. Shanahan's point, that today's working calendar represents the first that any of you have heard of this is false. There was unofficial notice given a week ago as well as the official notification at the end of last week, and then yesterday as well.

**Mrs. Brenda Shanahan:** On a point of order, Chair, my intervention was more about how I hoped that we would now follow the work plan and the subcommittee discussions, and that we would have no more meetings called unilaterally by the chair.

Thank you.

**Mr. Michael Barrett (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC):** Chair, if we're just offering points of order, I would like to make a point of order that I hope we don't have points of order that aren't actually points of order, such as those from the previous two speakers.

**The Chair:** Thank you, Mr. Barrett.

I was taking Ms. Shanahan's last comment as a tying a bow on her previous comment, and I will now continue the opening process of welcoming our witnesses. Then we'll get to the rounds of questioning.

Just for the record, everyone, the indication I have is that the preference from members is for us to review the Tuesday subcommittee work at the end of the meeting.

Without further ado, today's meeting is taking place in a hybrid format, pursuant to the Standing Orders. Members are attending in person in the room and remotely by using the Zoom application.

I remind everyone that all comments should be addressed through the chair.

[Translation]

Pursuant to Standing Order 108(3)(g), the committee is resuming consideration of the Auditor General's Report 1, 2024, entitled "ArriveCAN", referred to the committee on Monday, February 12, 2024.

[English]

I'd now like to welcome our witnesses. From the Office of the Auditor General, we have Andrew Hayes, deputy auditor general; Sami Hannoush, principal; and Lucie Després, director. From the Canada Border Services Agency, we have Darryl Vleeming, vice-president and chief information officer, and Jonathan Moor, vice-president, comptrollership branch.

Mr. Hayes, you'll be given up to five minutes for your opening remarks, and then we'll turn to the CBSA.

Without further ado, you have the floor, Mr. Hayes.

**Mr. Andrew Hayes (Deputy Auditor General, Office of the Auditor General):** Mr. Chair, thank you for inviting us again to discuss our report on ArriveCAN.

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

I am accompanied today by Sami Hannoush and Lucie Després, who were responsible for the audit.

[Translation]

Our audit of the ArriveCAN application looked at how the Canada Border Services Agency, the Public Health Agency of Canada and Public Services and Procurement Canada managed the procurement and development of the application, and whether they spent public funds in a way that delivered value for money.

[English]

You have heard the Auditor General emphasize how deeply concerned we are by what this audit didn't find.

We didn't find records to accurately show how much was spent on what, who did the work, or how and why contracting decisions were made, and that paper trail should have existed. Overall, this audit shows a glaring disregard for basic management and contracting practices throughout ArriveCAN's development and implementation.

Government organizations needed to be flexible and fast in responding to the COVID-19 pandemic, but they still needed to document their decisions and demonstrate the prudent use of public funds. In this audit, we found disappointing failures and omissions everywhere we looked.

Public servants must always be transparent and accountable to Canadians for their use of public funds. An emergency does not mean that all the rules go out the window and that departments and agencies are no longer required to document their decisions and keep complete and accurate records.

[Translation]

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

Thank you.

• (1010)

[English]

**The Chair:** Thank you, Mr. Hayes.

Mr. Moor, I understand that you have an opening statement. You have five minutes, please.

**Mr. Jonathan Moor (Vice-President, Comptrollership Branch, Canada Border Services Agency):** Good morning, Mr. Chair and honourable members of the committee.

I'd like to thank the Auditor General and the procurement ombud for their reports, which have identified some important lessons for us all.

The Canada Border Services Agency has already implemented a number of actions to address their recommendations. At the onset of the pandemic, the CBSA was focused on protecting our borders while maintaining the flow of essential travellers and trade. The agency needed to adapt its operations at a time of considerable uncertainty over health risks.

The need for ArriveCAN arose quickly when it became clear that the manual, paper-based processes for tracking the contact tracing and health information of travellers did not meet the needs of the Public Health Agency of Canada. PHAC asked the CBSA to assist it by developing a digital form, and the first version of ArriveCAN was released six weeks later. Over the following two and a half years, the CBSA responded to the changing health requirements set out in over 80 orders in council by releasing 177 different versions of the app.

The agency has estimated that the border health measures related to the ArriveCAN app cost \$55 million, including a number of non-IT costs, such as over \$6 million for the Service Canada call centre.

The Auditor General and the procurement ombud reports have identified a number of very serious weaknesses in procurement and internal controls processes. We have accepted their recommendations, and our management response plans are already under way.

I would like to highlight a few of those actions aimed at strengthening the agency's governance and assurance functions.

We have strengthened the first line of defence by requiring all HQ staff with financial delegations to retake four procurement training courses to help them better understand their responsibilities.

Given the weaknesses in procurement oversight, we have established a new executive procurement review committee to strengthen the second line of defence by reviewing all contracts and task authorizations over \$40,000. We have also established a new procurement centre of expertise, which is developing an ongoing program of quality assurance reviews to ensure compliance with the directive, with a particular focus on the need for proper record-keeping.

Our management response plans are aligned with the plans of other government departments, as developing the ArriveCAN app was a shared responsibility. The agency leveraged PSPC's contracting authorities for over 30 of those contracts and Shared Services Canada's for seven contracts. The CBSA was the contracting authority for the remaining four contracts.

In the first year, the agency was responsible for managing the development, enhancement and operations of the ArriveCAN app on behalf of PHAC. However, no new funding was received in the 2020-21 financial year. The costs were coded to a general COVID-19 pandemic measures account, which would have included other pandemic-related expenditures, such as personal protective equipment and cleaning. The agency did establish a dedicated financial code in the second year when funding was provided by PHAC and by Immigration, Refugees and Citizenship Canada. In hindsight, it should have been created much earlier.

I am very proud of my employees, colleagues, and frontline border services officers who served Canada throughout the pandemic. We acknowledge the very serious deficiencies and welcome the lessons learned. We are now focused on addressing the recommendations that have already been made.

We would be pleased to answer your questions.

Thank you, Mr. Chair.

**The Chair:** Thank you very much.

We'll begin our first round of questions now.

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

**Mr. Larry Brock (Brantford—Brant, CPC):** Thank you, Mr. Chair.

Good morning. Thank you to all the witnesses for your attendance today.

My first line of questioning will be for the Auditor General's team. Anyone can answer.

A couple of weeks ago, in mid-March, we heard from both Darren Anthony and Kristian Firth, the two principal owners of GC Strategies, also known as "Government of Canada strategies", who picked apart the findings in the Auditor General's report.

Specifically, Mr. Firth said his reputation had been damaged by "false information" in what he called an "inaccurate" report by the AG and that—quoting—"virtually everything reported about my company in the media and stated about me and my company has been false." He said that his company was paid \$11 million for the ArriveCAN, disputing the Auditor General's findings that GC Strategies received almost double that, \$19 million. He blamed the discrepancy on flaws in the government's financial systems.

We then heard from his partner, Darren Anthony, who, surprisingly, simply parroted everything that his partner had said. He didn't even take the time to actually read your report and didn't take the time to read the report of the procurement ombudsman, but had no problem stating that everything was categorically false. Specifically, he said the Auditor General's findings were inaccurate. He said that the reports from both the AG and the procurement ombudsman, which found serious problems with ArriveCAN contracts, were wrong and admitted again that he had not read the report.

I'm sure this is not the first time that the AG's team has learned about these particular statements. I'd like to provide an opportunity for you to respond on how you feel about these particular statements.

• (1015)

**Mr. Andrew Hayes:** Thank you for the question.

I'll start with the findings. We're confident with the findings that we provided to Parliament in our reports. We have a rigorous audit process to make sure that the facts and information we provide are accurate.

With respect to the estimates, we did provide an estimate in the report around the overall cost, and we identified an amount per contractor. There are some facts that absolutely cannot be disputed. In particular, it is a fact that the contractors were paid the amounts that we listed in our report. I should say that they received at least those amounts. Some contractors received more.

What is really at issue is whether or not those amounts should be attributed to the ArriveCAN app versus work on another IT project, and this is where the problem of poor record-keeping by CBSA raises confusion and leaves these open questions. Ultimately, in our report we mentioned that the poor record-keeping led us to have to build up an estimate. We used the CBSA's financial systems, the contracting documents and other evidence to build up this estimate.

It is important to remember that our estimate includes more than what was spent on building the app. It also includes amounts for the implementation, maintenance and other associated costs, and this is because Parliament asked us to look at all aspects of the ArriveCAN app. The shortcomings in the documentation and the weak controls made it very difficult to precisely attribute costs among these elements of ArriveCAN, but ultimately, any number that is provided, whether it's the CBSA's or ours, is an estimate, because of the poor record-keeping.

I'll stop there.

**Mr. Larry Brock:** Okay. Let me understand that correctly.

On the approximately \$19 million you attribute to GC Strategies, are you saying that there is room to interpret that as being a combination of ArriveCAN contracting and possibly other elements of contracting with the CBSA?

**Mr. Andrew Hayes:** Yes. In our report, we did state that it is possible that some amounts attributed to ArriveCAN were not for the application, and indeed, when the CBSA provided information to the government operations committee, there were some amounts in the records they produced there that we didn't consider to be for ArriveCAN, and there were amounts that we have considered to be for ArriveCAN that the CBSA disagrees with.

Ultimately, though, we were confident enough with our estimate to put it in a report to Parliament.

**Mr. Larry Brock:** Were you confident enough to say that the estimate could have been actually higher than \$19 million?

**Mr. Andrew Hayes:** It could have been higher and it could have been lower. I can't be precise. I mean, it is an estimate, after all.

**Mr. Larry Brock:** Okay.

Notwithstanding the comments of both Firth and Anthony at the committee some several weeks after the release of the AG's report, did you hear directly from Firth or Anthony prior to their testimony?

**Mr. Andrew Hayes:** Prior to their testimony.... We received a letter from them before we tabled our report—

**Mr. Larry Brock:** Did they supply you with any additional documentation to verify their numbers, which were actually closer to \$11 million?

**Mr. Andrew Hayes:** As I said, we received the letter. We built our estimate on the basis of the documentation and the financial system at the CBSA, among other evidence that we—

**Mr. Larry Brock:** Did they offer to supply you documentation in their possession that established the \$11-million figure according to their records?

**Mr. Andrew Hayes:** In their letter, they did offer to provide us information if we required it. However, as I said, our estimate was based on not just what semantically some contractors are suggesting was the build for ArriveCAN; it was for the entire picture of ArriveCAN.

• (1020)

**The Chair:** Thank you, Mr. Brock. That is your time.

Next up is Ms. Khalid, who is joining us virtually.

You have the floor, please.

**Ms. Iqra Khalid:** Thank you very much, Chair.

Thank you to the witnesses for appearing today.

Mr. Moor, you talked in your opening remarks about lessons learned. Well, those lessons have cost taxpayers millions of dollars. It includes the behaviour of bureaucrats and Conservative insiders like David Yeo from Dalian. Perhaps we can take a step back and try to understand what exactly happened here and how we can make sure that the public service is accountable to Canadians with this very important issue.

Can you please help explain to us the function...or what the comptrollership branch at the Canada Border Services Agency really does?

**Mr. Jonathan Moor:** I'm very happy to explain. I was not personally responsible for ArriveCAN, but as a member of the CBSA's executive committee, I am accountable for the failures. We have already taken note of those failures and we have already started to deal with them.

In terms of ArriveCAN, it was managed by the border task force. Actually, the comptrollership branch was mainly focused on managing the internal task force during the COVID pandemic. These were very, very difficult times. People were crossing the border to return back to Canada, and we were told that we could catch COVID from touching documents. Our number one priority initially, working with PHAC, was to get the e-form up and running. That cost about \$80,000. The comptrollership branch involvement in this one was really around making sure we had the funding available for that.

We recognize the comments made by the Auditor General. In year one, we did not have an accounting code, so we were not identifying the ArriveCAN cost separately. That is one of the reasons we have different cost estimates included in the numbers. In fact, that is also recognized in the OAG report itself, in paragraph 1.24. It identifies that \$53 million was the estimate for the OAG for the public health component, with a further \$6.2 million included for the customs and immigration declaration. We recognize that in year one we did not have the information available to us, so those were estimates in both cases.

That was our primary role in terms of the first year. We were looking after the finances, but we were also working extensively on the internal task force.

**Ms. Iqra Khalid:** Thank you. I appreciate that.

Now, you said that you were not personally involved in the development of the ArriveCAN app, but perhaps you can provide us with a high-level overview of what kinds of lessons or topics are covered in the mandatory retraining of staff at the CBSA as part of your response to the Auditor General's report.

**Mr. Jonathan Moor:** The first thing I would say is that we have to look at the two or three lines of defence.

The first line of defence is based within the information, science and technology branch. It was responsible for the ArriveCAN app, for the development and operation of that application. We have over 1,600 delegated financial officers within the agency, and about 900 of those are based at headquarters. Quite a large number of those individuals are based in the border technologies innovation directorate, which was directly responsible for the development of the app and also for the contracting functions, working with PSPC.

What we were doing there was looking at the failures of the first line of defence. We have no doubt that there were failures in the first line of defence in terms of governance, oversight and record-keeping, and all of those things are lessons we have learned. They're also, potentially, subject to investigation to look at whether there was any wrongdoing in some of those failures. We recognize that there were failures, but we're not entirely sure of the exact reasons for those failures—whether they were from the stress of the pandemic or whether there was any wrongdoing included with that. We should wait for the investigations to conclude on that matter.

The second line of defence is where the comptrollership branch is involved. Every year, we take a sample of about 5,000 non-pay transactions to see if they are being properly processed. On average, we find about 9% to 10% have errors. That is not satisfactory to us; our target is less than 5%. We were very disappointed to see the Auditor General's report, which identified that 18% have those errors. We are looking into the reasons for that, and one of those reasons is that there wasn't a separate cost centre code. There was an administrative error in that the individual invoices were not being coded to the right account because we didn't have a separate code.

Those were really the basic functions of the first and second lines of defence.

• (1025)

**Ms. Iqra Khalid:** Thank you, Mr. Moor.

Mr. Hayes, with all of this coming to light, are there any lessons learned here with respect to contracting within your own office?

**Mr. Andrew Hayes:** We take the contracting responsibilities at our office very seriously and we are rigorous with our contracting. What we have learned from this audit and have implemented in our office is more awareness around conflict of interest declarations.

I would also say that we're increasing the awareness of all of our managers of the importance of making sure that documentation is kept in a very accurate way.

**Ms. Iqra Khalid:** You've taken concrete steps going forward with respect to conflict of interest in your office.

**Mr. Andrew Hayes:** Yes, we have.

Indeed, we always have an annual process for conflict of interest declarations. We have increased some of that awareness work by sending out reminders to our staff and by raising with staff the fact that the clerk has issued a report on values and ethics in the public service. There is also training available for our staff that we always encourage.

[*Translation*]

**The Chair:** Thank you very much.

I now turn the floor over to Ms. Sinclair-Desgagné for six minutes.

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

I would also like to ask Mr. Moor some questions, to start with.

Mr. Moor, you're the vice-president of the Comptrollership Branch. You've had that title since 2018. So you were responsible for financial oversight at the Canada Border Services Agency when all these events took place between 2020 and 2021, including the awarding of contracts.

Do you feel that you did your job properly or that you simply did your job?

**Mr. Jonathan Moor:** Thank you very much for your question.

[*English*]

I believe I did my job well during the pandemic. It was a very difficult period in time. I was appointed in January 2018, so I was there for the entirety of the pandemic.

It was a very challenging time for the agency as a whole, as I have said previously. I was responsible for the internal task force, which was primarily based on our employees: making sure they had PPE available to them and making sure that we were managing the work-from-home directive and managing all of the internal functions of the agency.

I was not directly responsible for the border task force. However, I did have oversight in terms of the finances, as I said before. I was responsible for ensuring that we had sufficient funding to manage the border task force activities, and I was also responsible for the second line of defence, as I previously described.

I'm very proud of what we did during the pandemic. I know that we made mistakes and I know that we've learned lessons from those mistakes. They were mistakes in the context of an operational crisis for us, with people coming across the border where we had to manage difficult situations.

[*Translation*]

**Ms. Nathalie Sinclair-Desgagné:** Mr. Moor, every country in the world went through this crisis. Few paid \$60 million for an app like ArriveCAN.

In some self-respecting countries, there is financial oversight, especially in large organizations comparable to the Canada Border Services Agency. Those in charge of that oversight do their job to prevent employees from going to events with companies and keep contracts from being awarded non-competitively to companies with two people. That kind of oversight exists in a lot of places.

You mentioned that you had a supervisory role in this. I believe that someone who has a supervisory role has a duty of responsibility and an obligation to be accountable. You have to be accountable to taxpayers, who paid far too much for an app.

In fact, you signed a letter sent in the spring of 2020, which argued that GC Strategies absolutely had to obtain a contract for a three-year term, and requesting that the emergency exception be applied. There's already a problem there. If it's urgent, we're not going to allocate millions of dollars over three years. Instead, we'll wait and see what happens. If ever there's an emergency and a contract has to be awarded, we may proceed quickly, but it will be a contract for a small dollar amount.

How is it that a person in charge of oversight can send a letter asking for an emergency exemption to be applied, when Mr. Utano's advice was to award a multi-million dollar contract for three years, which was much higher than the cost of the app in the first place? How do you justify this letter sent in May 2020?

• (1030)

[English]

**Mr. Jonathan Moor:** There were a number of different questions in there.

We do not have details about other countries, but we do understand there were also significant costs involved in managing travellers across borders in other countries, in particular in the Border Five and the European Union.

I want to come back to the national security exemption letter.

I recognize that I did sign that in June of 2020. That was at the request of PSPC, to allow them to put in place the second contract with GC Strategies. They had already done the first contract with GC Strategies, I think in March, and they needed to do a second contract. As I referenced at the OGGO committee last week, we identified a supplier that had successfully implemented a modern tool for risk assessment. As I identified last week, that was a company called Lixar.

What I have learned since last week is that Lixar was actually working in a strategic partnership with GC Strategies, so I accept that the testimony of the PSPC deputy minister was correct in that this letter directly led to the second contract with GC Strategies. That is what the national security letter was used for. Only one contract was let under that national security exemption letter; the others were let under the PHAC-originated national security exemption letter.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** However, in a letter that was provided to the committee, you insist that GC Strategies be the company chosen under the exception. You insist that GC Strategies be the company that receives millions of dollars. Okay, that was for the second contract.

Do you remember the value of that contract? Do you have that information at hand? What was the value of the second contract awarded to GC Strategies?

[English]

**Mr. Jonathan Moor:** I do, but I would also like to say that I did not in that letter insist on GC Strategies. That was a decision made by the board of technologies and innovation directorate. I was not aware of their name, and actually the letter does not mention the name of an individual company.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** No, but you mentioned that, for security purposes, a contract had to be awarded quickly. That was for the second contract with GC Strategies. You've just confirmed that.

[English]

**Mr. Jonathan Moor:** I agree. In total, three contracts were issued by PSPC, all through a sole-source agreement under the cover of the national security exemption.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Exactly.

[English]

**Mr. Jonathan Moor:** The second one was issued with an initial value of \$4.4 million. The total expenditures after contract amendments amounted to \$11.1 million.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** You think it is normal to grant—

**The Chair:** Thank you, Ms. Sinclair-Desgagné. I'm sorry, but your time is up.

[English]

We go now to Mr. Desjarlais, who is joining us virtually.

You have the floor for six minutes. Go ahead, please, Mr. Desjarlais.

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

I want to thank the witnesses for being present with us today.

It is a troubling fact that ArriveCAN has cost Canadians millions and millions of dollars while we're experiencing a cost of living crisis. Canadians, whether they're paying rent or just trying to pay their bills, are seeing things get more expensive. At the same time, it's troubling that their government, seemingly without care or oversight, is spending on expensive and extreme outsourced contracts. This is, I think, the crux of my concern, and one that I'll focus on in my questions to the witnesses.

We know, for example, from statements from the union representatives at the CBSA, that there is a double crisis happening right now. There's the crisis of the dramatic underfunding of our public service, which has created a vulnerability. CBSA has been forced, in some sense, to outsource, looking for the expertise they don't have.



The other problem is that when CBSA is given that longer leash, it seems as though things get way out of hand. We've seen multiple breaches of very, very basic levels of accounting and reporting, and, I'd argue, of basic ethics in disclosure of facts of when or how or if there was influence by private contractors and preferred access to private contractors, particularly when we look at the evidence that the Auditor General has found.

I want to look at the finding in paragraph 1.28 of the report:

The Canada Border Services Agency determined that it would need to rely on external resources to develop the web-based and mobile application because it did not have sufficient internal capacity with the skills needed.

We know that as early as 2006, there was a rapid increase in outsourced contracts by the Government of Canada. We can see it in, for example, the Phoenix pay system. The government gives a contract, and it gets out of control. These private contractors then endlessly bill the taxpayer for, in this case, even task authorizations that were not completed. Basic levels of trust, I think, were breached here.

In addition, we see in paragraph 1.29 that the Auditor General found the following:

We found that as time went on, the agency continued to rely heavily on external resources (Exhibit 1.2). Reduced reliance on external resources would have decreased the total cost of the application and enhanced value for money.

This is, I think, the most important piece to some of this work—to know that when they could have reassessed some of the task authorizations, even if the task authorizations had information relevant to what they were doing or who was doing it, there would have been an opportunity to reduce the overall cost of some of this work. You can look, for example, at that exhibit submitted by the Auditor General's office and at the tremendous cost this bears against the public.

I think it's now incredibly important that the checks and balances you mentioned at the outset of your testimony, Mr. Moor, aren't only listened to today in this committee but are also actually enforced.

I often find in this committee that we have officials like you. In this particular instance, we see a massive breach of public trust. In the attempt to rebuild that public trust, there are often words and recommendations put forward by the Auditor General. What I find troubling is that sometimes these recommendations don't fully meet their target or are not enforced.

That's troubling for me. I'll be requesting at the end of our meeting that we investigate follow-up opportunities from your appearance here and follow up on the enforcement of recommendations. The enforcement aspect is important to me, because it has to change. This just can't continue the way it has. I'm nervous that this could be going on in other ministries or even continuing in your ministry if we don't continue to see some of these checks and balances properly addressed and fully implemented.

It's true that we know that the CBSA, as you just mentioned, Mr. Moor, was approached by Public Services and Procurement Canada during the second contract, when they reviewed the first set of contracts and determined that they were insufficient for the purposes of being competitive, because of their non-competitive nature, and recommended a competitive process.

Is it the case that your letter that you just submitted, or that you admitted was signed in May of 2020, was your response to the initial inquiry by Public Services and Procurement Canada?

• (1035)

**Mr. Jonathan Moor:** Actually, I signed the national security exemption on June 1, 2020. It was not in response, because those comments received from PSPC were sent directly to the information, science and technology branch and did not come to the CFO's branch, so we were not aware of any of that feedback from PSPC. At the time, it was being sent to the border technologies innovation directorate.

In terms of—

**Mr. Blake Desjarlais:** Considering that PSPC understood the nature of how non-competitive contracts could be abused, why is it that you weren't able to do such a thing?

**Mr. Jonathan Moor:** We were not aware. We were only aware of that during these inquiries.

At the time, they were engaging directly with the information, science and technology branch. That has now been stopped. One part of our procurement improvement plan is that all contracting has to go through our procurement directorate, which is within the comptrollership branch.

**Mr. Blake Desjarlais:** Why wasn't that the case prior to this, and for so long?

**Mr. Jonathan Moor:** I think it was because we had reliance on our other government partners, especially during a very busy time for all of us. As I said previously in my introductory remarks, for over 30 of the contracts for ArriveCAN, the contract authority was actually PSPC. There is a service-level agreement between CBSA and PSPC, which sets out the requirements of CBSA as the technical authority and PSPC as the contract authority.

**The Chair:** Thank you.

That is your time, Mr. Desjarlais. We will call you back shortly.

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

**The Chair:** We are beginning our second round.

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

**Mr. Michael Barrett:** Mr. Vleeming, on GC Strategies' now deleted website, they had a number of testimonials from senior government officials. In one case, the Government of Canada's chief information officer was quoted as saying, "GC Strategies understands our needs on a business and technical level". Who would have said that?

• (1040)

**Mr. Darryl Vleeming (Vice-President and Chief Information Officer, Canada Border Services Agency):** Thank you for the question.

I've only been at CBSA for 11 months. I was not CIO at the time. Prior to me, Minh Doan was CIO, for the last five years.

**Mr. Michael Barrett:** Has anyone asked Mr. Doan if that was him?

**Mr. Darryl Vleeming:** I am not aware of that.

**Mr. Michael Barrett:** Who else could it have been? We've established that it wasn't you.

**Mr. Darryl Vleeming:** If the reference was specifically to the chief information officer of the CBSA in the last five years, that would have been Minh Doan.

**Mr. Michael Barrett:** Okay, but it wasn't you who said it.

**Mr. Darryl Vleeming:** That's correct.

**Mr. Michael Barrett:** Are you aware that it was said—

**Mr. Darryl Vleeming:** I am not aware that it was said.

**Mr. Michael Barrett:** —or was alleged to have been said? You're not familiar...?

**Mr. Darryl Vleeming:** All I've heard is the testimony in committees referencing that certain testimony was on the GC Strategies website.

**Mr. Michael Barrett:** Did it cause you concern that the endorsement had been offered by the CIO?

**Mr. Darryl Vleeming:** It surprised me, as you wouldn't typically see that, at least in my experience.

**Mr. Michael Barrett:** In another example, the chief data officer for the public sector said, "They [GC Strategies] see the bigger picture and do not chase the 'quick sale'." Who would have said that?

**Mr. Darryl Vleeming:** I'm not actually aware of who the chief data officer was at the time, sorry.

**Mr. Michael Barrett:** Has anyone tried to find out who said it?

**Mr. Darryl Vleeming:** I'm not part of the internal investigation, which I would assume is also going to be looking at that.

**Mr. Michael Barrett:** In another case, a Government of Canada senior executive said, "GC Strategies listen and try to find solutions to my problems vs. selling me a solution to a problem I've never had." Who would have said that?

**Mr. Darryl Vleeming:** I'm not aware of that either.

**Mr. Michael Barrett:** We don't know. Could it have been Minh Doan?

**Mr. Darryl Vleeming:** It's impossible for me to answer that, as there is no detail on who actually said that and what their position was.

**Mr. Michael Barrett:** I'm a bit surprised that even a basic level of curiosity wouldn't have encouraged you to find out if your predecessor, on an unnamed basis and only using the title that you now have, had actually said something like that, and then that you, now occupying that position, would not have sought remediation—that is, for it to be taken down.

Did you ask for it to be taken down by GC Strategies?

**Mr. Darryl Vleeming:** No. As far as I'm aware, it's certainly not against any rules or laws to put that up there, and I'm not sure the government has the ability to demand—

**Mr. Michael Barrett:** You could ask, if it's not true.

**Mr. Darryl Vleeming:** Again, if it's not against the law... I'm not aware of them violating any rules by putting that up there. It's just not something that I would typically expect.

**Mr. Michael Barrett:** So it's compliant with the values and ethics code for the public service.

**Mr. Darryl Vleeming:** As far as I'm aware, it would be compliant with the values and ethics code.

**Mr. Michael Barrett:** Well, I can tell you that if someone who previously held my position said something that I fundamentally disagree with and it was attributed in current time by job title only, I would at least ask the person who might have posted it, because I value my reputation and I think it's important to the integrity of the institution I represent that things that are demonstrably false don't continue to stand.

I would hope that people in senior positions who represent the Government of Canada on behalf of all Canadians would exercise that same basic due diligence. Let's be clear: This is a shady two-person company operating out of a basement. They get paid tens of millions of dollars, and they are now alleging that they're close enough with the Liberal government's senior officials that they're able to provide testimonials. I'm surprised that you'd be unaware and that there hasn't been an investigation of that.

Have you, sir, or the current CBSA executives, had any contact with Kristian Firth or Darren Anthony?

**Mr. Darryl Vleeming:** I have not met either of those—

**Mr. Michael Barrett:** Have you had contact with them?

**Mr. Darryl Vleeming:** No. Never.

**Mr. Michael Barrett:** You have had no phone calls, emails or text messages.

**Mr. Darryl Vleeming:** Nothing at all.

**Mr. Michael Barrett:** Mr. Moor, I have the same question for you.

**Mr. Jonathan Moor:** I have had no contact at all with GC Strategies or any of its employees.

**Mr. Michael Barrett:** Mr. Vleeming, do you know when Minh Doan, the person who previously occupied your position, would have last contacted them?

**Mr. Darryl Vleeming:** I'm not aware of that specific detail.

**Mr. Michael Barrett:** Mr. Moor, are you aware of their last contact with the agency?

**Mr. Jonathan Moor:** No, but I know that we ceased paying them in June 2023.

**Mr. Michael Barrett:** That's nearly a year after concerns had been brought to the attention of the CBSA through the work of Conservatives at standing committees of Parliament.

I have more questions for later.

**The Chair:** Thank you.

Next up is Ms. Yip.

You have the floor for five minutes, please.

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

Thank you for coming today.

My question is for either Mr. Moor or Mr. Vleeming.

For the benefit of Canadians watching, can you explain what staff augmentation is?

• (1045)

**Mr. Jonathan Moor:** I'd be happy to start, and then maybe Darryl can take over.

Staff augmentation is what an organization does when it decides to build something in-house but doesn't have all of the skills required to do that. It involves bringing in contractors, often on a daily rate or, sometimes, on a rate for fixed product. Staff augmentation is widespread throughout the Government of Canada.

If I go back to what the deputy minister of DND testified to this committee, he identified that staff augmentation was actually necessary because sometimes it's not very easy for individual contractors to get contracts with the Government of Canada. It requires an awful lot of work to actually secure those contracts, so going through a staff augmentation specialist does add value for those individuals and small and medium-sized enterprises.

Also, hiring in the public service is not very easy, particularly for positions like technical architects and cloud architects. There are not enough in the Government of Canada. I think the previous CIO talked about a 25% or 30% shortfall in the number of people who are in-house. We are trying to increase the number of people in-house, but it is not easy to do. Also, the skill set may not be value for money for the public sector. We may not have sufficient work for a very technical specialist to do over a long period of time, but for short-term assignments and projects, they are very important.

Staff augmentation has its purpose. I think PSPC gave evidence that there are more than 600 different companies providing staff augmentation. The issue here is how we used it. We definitely agree that we used it too much, and we used it for too long.

I'll hand it over to Mr. Vleeming now to talk about what we're trying to do to reduce the requirement.

**Mr. Darryl Vleeming:** We certainly have drastically reduced the number of contractors. In the 11 months I've been here, the number has gone down by over 25% and we're on target to drop that down probably another 25% by the end of the next fiscal year.

To Mr. Moor's point, staff augmentation is well used in government and in the private sector, but it has to be used in the right way. It needs to be used for surge capacity when you don't have the staff. It shouldn't be the case that contractors are around for years and years. There are other methods that should be used, like training your existing staff so you don't become reliant on those contractors.

**Ms. Jean Yip:** Thank you.

Can you give me an example of what types of contractors you were using that provided value for money?

**Mr. Darryl Vleeming:** Typically, it's around cutting-edge technology, including what ArriveCAN was built on. If you think about

modern cloud applications that are using cutting-edge tools, the in-house staff often doesn't have those skills. Contractors should be brought in for a specific initiative on those skill sets, but they should also be used to cross-train your existing staff to allow them to take over, going forward, so you don't become reliant on those contractors.

Our approach going forward will be to create that sort of scenario, which is how we'll be able to reduce our long-term reliance on those contractors.

**Ms. Jean Yip:** Could you tell me a bit about the executive procurement review committee? What are its responsibilities? What is this committee all about?

**Mr. Jonathan Moor:** I established the executive procurement review committee last October to address many of the findings in the OAG report and also in the current ombudsman's report.

This is to deal with the second line of defence, which was clearly lacking for us during the COVID period. Now, the executive procurement review committee looks at every single contract and every single task authorization above \$40,000. We have about 1,500 contracts across the CBSA, so that's a significant requirement. This is about ensuring that we make this change stick and making sure that this applies across the agency as a whole. Maybe in time, if we start to see performance improving, we can raise those limits.

We have had over a dozen meetings; the committee meets, on average, at least once a week. We go through all of the different proposals. In the case of Mr. Vleeming's branch, a presentation will be made to the committee to say what we aim to do, and questions will be asked about whether that is compliant with the procurement controls and measures. We will ask the procurement directorate to give us assurance that it is completely compliant. It's there as a second line of defence to ensure this never happens again.

**Ms. Jean Yip:** Is this committee permanent or temporary?

**Mr. Jonathan Moor:** It has been established as a permanent committee of the executive committee. In an ideal world, if we became absolutely perfect at procurement, then we wouldn't need this committee. However, I think that, even in an ideal world, providing that level of additional oversight is always going to be valuable to the agency.

• (1050)

**The Chair:** Thank you.

That is your time, Ms. Yip.

[Translation]

Ms. Sinclair-Desgagné, over to you for two and a half minutes.

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

I'd like to turn to Mr. Vleeming.

Mr. Vleeming, you've been in your position for almost 11 months. Is that correct?

[English]

**Mr. Darryl Vleeming:** Yes.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Do you perform duties for private companies, apart from the position of chief information officer, or CIO, which is very time-consuming on its own?

[English]

**Mr. Darryl Vleeming:** I'm sorry. I don't understand the question.

Did I play what role?

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Do you have any other roles, aside from your role as CIO right now?

[English]

**Mr. Darryl Vleeming:** I sit on a charity board and another board. That's all.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** The other board of directors you sit on is for a private company called Pillar 9. Is that correct?

**Mr. Darryl Vleeming:** Yes.

**Ms. Nathalie Sinclair-Desgagné:** How much time do you devote to your duties of providing advice on the board of directors of a private company?

[English]

**Mr. Darryl Vleeming:** It's a very small commitment: probably, on average, five hours per month.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Do you feel you have the time, given that you occupy a very important position and that there is a lot of cleanup to do at the Canada Border Services Agency?

[English]

**Mr. Darryl Vleeming:** Yes, I'm comfortable that I'm able to do both.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Okay.

Do you not see a problem with sitting on the board of directors of a private company that, as I understand it, offers data solution services and might seek to work for the government? Do you not consider there to be a conflict of interest or the appearance of a conflict of interest in working for a company like that?

[English]

**Mr. Darryl Vleeming:** What Pillar 9 does is provide the MLS services specifically to realtors in Alberta, so there is no chance that it would ever work for the Government of Canada.

Second, when I joined, I immediately filed a conflict of interest report that went through the proper channels. It was ultimately signed off on by our president.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** All right, so you filled out that much-touted document. Based on what we heard at the committee last week, a lot of people don't fill it out.

I have some other questions for you.

Just before becoming the chief information officer at the Canada Border Services Agency, you were the chief information officer for a company called Aurora Cannabis. Is that correct?

[English]

**Mr. Darryl Vleeming:** Yes.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Was that company hacked while you were chief information officer?

[English]

**Mr. Darryl Vleeming:** Yes. It was on December 25, 2000, I believe.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** What information do you have on that?

**The Chair:** I'm sorry, Ms. Sinclair-Desgagné, but your time is up. There will be another round.

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

[English]

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

I now want to turn to one of the findings of the Auditor General in relation to information not being found. Finding 1.18 suggests that "financial records were not well maintained by the Canada Border Services Agency." The Auditor General's office was "unable to determine a precise cost for the ArriveCAN application because of poor documentation and weak controls at the Canada Border Services Agency."

Mr. Moor and Mr. Vleeming, within the ministry, who's responsible for financial records?

**Mr. Jonathan Moor:** Under the Treasury Board directive on service and digital, all employees at all levels are responsible for documenting decisions and activities. That is the responsibility of everybody who works at the CBSA. Their managers are responsible for ensuring that they meet those requirements, and the CIO is responsible for ensuring that we have an information management system to allow that to happen.

What I would say is that, during the COVID period, it was more difficult as a result of many people at headquarters having to work from home, but that's not an excuse. I think that's just the recognition that during that period it was more difficult to maintain those records.

**Mr. Blake Desjarlais:** In your own words, you're saying that everyone in the ministry is responsible. At what point does anyone in the ministry actually raise the alarm? Why didn't you, Mr. Moor?

**Mr. Jonathan Moor:** I talked earlier about the delegation of financial signing authorities. Under the delegation, all of these decisions were made by a level below mine. I'm responsible for signing contracts that are within my own organization, and—

• (1055)

**Mr. Blake Desjarlais:** But, Mr. Moor, you just said that it's everyone's responsibility—unless you're not in the ministry—to raise an alarm when they see mismanagement or bad practice. In this case, you're saying that you're not responsible because it was below your pay grade or below your authorization.

**Mr. Jonathan Moor:** I would say—

**Mr. Blake Desjarlais:** At what point do officials such as you and others who are involved directly in ArriveCAN, who are privy to information about ArriveCAN and who have access to the contracts of ArriveCAN, actually say that this is unreasonable? Canadians can't expect this, the non-competitive contracts and contracts that have no task authorizations. Even worse, there are instances where we don't even have information as to the contractors or how much they charged.

Mr. Moor, this is serious. It's something that I can't understand.

**The Chair:** Mr. Desjarlais, your time is virtually up. I will allow a response.

**Mr. Blake Desjarlais:** Please, Mr. Moor, why aren't you responsible?

**Mr. Jonathan Moor:** I would say it's very serious. We're taking these recommendations very seriously in our implementation.

I was not responsible, but as the CFO at that time, I was accountable. I accept that. That's why we are putting in place all these additional controls and measures.

**The Chair:** Thank you very much.

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

**Mr. John Nater (Perth—Wellington, CPC):** Thank you, Mr. Chair.

Thank you to our witnesses for joining us here this morning.

At a recent public accounts meeting, Dany Richard, president of the Association of Canadian Financial Officers, testified that be-

tween the three departments in question here, there are over 1,000 members in those departments, including five members who flagged issues with management. We understand that very few, perhaps a dozen of these financial officers, were actually involved in this procurement process.

Mr. Moor, are you concerned about this?

**Mr. Jonathan Moor:** I'm concerned about a number of the points that Mr. Richard made. I regularly communicate with him.

I want to identify what more we can do to actually improve the financial manager organization within the CBSA. Where we are in terms of the delegation of financial instruments is that the majority of control is at the manager level. We then have financial manager advisers who are engaged in the strategic financial management. They do not sign task authorizations. They do not sign invoices in section 32 and section 34 responsibilities, but if they identified wrongdoing or any issues associated with that, they would be responsible for bringing them forward to us.

**Mr. John Nater:** Well, frankly, there were problems identified, and nothing happened. I think that's on you, sir.

I want to move on. We know that there are a number of current investigations going on in a number of venues. Most concerning, obviously, is the one by the Royal Canadian Mounted Police, the RCMP, the Mounties. Our concern here is that Minh Doan's emails have magically disappeared. The chief technology officer couldn't save his emails, which is rather concerning and rather perplexing. I'm sure the RCMP is very intrigued and interested by that.

I want to know this from you, Mr. Moor: What are you doing to recover those emails?

**Mr. Jonathan Moor:** That is subject to an internal investigation and potentially also an RCMP investigation. I'm not privy to either of those investigations, so I can't comment on where they are.

In terms of what we are doing to recover those emails, maybe I'll ask Mr. Vleeming to explain.

**Mr. Darryl Vleeming:** Thank you.

This is actually being run by our internal investigation as well, including the recovery side of things, to ensure that there's no conflict of interest. I'm not aware of any more information. I'm not privy to that internal investigation.

**Mr. John Nater:** Mr. Vleeming, how easy is it to permanently delete all your emails without a trace?

**Mr. Darryl Vleeming:** It is actually surprisingly easy. The reality is that Shared Services Canada is accountable for email and the policies around that. A person can choose to delete their emails. Emails are retained for 30 days—they can't be permanently deleted then—and after that they're deleted.

**Mr. John Nater:** It's "surprisingly easy". I am quite frankly shocked by the fact that the Government of Canada, with all the resources of the state behind it, cannot preserve the emails of someone in a position like Minh Doan's, when there is a criminal investigation going on, and these documents simply disappear. I think that's incredibly concerning.

I want to move on to you, Mr. Hayes. In your opening comments, you echoed many of the concerns that were previously raised by you and the Auditor General about the lack of records, about not having paper trails and about things just not existing.

We received a letter recently from the Department of Public Services and Procurement Canada, the supposed experts on procurement. The assistant deputy minister wrote this:

On February 2, 2017, PSPC awarded a contract to GC Strategies for \$24,977.52 through a supply arrangement for professional services to provide business and technical learning to PSPC employees using a new client relationship management system. A search of PSPC systems found references to the contract, including the total amount, however the contract document itself was misplaced during a reorganization and relocation of hard-copy files.

The department that's supposed to be the expert on procurement is losing documents on procurement and on contracts.

What's more, Treasury Board Secretariat, a central agency, wrote to us and said, "On behalf of the Treasury Board of Canada Secretariat...a NIL response to the expanded motion is provided." There is no response about GC Strategies, yet the Public Accounts of Canada lists GC Strategies as having received a contract for the Treasury Board Secretariat.

Here we have two key agencies, neither of which can account for its own contracts with GC Strategies. Is that a concern for the Auditor General's office?

• (1100)

**Mr. Andrew Hayes:** We would expect that proper books and records are kept on contracts, and on payments made under those contracts, for the full retention periods required by law. Obviously, there are times when hard copies might be misplaced. It's important to find them. We've constantly made recommendations and findings about the importance of good record management and accurate data collection.

Yes, I would express concern over the fact that contract documents can't be located.

**The Chair:** Thank you very much, Mr. Nater. That is your time.

Ms. Bradford is joining us virtually.

You have the floor for up to five minutes, please, Ms. Bradford.

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

Thank you to our witnesses for joining us this morning.

Getting back to the executive procurement review committee, who sits on that committee, Mr. Moor?

**Mr. Jonathan Moor:** I'm very happy to answer that question. I chaired it for the first eight meetings. The chair has now been taken over by the executive vice-president, because the president wanted to demonstrate her commitment to ensuring that we make these changes and implement the recommendations arising from the recommendations in the two audit reports. It comprises a number of vice-presidents, but also technical specialists from the procurement directorate and a number of other assurance providers, including security and internal audit.

It's a wide-ranging committee with the mandate to challenge all of the proposals coming up and to seek assurance that all of the procurement rules and regulations are being complied with.

**Ms. Valerie Bradford:** What's the total number of members on the committee?

**Mr. Jonathan Moor:** I think it's 10 to 12, depending on the numbers attending.

**Ms. Valerie Bradford:** How often do they meet?

**Mr. Jonathan Moor:** As I said earlier, the idea is to have it weekly. Ultimately, we would like it to become biweekly, but at the moment the volume of activity requires a weekly meeting.

**Ms. Valerie Bradford:** Does the committee review all contracts? How do they decide which ones to look at, if they don't look at all of them?

**Mr. Jonathan Moor:** Initially, we set a level of \$40,000. Below \$40,000, we've delegated authority to the procurement directorate. Anything above \$40,000 for contract or task authorizations has to come to committee.

In addition, at the moment, anything above \$1 million also has to go to the whole executive committee, which includes the president and the executive vice-president.

**Ms. Valerie Bradford:** Why was the amount of \$40,000 chosen as the threshold?

**Mr. Jonathan Moor:** That was on the advice of the procurement directorate, based on the level of risk associated with contracts above and below that limit.

**Ms. Valerie Bradford:** What would happen if the committee were to have concerns about a contract during one of their reviews? What action would be taken?

**Mr. Jonathan Moor:** It has already happened a number of times. Normally, the action is to go back and ask additional questions that have to come back with answers. We have seen some contracts come back to the committee two or three times, depending on whether all the questions were answered.

Ultimately, it's an approval committee. If it is not approved by the procurement review committee, it will not go ahead.

**Ms. Valerie Bradford:** Mr. Moor, in your opening remarks, you mentioned that about \$6 million was spent on non-IT costs for ArriveCAN. Could you explain what kinds of expenses were included in the non-IT amounts?

**Mr. Jonathan Moor:** The amount of \$6.1 million was spent with Service Canada at their call centre. The call centre was set up to take questions from members of the travelling public. They actually managed over 645,000 calls during the period under review. That was for individuals returning to Canada who may have had questions around ArriveCAN or questions around the vaccine certification or so on.

That's one example of costs not related to IT. We do recognize that the majority of the costs were IT-related.

• (1105)

**Ms. Valerie Bradford:** Mr. Moor and Mr. Vleeming, has either of you worked with Minh Doan, Cameron MacDonald or Antonio Utano before?

**Mr. Jonathan Moor:** I joined the agency, as I said earlier, in January 2018. Minh Doan was certainly there at the time, so I have worked with him as a colleague on the executive committee.

I had less to do with Cameron MacDonald or Mr. Utano, because they reported directly to Minh Doan, but we did see them occasionally at some executive committee meetings.

**Ms. Valerie Bradford:** Mr. Vleeming, what was your interaction with any of these individuals?

**Mr. Darryl Vleeming:** I've never worked directly with them at the CBSA. When Mr. Doan was CTO of Canada, I had a number of interactions relevant to that role.

**Ms. Valerie Bradford:** Could you elaborate on those interactions?

**Mr. Darryl Vleeming:** The chief technology officer has monthly meetings with all the CIOs around town, which I would have attended as well. Additionally, I did meet with Minh shortly after I joined, just to get a debrief on the ISTB function at CBSA.

**Ms. Valerie Bradford:** Did either of you have any concerns about their conduct with other contractors during the early days of the pandemic and during the development of the ArriveCAN app?

**Mr. Jonathan Moor:** No. I had no concerns, and no concerns were raised at our level.

Just for context of how busy we were during that period, it was all hands on deck. We were working incredibly long hours on a large number of different things. It was very difficult to establish the same procedures and protocols as we are doing now.

**The Chair:** Thank you very much. That is the time.

We will begin our third round with Mr. Viersen, who is joining us virtually.

You have the floor for five minutes.

**Mr. Arnold Viersen (Peace River—Westlock, CPC):** Thank you, Mr. Chair.

I want to thank the witnesses for being here today.

Mr. Moor, presumably your department has emergency planning in place. Would that be the case?

**Mr. Jonathan Moor:** Yes. We have a standing emergency plan, which was utilized during the pandemic. As I said earlier, we established three separate governance committees. We decided to split the operational crisis management committee into two—the internal task force, which I chaired, and the border task force, which was chaired by the vice-president of the travellers branch. They both reported to the emergency management committee, which was the executive committee. In the early days, that committee met daily throughout, essentially 24-7.

Over time, the frequency of those meetings started to go down slightly, but it was definitely operating in an emergency management approach across the entire country. All the individual regions also had to manage with a vast change in their approach to how they operated at the border. A lot of the ports of entry, certainly the ones that were commercial, were operating incredibly hard, whereas some of the traveller ones actually saw a very big reduction in the volume.

**Mr. Arnold Viersen:** Was this the first time you experienced, in your role—

**The Chair:** Just one second, Mr. Viersen. I have a point of order.

Yes, Ms. Yip, go ahead.

**Ms. Jean Yip:** I would like the chair to remind those in the room not to take photos.

Thank you.

**The Chair:** Oh, I did not catch that. You are absolutely correct. There should be no photos.

I'll have the clerk check with you, Ms. Yip, on whom you spotted. I will instruct the clerk to have them delete the photo or photos.

Thank you, Ms. Yip.

Mr. Viersen, you have three and a half minutes to go, please. It's over to you.

**Mr. Arnold Viersen:** Thank you, Mr. Chair.

Mr. Moor, in your time in your position, was this the first time your department used this emergency planning procedure?

**Mr. Jonathan Moor:** Sadly, our department uses it on too regular a basis.

For example, a few months ago when there was a tragic accident in the United States at the Rainbow Bridge, the southern Ontario region had to use emergency planning for that, especially during the period when it was considered a possible terrorist attack. For any operational activity at the border, we will bring in our emergency management procedures.

• (1110)

**Mr. Arnold Viersen:** That was not the first time it happened, so it seems unique that there would be a general COVID fund. Was that unique?

**Mr. Jonathan Moor:** It was unique, but it was also a product of what we had to do. For example, we had to increase the cleaning of our ports of entry to twice a day from once a day. We had to secure, with the help of the Public Health Agency and PSPC, all of the PPE. We had to buy sanitization cabinets to allow the officers to steam-clean their tools, so it was lots of different—

**Mr. Arnold Viersen:** It was a very broad fund.

**Mr. Jonathan Moor:** It was a very broad fund covering a number of different activities.

**Mr. Arnold Viersen:** Would you say it was like a COVID slush fund?

**Mr. Jonathan Moor:** I would not call it a slush fund. It was an emergency management fund. In the first year, we provided \$5 million for the information, science and technology branch to partially cover their costs in the first year of the ArriveCAN app.

**Mr. Arnold Viersen:** From soup to nuts, you could put it in that fund. Was it basically an expense account?

**Mr. Jonathan Moor:** It was an emergency management committee decision. All decisions went to the emergency management committee, which decided what it was going to fund with that money.

**Mr. Arnold Viersen:** What kind of oversight did the minister have of that particular fund?

**Mr. Jonathan Moor:** The minister would have had no oversight of that because we were taking the money from our operational funding. The minister has oversight when the main estimates or supplementary estimates are agreed to. That is the only time the minister has oversight.

**Mr. Arnold Viersen:** Would he have known about this COVID slush fund?

**Mr. Jonathan Moor:** He probably would not have known about the emergency management fund, but I can't comment on whether the president at that time referred to it.

**Mr. Arnold Viersen:** Would everything from protective gloves, masks and cleaning equipment to IT sourcing have gone through the same funding?

**Mr. Jonathan Moor:** Yes, and in the first year it was about \$20 million in total.

**Mr. Arnold Viersen:** You can see how the Auditor General would have had a challenge in dissecting this particular slush fund.

**Mr. Jonathan Moor:** I said at the start that we did not have a separate code for all the different activities. It did all go into this fund, and we learned that lesson. That was a mistake; we should have set up separate codes at the start. I'm afraid that is part of the problem of being able to identify exactly where the funding went.

**Mr. Arnold Viersen:** Hence, I concluded that this was a slush fund rather than an emergency management fund.

Mr. Chair, I think that's my time. Thank you very much.

**The Chair:** It is, Mr. Viersen. Thank you very much.

I'll move on to Mrs. Shanahan, who is joining us virtually.

You have the floor, Mrs. Shanahan.

**Mrs. Brenda Shanahan:** Thank you very much, Mr. Chair.

I too thank the witnesses for appearing here today.

I appreciate some of the testimony we just heard regarding the emergency management fund. I'd like to ask Mr. Moor if there is anything he can add to that.

I have one of the largest land borders crossings in my riding of Châteauguay—Lacolle, and many CBSA workers live in the riding, so I know how much they were working during that time and the pressures they faced in addition to their usual duties. I'd like to hear more, please.

**Mr. Jonathan Moor:** Our priority at all times was the health and safety of our officers on the front line and that of our staff at headquarters. We were providing them with sufficient PPE to do their job, which at that time was considered very dangerous. They were meeting people who were returning to the country and who may well have had COVID. As I have said previously, there was a lot of fear about whether they could catch COVID from touching papers, so one of the main reasons the ArriveCAN app was developed was to allow information to be given electronically.

Our officers were definitely looking for reassurance and we provided that reassurance to the best of our ability. We provided it through PPE and, as I've said before, through sanitization cabinets, which weren't available at all ports of entry but are now a standard feature. We took health and safety very seriously and that was all managed by the internal task force.

**Mrs. Brenda Shanahan:** Mr. Moor, you mentioned in your opening remarks something to the effect that it should have been created earlier. I just wanted to clarify whether you were talking about the ArriveCAN app. I know from my travels, including to Australia, that the electronic border entry app is mandatory. It's certainly very critical to the proper management of border entry.

• (1115)

**Mr. Jonathan Moor:** No, I think I was talking about setting up a separate accounting code. Actually, the app was developed in about six weeks, which was incredibly fast given the challenges that everyone was facing at the time of COVID.

The Auditor General did identify that there was an ongoing benefit from the ArriveCAN app, because it is still used. In fact, I used it yesterday myself. By having it in airports, about 300,000 people a month use it, which is just over 3.5 million people a year.

**Mrs. Brenda Shanahan:** I appreciate that, and I do agree.



With that, Chair, I move the following:

That, when the committee undertakes to invite witnesses:

- (a) a witness list submission deadline be set by the chair, with the explicit consent of the committee;
- (b) witnesses be invited proportionally to each recognized party's standing in the House; and
- (c) no witness be invited without instruction of the committee.

Chair, that motion can be delivered to all members forthwith.

**The Chair:** Thank you, Mrs. Shanahan. Have you delivered it to the clerk in both official languages?

**Mrs. Brenda Shanahan:** I believe so.

**The Chair:** I'll suspend and huddle with the clerk for a second. In the meantime, if you could, check please. I've paused the time.

Mr. Desjarlais, I assume you want to speak to this, or is it a point of order?

**Mr. Blake Desjarlais:** It's a point of order in relation to supplying the motion. Did the clerk send it?

**The Chair:** I'm going to check that with the clerk right now.

**Mr. Blake Desjarlais:** Okay. I understand.

**The Chair:** Mr. Viersen, is that a point of order?

**Mr. Arnold Viersen:** It's on the motion.

**The Chair:** Okay. Just one second, please.

Mrs. Shanahan, the clerk will send the motion to members in a few moments.

I take it that you are tabling the motion. I will come back to you in a second and allow you to respond. It is in the broad category of committee business, which of course is acceptable, but it does not pertain to the business at hand of this ongoing meeting.

You are welcome to respond to that. We of course can pick it up. I am willing to seek additional time on Tuesday, if you're in agreement.

Go ahead, please, Mrs. Shanahan.

**Mrs. Brenda Shanahan:** Chair, I am moving this motion.

**The Chair:** I am going to rule it out of order. I'll explain why. It does not pertain to the business at hand. It is a broad motion with respect to how this committee can operate. Of course, we could pick it up next week.

I'll turn to members. I propose that we finish off today's meeting with the witnesses we have and then deal with this motion early next week.

Mrs. Shanahan, you still have two minutes—

**Mr. Tony Van Bynen (Newmarket—Aurora, Lib.):** I challenge that decision, Mr. Chair.

**The Chair:** Very good. Let's have a vote, then.

(Ruling of the chair overturned: nays 6; yeas 5)

• (1120)

**The Chair:** The committee has overruled the chair, so we are going to debate this motion.

Mr. Viersen, it looks like you're up first. It's over to you, please.

**Mr. Arnold Viersen:** Thank you, Mr. Chair.

I'm relatively new to this committee and I recall Mrs. Shanahan naming Mr. Christopherson, with whom I had the privilege of serving on committee in the past. She laid out for me very early on in my time here that this committee generally operated on a consensus basis. She was the one who informed me Mr. Christopherson said that when this committee was working well, you couldn't tell which party a member was from, or whether they were an opposition member or a government member.

I therefore find it quite surprising that this motion is coming from Mrs. Shanahan in particular, as it demands that there should be equal representation among witnesses based on party allocation. I don't think that is in the spirit of this committee and I will vote against the motion.

**The Chair:** Thank you very much.

Mr. Desjarlais, you have the floor.

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

Although you know that I appreciate your work on this—

[*Translation*]

**Ms. Nathalie Sinclair-Desgagné:** Mr. Chair, I have a point of order.

**The Chair:** Hold on a second, Mr. Desjarlais. Ms. Sinclair-Desgagné has a point of order, and I think I know why.

Go ahead.

**Ms. Nathalie Sinclair-Desgagné:** We did not receive the motion in both official languages. I'd like us to be able to read it before we debate it.

[*English*]

**The Chair:** Mr. Desjarlais, I'm going to suspend the meeting until all members have the motion. It was sent to the clerk and I know the clerk is busy working on it.

*If you could just hold on for a minute or two, I'll come right back. I have a list of people who wish to speak to it after you. I have Ms. Khalid and then Mr. Nater.*

As for our witnesses, if you could just hang tight for a couple of minutes, we'll see how this goes.

We'll suspend.

• (1120)

(Pause)

• (1125)

**The Chair:** I'll bring the meeting back to order.

The motion has been sent out in the two official languages.

[*Translation*]

Mr. Desjarlais, you have the floor.

• (1130)

[*English*]

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

In looking at the motion, I believe it's important, particularly for my party and our smaller representation at this committee, to have input on our witness lists and to have consent—the standard convention of policy across most committees in the House of Commons. I think it's quite consistent with existing procedure. I'd be happy to dispose of this when we can in order for us to return to the witnesses.

**The Chair:** Thank you, Mr. Desjarlais.

Ms. Khalid, you have floor.

**Ms. Iqra Khalid:** Thanks very much, Chair.

Very much like Mr. Desjarlais, I believe that it's imperative for us to have full sway and full consensus as we work on the important matters this committee deals with. Over the past number of months that I've been part of this committee, I have had the privilege and honour to work with all members, regardless of party, to come together to build that consensus and find ways to move forward to tackle the issues that public accounts is tasked with in our government and our Parliament. Time and time again, I have had to remind you, Chair, and remind committee members, that we are willing to play ball here.

Can we please have a say in when meetings are called and have an understanding as to who the witnesses are? We are trying our very best to work with the committee to ensure we are doing what taxpayers—Canadians—want us to do. It is getting increasingly difficult for us on our side. I won't speak for members in other parties, but it's becoming more and more difficult for us, when we are in our constituencies trying to do important work for our constituents, to have a say in when meetings are held and which witnesses are called when that's done without any regard for what the rest of the committee wants.

I would not have wanted this motion put forward, because I personally thought there was a general understanding as to how we operate as a committee. In fact, it's sad that we have to put this motion forward. However, I fully support it because that's the nature of how parliamentary committees work. We should be able to operate with consensus while ensuring that every party has representatives and an equal say in which witnesses are called and when meetings are held.

Trust me, Chair, it's not just you. We all care about what issues are discussed in this committee, and we want to work with you. I'm really hoping that all members of this committee support this motion, because it is important for how we function as a non-partisan or multipartisan committee that cares about the public and the issues the public is interested in.

I'll stop there and express my support for this motion.

**The Chair:** Thank you very much, Ms. Khalid.

Mr. Nater, you have the floor.

**Mr. John Nater:** Thank you, Chair. I'll be exceptionally brief so this can go to a vote.

I'm old enough to remember when parliamentary secretaries weren't supposed to be on committees. That was the Liberal platform promise, but here we are with the Liberal parliamentary secretary carrying water for the PMO and with the Liberal national cau-

cus chair moving this motion. Obviously, they're not happy with the damning testimony they're hearing about incompetence and corruption within the government related to ArriveCAN—

**Ms. Iqra Khalid:** I would raise a point of order, Chair, but I think I'll let it pass.

**Mr. Michael Barrett:** But you didn't.

**Mr. John Nater:** There's no point of order that Ms. Khalid can raise. Obviously what they're doing is trying to disrupt the work of this committee in getting to the bottom of the arrive scam.

I look forward to this motion being passed in every single Liberal-chaired committee as well. It's unfortunate that the Liberals don't have the dedication to log on to Zoom for two hours during a constituency week. I know that on the Conservative side, we're ready to do work on behalf of Canadians and get to the bottom of and get answers on the arrive scam.

Those are my comments, Chair.

**The Chair:** Thank you, Mr. Nater.

[*Translation*]

Ms. Sinclair-Desgagné, over to you.

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

In terms of the wording of Mrs. Shanahan's motion, I see a problem more specifically with point (a), which is to set a deadline to have a final witness list.

First of all, who sets the deadline? I'd like Mrs. Shanahan to explain that further.

Second, does that mean that once the deadline has passed, witnesses can no longer be added to the study? I think that would be problematic because it's as a study progresses that you can determine who the relevant witnesses are. That's the case in this study on ArriveCAN. The more stones that are turned over, the clearer it becomes that new and worthwhile elements can be added to the study.

Basically, I understand the idea of wanting to know in a more predictable way what we're going to do in committee. However, tying our hands at the beginning of a study isn't a good idea. The committee must be able to have a minimum amount of flexibility.

• (1135)

[*English*]

**The Chair:** Madam Shanahan, would you like to respond to that?

[*Translation*]

**Mrs. Brenda Shanahan:** I'll answer very briefly, because I already said what I had to say about this at the beginning of the meeting.

That's the normal process that's followed by committees when it comes to calling witnesses. Things are different here at the Standing Committee on Public Accounts. For a long time, the usual practice of this committee has been to invite the Auditor General as well as the deputy ministers and officials of the departments concerned in the report of the Auditor General in question.

Here we are with about a dozen meetings on ArriveCAN, which is also being studied by other committees. Witnesses are invited left and right. In this context, it's normal to have a work process that respects the will of all members of our committee. It's fine for the date to be set by the chair, but the committee members must certainly be consulted, as is the usual practice.

[English]

**The Chair:** Let me ask for clarify from the chair's perspective.

In point (a), Mrs. Shanahan, you are looking to set a deadline for witness lists, with the explicit consent of the committee. Do you envision a standard deadline that the committee will approve once, or would it be done meeting by meeting? Could you give me a sense of how many days you think would be adequate?

There's an issue with point (b), of course. Often, for the bulk of our reports, we're on autopilot when it comes to witnesses; we have the Auditor General and the subjects of the audits. Are you talking about extraordinary meetings? How do you propose that would work given the typical work this committee does?

Point (c) reads, "no witness be invited without instruction of the committee." Would this negate the witnesses being proportional? Would the committee have to approve all witnesses, or could witnesses be invited based on whatever ratio is agreed to, if that was, say, four, two, one and one? Do all witnesses have to be approved by the committee, giving some members the ability to veto witnesses a party might want to hear from?

Could you respond to those questions, please, to give some clarity?

**Mrs. Brenda Shanahan:** Mr. Chair, you're an experienced member and many of us have sat on other committees. We know that when we are faced with a study the committee has already agreed to undertake and we are inviting witnesses outside the normal scope of... Public accounts is a committee where we have guaranteed witnesses—the Auditor General and officials from the department—who are directly concerned.

It has come about in this session of Parliament that we are being confronted with the unilateral invitation of witnesses, which is outside of our normal way of functioning. This motion speaks to the practice that other committees have, which is that there's consultation with the members and the chair proceeds in consultation with the members. There is an added caveat that in public accounts, it has been the normal practice that this be done by consensus, but in the least, we should have the consultation done in good form, as we say.

I think the motion is clear. I, for one, am ready to vote on it.

● (1140)

**The Chair:** Very good.

Ms. Khalid, you have the floor, and then I'll have another question.

**Ms. Iqra Khalid:** Thanks very much, Chair.

I just want to add to everything that Mrs. Shanahan has said, which I one hundred per cent agree with.

There is no veto power. As it is with all committees, every party submits their witness list, and those witnesses are invited to appear before the committee. We're not talking about whether a party can veto. This is not the United Nations Security Council. We are trying to be as inclusive as possible here. I don't anticipate any veto power.

I think members should be given the opportunity to invite witnesses in a consensus format, to have a heads-up and to have some say in and some consultation on when meetings are held. We all lead very busy lives in our constituencies, doing important work for our constituents, and in Parliament and this committee as well. We want to build that consensus and work together. This is really the purpose of the motion.

**The Chair:** Thank you.

Could I get a sense from you, Mrs. Shanahan, on how you see...? I'm serious about this. The subcommittee had a meeting and laid out priorities, and there was broad agreement from the opposition to continue the ArriveCAN study. If the motion passes, do you see this as immediate and tomorrow's meeting needs to be rescheduled, with the same thing for next week? Are we going to put a freeze on the work the clerk has done to arrange things, under my instructions, based on what I received coming out of the subcommittee meeting?

Could you respond to how you see this motion? Is this immediate or a go-forward?

**Mrs. Brenda Shanahan:** This is a go-forward, Chair, and I'm ready to vote on the motion. I think we all understand it.

I'm not going to prejudge what other members would say, but we're ready to vote.

**The Chair:** That's very helpful, Mrs. Shanahan.

Mr. Desjarlais, you have the floor.

**Mr. Blake Desjarlais:** Thanks.

To give greater clarity to point (a), after hearing from my colleagues around the table, about a witness list submission deadline set by the chair, I agree that you can determine, Mr. Chair, when that happens because of that portion. That's just to answer that question from my perspective.

Also, where it says, "the explicit consent of the committee", I don't think it means the consensus of the committee. I think consent happens largely by a majority vote. I think a majority vote of the committee is the "explicit consent", as I understand point (a) to read.

**The Chair:** Thank you. That's helpful.

Mr. Barrett, you have the floor.

**Mr. Michael Barrett:** Chair, it's beyond parody that the Liberals want to be able to call witnesses to rebut the Auditor General of Canada. We see that this is a Liberal cover-up. They're trying to cover up their \$60-million arrive scam.

Let's go to a vote. If they're—

**Ms. Iqra Khalid:** I have a point of order, Mr. Chair.

**Mr. Michael Barrett:** —not comfortable with what's happening in their government, then—

**The Chair:** We have a point of order, and then I'll return the floor to you, Mr. Barrett.

Ms. Khalid, you have the floor.

**Ms. Iqra Khalid:** I take exception to us being blamed for rebuttal witnesses—

**The Chair:** Ms. Khalid, that is a point of debate. I will give you the floor after Mr. Barrett is done, and you're welcome to give a rebuttal.

Mr. Barrett, you have the floor again.

**Mr. Michael Barrett:** Chair, the Liberals, including Ms. Khalid, should vote for their cover-up and vote to bring witnesses to rebut the Auditor General, as they don't like the news being reported in this massive corruption scandal. I'd be interested to see who they bring out. I guess they'll bring in Kristian Firth as their expert witness to rebut the Auditor General.

We believe Ms. Hogan. We understand that they believe Mr. Firth—

• (1145)

**Ms. Jean Yip:** I have a point of order, Chair.

**Mr. Michael Barrett:** —so let's have a vote.

**The Chair:** Thank you.

Ms. Yip, do you have a point of order, or is it a point of debate? I have Ms. Khalid.

**Ms. Jean Yip:** It was on relevance.

**The Chair:** Thank you.

Ms. Khalid, have you said everything?

All right. I'm seeing no other intervenors. The clerk will call the vote.

(Motion agreed to: yeas 6; nays 4)

**The Chair:** The motion is carried, and I will of course follow it.

We're going to finish up our rounds. I apologize to our witnesses for the delay.

Mrs. Shanahan, you have the floor for two minutes and about 10 seconds.

**Mr. Larry Brock:** I have a point of order, Mr. Chair.

**The Chair:** Wait just one second, please, Mrs. Shanahan.

Mr. Brock.

**Mr. Larry Brock:** Given the unnecessary intervention that lasted close to 45 minutes, do we have resources beyond 12 o'clock?

**The Chair:** I'm going to work on that right now, so I can get back to the committee.

**Mr. Larry Brock:** Okay.

**The Chair:** It is my intention, though, to see us through to the finish of this third round, which we're just beginning, and then we'll finish up the fourth round.

Mrs. Shanahan, you have the floor for two minutes and 10 seconds.

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

I'll go back to you, Mr. Moor, and talk about the ArriveCAN application itself.

The ArriveCAN application, as we heard from the Auditor General, does have enduring value. You mentioned that just before we moved to the motion. Can you speak to what the enduring value means for CBSA?

**Mr. Jonathan Moor:** As I said to OGGO last week, I believe the ArriveCAN application provided value for money, but I also accept that it didn't provide the best value for the taxpayer.

When you're looking at value for money, you have to look at economy, efficiency and effectiveness. The Auditor General has recognized that it was an effective app for providing factual information about quarantine on a timely basis to allow them to do their job.

I have spoken about efficiency. The ArriveCAN app costs about one dollar, whereas the paper-based process was costing about three dollars, so it is definitely a more efficient approach than the paper-based process.

When we talk about economy, there is a judgment there. We've talked previously about differences in how we count the money, but I think we all agree that there was insufficient information to record all of the expenditures correctly. Some of that we are going to be dealing with, but we recognize that we should have had the accounting code at the start.

**Mrs. Brenda Shanahan:** Thank you for that.

I think it's important to note that the ArriveCAN project was conceived as something that would save money at CBSA. The fact is that it didn't, though, and we were all shocked by the testimony at this committee of people like Mr. Yeo, who was very proud to say that he was a Conservative member, Conservative donor and member of the People's Party of Canada, which means that he's not somebody who believes in tracking vaccination rates and so on. It was very bizarre, but he was very happy to make money on ArriveCAN.

What can you do to make sure that people like that don't get involved in projects again?

**Mr. Jonathan Moor:** It is very difficult for me to comment on that, because what you want to see in procurement is a fair and equal process. Everyone should be allowed the opportunity to compete fairly, in order to drive value for money in the public service.

One of the issues we had is that we allowed this to run too long. We used the same contractors for too long, and I think that's one of our core lessons learned.

I fully support the approach of having open, fair and transparent competition to allow all of us to get the best value for money.

**The Chair:** Thank you very much. That is your time.

[Translation]

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

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

Mr. Moor, I'm going to take this opportunity to come back to what you just said. You're talking about value and efficiency. However, the awarding of contracts non-competitively began in 2010, and this practice exploded between 2015 and 2019. In 2023, the Canada Border Services Agency awarded almost 20% of its contracts, if not a little more, non-competitively.

Do you consider that all these non-competitive contracts provide good value for taxpayers' money?

• (1150)

[English]

**Mr. Jonathan Moor:** It's a complicated answer to a complicated question.

I think the principle set out in the directives is to always have competition in all of our procurements. Sometimes, however, for reasons of national security, that's not possible. There are also other good reasons, with things like intellectual property rights. It depends on the contract.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Okay, we understand that national security reasons were invoked during the pandemic. However, in 2023, there wasn't a pandemic anymore, and there wasn't much of an emergency anymore.

Why are so many contracts still being awarded non-competitively?

[English]

**Mr. Jonathan Moor:** We have to look at them individually. For example, just recently we approved a national security exemption for biometric data capture, and that was for security reasons. I'm pleased to say that, unlike what happened during COVID, we discussed that national security exemption at the procurement review committee twice before agreeing to it, which we then sent over to PSPC, so we have greater oversight and greater governance on these decisions.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Okay. Still, it's more than 20%. That's huge. That's a huge number of contracts totalling hundreds of millions of dollars that are awarded non-competitively, once again. You mentioned an example of a national security argument. You also mentioned that this wasn't always the case, especially today, when the pandemic is behind us. Again, these are huge sums of money.

There are procurement rules, and exceptions are provided, but it's important that they remain exceptions. It becomes problematic when one in four or one in five contracts are non-competitive. In this case, these are no longer exceptions; the awarding of non-competitive contracts is practically becoming the norm. I think that's a problem. It's also a problem for a lot of people, because there's no way to demonstrate good value for taxpayers' money.

[English]

**Mr. Jonathan Moor:** I certainly agree with you that non-competitive contracts do not always—

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Are you going to do anything about it? Will you take a more in-depth and detailed look at why so many contracts are awarded non-competitively?

[English]

**Mr. Jonathan Moor:** We are looking at that through the procurement review committee. One of our first challenges for every single contract we look at is asking why it's going to be non-competitive. As I said before, doing that for reasons of national security was acceptable, but I don't believe the procurement review committee would accept it if there weren't a very strong case.

[Translation]

**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.

Mr. Moor, you mentioned in our last round of questioning that, although everyone in your ministry is responsible for financial oversight and for ensuring accountability and more responsibility, you were accountable for ensuring that some of the costs here and, most particularly, the transparency and accountability piece with contracts were met.

What level of accountability have you faced given what has taken place, and what changes will you make as you continue this work?

**Mr. Jonathan Moor:** As I previously said, we have a very comprehensive procurement improvement plan, which we are now working through to ensure that we deliver improvements, recognizing that—

**Mr. Blake Desjarlais:** How does that hold you accountable?

**Mr. Jonathan Moor:** I am accountable for that procurement review plan. I established the procurement review committee, and I have overseen the procurement improvement plan over the last nine months.

I'm also looking very extensively—

**Mr. Blake Desjarlais:** Can you see the problem, though, Mr. Moor, with having you do this work, particularly considering the fact that so much of the basic information regarding this work couldn't be found? It's reasonable to suggest that Canadians might not have trust in the internal systems you're creating, considering how, for a very long time in CBSA, this information wasn't always up to par. We see that particularly in the governance structure, for example.

The governance structure was lacking between Public Services and Procurement Canada and CBSA. We heard from Public Services and Procurement Canada that at the time, they didn't know who was responsible for what. It's likely, we can assume, that if they didn't know that and they were your contracting partner, your ministry also didn't know that. Is that correct?

**Mr. Jonathan Moor:** No, that is not correct. It was very clear who the technical authorities on all of those contracts were.

• (1155)

**Mr. Blake Desjarlais:** That's not what Public Services and Procurement Canada said though.

Who is right? Who are we to believe, Public Services and Procurement Canada or you?

**Mr. Jonathan Moor:** I do not think we're disagreeing. I think it's clear what the responsibilities of the contracting authority are and what the responsibilities of the technical and project—

**Mr. Blake Desjarlais:** The Auditor General herself said:

In our examination of contracting practices, we saw little documentation to support how and why the Canada Border Services Agency initially awarded GC Strategies the ArriveCAN contract through a non-competitive process. Only one potential contractor submitted a proposal, and that proposal did not come from GC Strategies.

Can you explain that?

**Mr. Jonathan Moor:** I think that is partly subject to the internal investigation review, which I can't comment on because I do not know how that has progressed. I think there was also a wider recommendation arising out of our action plan about knowledge management systems and how we record.

As I said before, employees at all levels are responsible for documenting, but there's still a lot of work for us to do to ensure that that's happening. That's why—

**Mr. Blake Desjarlais:** But how could you not see that as mismanagement?

**The Chair:** That is your time, I'm afraid. It is my intention to give you one more slot before we wrap up today. We're still working on that.

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

**Mr. Larry Brock:** Thank you, Mr. Chair.

Mr. Moor, I am so grateful you're part of the panel with the Auditor General. In fact, you're sitting right next to Mr. Hayes, the deputy auditor general.

Last week, exactly a week ago, I asked you a question and you couldn't answer it. I want to know why you deliberately—your agency, CBSA, not you personally—misled and lied to the Auditor

General when saying that GC Strategies provided a proposal for the initial contract to work with CBSA. That's what CBSA confirmed to the Auditor General, and the Auditor General confirmed that this was, in fact, false.

Here's your opportunity, as a representative of CBSA, to come clean to Canadians and to members of this committee. Why did you mislead the Auditor General?

**Mr. Jonathan Moor:** As a representative of the CBSA, I do not believe the CBSA misled the Auditor General. There were different choices at that time, and one of the choices was to have a project developed in-house using staff augmentation, which was the GC Strategies—

**Mr. Larry Brock:** I'll stop you right there. Are you suggesting that the Auditor General simply got it wrong? They looked for a proposal on the initial contract with CBSA that you said you had in your possession from GC Strategies, and they confirmed it wasn't there.

**Mr. Jonathan Moor:** Well, I think what you're referring to is missing documentation, which I think has been subject to a number of different inquiries. Lots of different people have been looking for the documentation, and part of the investigation is to see whether the documentation is missing because of COVID or because of something—

**Mr. Larry Brock:** Okay.

Mr. Firth of GC Strategies, when he attended a few weeks ago, refused to answer questions regarding his involvement in the \$25-million IT service contract, stating that responding to that question would somehow jeopardize the RCMP investigation.

We know through the Auditor General's report, which I'm sure you have read, that GC—Government of Canada—Strategies was directly involved in the drafting of the narrow terms of that \$25-million IT service contract.

**Mrs. Brenda Shanahan:** I have a point of order, Chair.

**The Chair:** Just one second, Mr. Brock.

Mrs. Shanahan.

**Mrs. Brenda Shanahan:** It's just on this “Government of Canada” that Mr. Brock is referring to. Is this an official name? I'm just confused. It's GC Strategies, as far as I know.

**The Chair:** Mrs. Shanahan, that's not a point of order. If the witness is seeking clarity, they're entitled to ask, but not members.

Mr. Brock, if you want to ask your question again, I'll give you time.

**Mr. Larry Brock:** I will. That's fine.

For Mrs. Shanahan's benefit, I'll note that it was Mr. Firth himself who confirmed that the “GC” stands for “Government of Canada”—not my words. That's from your witness, Mrs. Shanahan.

Mr. Firth, through GC Strategies, created his own terms and drafted his own contract, which, surprisingly, he actually won, for 25 million Canadian taxpayer dollars. Who at CBSA allowed that to happen?

**Mr. Jonathan Moor:** Well, as I think I've said previously, it is unacceptable—

**Mr. Larry Brock:** No, sir. I know it's unacceptable. Everyone knows it's unacceptable.

You're the one responsible. You're accountable for this mess. You're accountable for failures.

Now provide us some answers. Who at the CBSA—I want names and I want positions—allowed Government of Canada Strategies to draft their own contract worth 25 million taxpayer dollars? Give names, sir.

• (1200)

**Mr. Jonathan Moor:** Well, as I've said before, the border technologies and innovation directorate was responsible for that—

**Mr. Larry Brock:** Give me a name, not a department.

**Mr. Jonathan Moor:** Well, the DG was Mr. MacDonald, and the executive director was Mr. Utano. They were responsible for drafting that statement—

**Mr. Larry Brock:** Are you saying that it was Mr. MacDonald and Mr. Utano who allowed GC Strategies to write their own contract? Is that your evidence?

**Mr. Jonathan Moor:** I'm not saying those two, but I'm saying that's what—

**Mr. Larry Brock:** That's the question I'm putting to you, sir. How much simpler can I phrase it?

**Ms. Iqra Khalid:** I have a point of order, Mr. Chair.

**Mr. Larry Brock:** Who at CBSA allowed this—

**The Chair:** Wait one second, Mr. Brock.

Ms. Khalid, what is your point of order?

**Ms. Iqra Khalid:** With the years of experience we've had, we treat our witnesses with a bit more respect than how Mr. Brock is treating our witnesses right now.

**The Chair:** That is not a point of order. Mr. Brock is trying to get an answer and is becoming rightly frustrated, the way a lot of Canadians are.

Mr. Brock, you have the floor again.

**Mr. Larry Brock:** Mr. Moor, let's not play games. The question is simple. Who—give me a name—at CBSA allowed Government of Canada Strategies to write their own contract, which they won, for \$25 million? Give me names, please.

**Mr. Jonathan Moor:** Well, I think I've already given you names—

**Mr. Larry Brock:** You gave me names. You gave me Mr. MacDonald and Mr. Utano. I asked you whether they were responsible for allowing GC to write the contract and you said no. The question now is, sir, who at CBSA allowed it?

**Mr. Jonathan Moor:** I've said I do not know because it is under investigation, and that is the key part of the investigation internally—

**Mr. Larry Brock:** How could you not know?

**Ms. Iqra Khalid:** I have a point of order, Mr. Chair.

**The Chair:** Just one second, Mr. Brock.

Ms. Khalid.

**Ms. Iqra Khalid:** This is a point of order on decorum. The witness has said time and time again that he does not know. There are ongoing investigations.

Why are we badgering a witness?

**Mr. Larry Brock:** That is not a point of order, Chair.

**Ms. Iqra Khalid:** That is absolutely a point of order, Chair.

**The Chair:** Ms. Khalid, that is not a point—

**Ms. Iqra Khalid:** This is about decorum.

**The Chair:** Ms. Khalid, Mr. Brock's question was simple: Why don't you know? That was his question. It seemed to be a valid question. You might not like how it's posed—

**Ms. Iqra Khalid:** I'm sorry, Chair. I didn't know that you became an agent for the Conservatives.

**Mr. Larry Brock:** Wow.

**Ms. Iqra Khalid:** I'm asking you to be fair.

**Mr. Michael Barrett:** He's a Conservative MP.

**Some hon. members:** Oh, oh!

**Ms. Iqra Khalid:** He is also the chair of this committee, which begs of him to be non-partisan in his deliberations on how we operate as a committee.

**Mr. Michael Barrett:** No, it doesn't.

**Ms. Iqra Khalid:** Yes, it does.

**The Chair:** Ms. Khalid, I'll point out that I've had my share of Conservative MPs who have whinged at some of the decisions I've made. When I get it from both sides, I find myself right where I should be—

**Ms. Iqra Khalid:** Chair, I am quite tired of this unparliamentary behaviour.

**The Chair:** Ms. Khalid, Mr. Brock has the floor. His question was this: Why don't you know? That question is in order.

Mr. Brock, you have about 40 seconds left.

**Ms. Iqra Khalid:** So you can ask for six minutes the same question—

**The Chair:** Okay. Hold on.

Ms. Khalid, the more you talk, the more time Mr. Brock has, because you're running into his time to get questions going back and forth.

Mr. Brock, you have the floor for 40 seconds.

**Mr. Larry Brock:** Thank you, Chair.

I won't be silenced by Ms. Khalid, Mrs. Shanahan or anyone on the Liberal bench, because these are relevant questions that Canadians want an answer to.

I'll ask it again, sir, for the fifth time: Why do you not know who in particular allowed GC to write the terms of their own contract, given your position at the CBSA?

The question can go to Mr. Vleeming as well. Why do you not know?

**Mr. Jonathan Moor:** Mr. Hayes has helped me with the chronology. Mr. MacDonald left the CBSA on April 23, 2021, and the first competitive contract awarded to GC Strategies was on May 16, 2022.

It is still subject to review with the investigations. Once that has—

**Mr. Larry Brock:** You mean the investigation run by Mr. Lafleur.

**Mr. Jonathan Moor:** The RCMP is also looking at this issue.

**The Chair:** Mr. Brock, your time is up. I will come back to your bench.

Ms. Khalid, you have the floor for five minutes.

**Ms. Iqra Khalid:** Thank you very much, Chair.

To our witnesses, what steps have you taken to ensure that this does not happen again? I think Canadians and all members of Parliament realize that this should not have happened at all. Can you just outline for us what steps you've taken to make sure this does not happen again?

• (1205)

**Mr. Jonathan Moor:** I just want to reiterate that I'm very disappointed that this has happened. The COVID pandemic was ongoing at the time, so some of our internal controls were not operating as effectively as they could have.

As I've said before, as the first line of defence, all 900 people with the delegation of financial signing authorities have been re-trained. Everyone has undertaken 16.5 hours of training to remind them of what their responsibilities are in contracting. In addition, we have strengthened the conflicts of interest register. The conflicts of interest register covers employment, which is something Mr. Vleeming was talking about a minute ago, but it also covers procurement. We have now identified that anyone who has an interaction with procurement must talk to the procurement directorate and must log that as a potential conflict of interest. We've also strengthened our second line of defence in creating the procurement review committee, which is looking at all contracts and all TAs above \$40,000.

We have done a lot already, but we have more to do to identify and address each recommendation that has been made.

**Ms. Iqra Khalid:** Thank you, Mr. Moor.

Was there political oversight with the ArriveCAN app and its procurement and additional contracts? Was there political oversight over any of this, within your purview?

**Mr. Jonathan Moor:** I'm not in a position to talk about the president talking with or informing the minister, but I am in a position to say that there was funding allocated in the second year, 2021-22. That would have gone through the supplementary estimates. In the third year, there was funding granted in budget 2022. That would have gone through the estimates and main estimates.

That's the only political oversight that I was personally involved in.

**Ms. Iqra Khalid:** The supplementary estimates are not specific to projects. They are for general funding for departments. Is that correct?

**Mr. Jonathan Moor:** It is the allocation of funding that has been received and approved by the Treasury Board.

**Ms. Iqra Khalid:** Right. After the fact, individual bureaucrats—or whoever has the right to sign off on whatever contract, delegation and so on—make those decisions. Is that correct?

**Mr. Jonathan Moor:** Absolutely. It's in line with the delegation of financial signing authorities, which is approved by the minister when they take up their position.

**Ms. Iqra Khalid:** When the minister approves the delegation of authority, I'm sure they expect that our bureaucracy and public service have done their due diligence in putting forward a candidate who is going to receive that due diligence. Is that correct?

**Mr. Jonathan Moor:** Absolutely, and that's why we do the training and why we have asked people to redo the training. It's to remind them of what their responsibilities are.

**Ms. Iqra Khalid:** I know I've asked you this before. The training clearly didn't work in this instance, as many millions of taxpayers' dollars were spent on something that arguably could have been done a lot more cheaply.

In terms of lessons learned, do you think there should be more ministerial oversight in how money is spent by the public service in acquiring the goods and services Canadians need?

**Mr. Jonathan Moor:** I don't think I can really answer that question. I think that's a question for the minister. However, when they set the departmental financial signing authorities, they have the ability to set them tighter, which would mean that some decisions would have to come to the minister for approval.

**Ms. Iqra Khalid:** Thank you very much.

Those are all the questions I have.

**The Chair:** Thank you very much.

We are turning now to Mr. Barrett. You have the floor for five minutes.

This is our last round, and I have resources for a full round.

**Mr. Michael Barrett:** Mr. Moor, it would be incredible, if not impossible, for Canadians to believe that the CBSA had no idea who authorized GC Strategies to ink the requirements for a \$25-million contract, which then got awarded that same contract. Nobody knows.



You offered some names, and then when pressed by Mr. Brock on whether those you named were responsible, you said, “No, that's not what I'm saying.” However, you're not able or willing to tell us who was. Mr. Hayes then told you that one of those individuals wasn't even there.

It's hard to believe. In any other business or in any other environment, there would be serious repercussions. You said, sir, on ArriveCAN, “I am accountable for the failures.” These are massive failures, the likes of which have not been seen in decades in this country.

Have you offered to resign?

• (1210)

**Mr. Jonathan Moor:** No, I have not offered to resign, because I'm actually very proud of what we've achieved over the last six years.

**Mr. Michael Barrett:** That's shameful. There's nothing to be proud of in this.

If I had time, I'd dig into the supposed cost savings, but the paper-based applications—

**Mrs. Brenda Shanahan:** I have a point of order, Chair.

**Mr. Michael Barrett:**—were human costs.

**The Chair:** Mrs. Shanahan, you have a point of order.

**Mrs. Brenda Shanahan:** Again, the shameful treatment of our witnesses, who are—

**Mr. Michael Barrett:** She's using the same word I used.

**Mrs. Brenda Shanahan:** Actually, it is about decorum in committee. It is in Standing Order 117.

**Mr. Michael Barrett:** She's calling it shameful that I said “shameful”.

**Mrs. Brenda Shanahan:** Chair, I call upon you to ensure the respectful treatment of the witnesses—

**Mr. Michael Barrett:** She's using the same word, Chair.

**Mrs. Brenda Shanahan:**—who are appearing before us today and at any time.

**The Chair:** Mrs. Shanahan, your point of order is that you're entitled to call a member's actions shameful, but a member cannot refer to the statements of a witness as shameful.

**Mrs. Brenda Shanahan:** I am saying the word the member used—

**Mr. Michael Barrett:** You used the same word, Brenda.

**Mrs. Brenda Shanahan:**—when questioning the witness is not appropriate. It is inappropriate at this committee.

**Mr. Michael Barrett:** Your cover-up is inappropriate.

**The Chair:** Mrs. Shanahan—

**Mrs. Brenda Shanahan:** Calling on a civil servant to resign and then saying it is shameful are not worthy of this committee. We are here to ensure the accountability of civil servants—

**Mr. Michael Barrett:** If she wants to give an S.O. 31, she should do it in the House next week.

**Mrs. Brenda Shanahan:**—and we take that work very seriously.

**The Chair:** Mrs. Shanahan, first, you know it is my practice to give members latitude to ask their questions and, I think more unique to this committee, to allow witnesses to respond fully. I seldom cut them off because I think it is beneficial for this committee to hear answers.

One of the issues before this committee is the lack of answers that have come from the Government of Canada about who is responsible. I am tired of hearing, “We will fix it next time”, when this is about the Auditor General's report and finding out what happened.

You might not like the tone that Mr. Barrett is using, but it is entirely appropriate, and—

**Ms. Iqra Khalid:** I'm sorry, Chair—

**The Chair:**—I suspect a good part of the country agrees. Now, don't bring me into this debate with these frivolous points of order on tone, particularly when you take issue with the word Mr. Barrett used and then use it yourself to describe his actions, thereby reinforcing the point that it is accurate.

Mr. Barrett, you have the floor.

**Ms. Iqra Khalid:** Mr. Chair.

**The Chair:** Is it a point of order, Ms. Khalid?

**Ms. Iqra Khalid:** Yes, Chair. Again, on the same point of order on decorum, I would appreciate it if the chair—

**Mr. Michael Barrett:** You ruled on it.

**Ms. Iqra Khalid:** I'm talking about a different person now. Perhaps the chair himself could be a bit more non-partisan in how he conducts our committee.

**The Chair:** Ms. Khalid, don't bring me into your bun fights. I will be non-partisan in conducting the meeting. If you're going to continue to disrupt opposition members when they are asking questions, then I will get involved and make a ruling, as it is my job to do. I'm not just a potted plant up here who is going to watch the clock. As you get more political and try to cut opposition members off while they are asking legitimate committee questions, I will reinforce their right as members to ask those questions.

Mr. Barrett, you have the floor for three minutes and 40 seconds.

**Mr. Michael Barrett:** Mr. Moor, last week my colleague Eric Duncan asked you which CBSA executives involved in ArriveCAN received performance bonuses. You said, “I can't confirm if they received bonuses this year because the year is not actually at an end”. Well, year-end has come and gone. Which executives was it and how much did they receive?

**Mr. Jonathan Moor:** I'm not able to answer that question because I'm not responsible for executives' performance bonuses.

**Mr. Michael Barrett:** That wasn't your answer last week, sir. You said that you weren't able to provide the answer because year-end hadn't come, not that you weren't responsible for them.

Let me ask you a question with precision that you will be able to answer. Did you, sir, receive bonuses for your work?

**Mr. Jonathan Moor:** As I said last week, I have received some performance pay during the periods I've been the CFO.

I want to come back to your previous question.

With respect, can I come back to the previous question, Chair?

**Mr. Michael Barrett:** There's been \$60 million in waste, along with allegations of fraud, forgery and corruption, and this arrive scam sees executives like you taking bonuses. You said, "I am accountable for the failures." You said that today. Where is the accountability? Everyone keeps their job, everyone gets a bonus and Canadians are on the hook for all of it, for tens of millions of dollars.

As to the supposed cost savings from using this application versus paper, those paper costs were human costs. All of those humans are still being paid. These were costs on top of that, and so much of this, tens of millions of dollars of it, is grift. It's just Liberal insiders getting rich while Canadians get hammered and have to pick up the bill. It's egregious is what it is.

I have a question for the deputy auditor general. In your report, on page 5 there's a table. It's exhibit 1.1, "Estimated costs of the main contractors on the ArriveCAN application at 31 March 2023". This details the \$19.1 million that GC Strategies received, which, of course, they deny having been paid, and CBSA has no concept of how any of the contracts awarded to these two grifters were awarded. At the bottom of that table there's a line "other" and it's \$6.1 million. Obviously the big numbers, like \$19 million, draw a lot of attention, but with this \$6.1 million, Canadians are now wondering how much of this corruption exists in the system and what makes up these companies.

Are there numbered companies involved? We need to understand who is getting rich off this project, which, of course, border services officers said was absolutely ineffective and prevented them from fulfilling their responsibilities. We've heard that from their union representatives and directly from BSOs. For that \$6.1 million, who makes up the list?

• (1215)

**Mr. Andrew Hayes:** We didn't include the details in our report. All of those companies, those contractors, received less than \$1 million. That was the cut-off we used for the table.

As we said in the footnotes to the table, there were 21 contractors. We hadn't notified those contractors that we would name them. We didn't name them in the report, but there were 21 of them. We're talking about anything from low dollar values up to, at the high end, possibly \$1 million.

**Mr. Michael Barrett:** Are you able to furnish the committee with the list of those contractors?

**Mr. Andrew Hayes:** We do have a list of those names, and we can provide it to the committee.

**Mr. Michael Barrett:** Thank you very much. I appreciate the work of the Auditor General's office.

**The Chair:** Thank you, Mr. Barrett. That is your time.

Ms. Yip, you have the floor for five minutes.

**Ms. Jean Yip:** Thank you.

Mr. Moor, you weren't given an opportunity to finish answering Mr. Barrett's question. Would you like to take this opportunity to provide an answer?

**Mr. Jonathan Moor:** Yes. Thank you very much.

As I've said before, it would be totally unacceptable for a contractor to be involved in drafting a request for proposals for a contract that they then bid for. Under the procurement rules, you can use a contractor for technical reasons, but they then have to exclude themselves from making a bid for that contract, and it has to be disclosed.

My answer to the question is I do not know, because I've not been involved in any of those internal investigations, and I'm certainly not involved in the RCMP investigation. If wrongdoing is found in any case, with any of these contracting approaches, then action will be taken. That's what I'm assuring, but I can't say at this moment a name because I do not know a name.

What Mr. Hayes helped me with was just to remind me of the chronology around who was involved in the border technologies and innovation directorate, and I do accept that chronology.

I apologize to Mr. MacDonald for mentioning him when clearly we know he was not there at that time.

**Ms. Jean Yip:** Then you have not been approached by the RCMP.

**Mr. Jonathan Moor:** I have not been approached by the RCMP at all.

**Ms. Jean Yip:** Is there anything you can tell us about the progress of the ongoing internal reviews at the CBSA?

**Mr. Jonathan Moor:** What I can say is that normally our service level indicator is to do a complex review within 120 working days. This review started in November 2022, following the Botler allegations. A discussion was held in December 2022 with the RCMP. The RCMP felt that interviewing witnesses could impact their own investigation, and they therefore asked the CBSA not to step down their investigation but not to pursue all avenues.

In October 2023, the RCMP informed the CBSA that those investigations could now continue, and the CBSA internal investigation proceeded. It came out with a preliminary statement of facts, which I'm not aware of. I have not seen that, but my understanding is that it was shared with the OGGO committee.

• (1220)

**Ms. Jean Yip:** Do you believe any changes need to be made to the code of conduct for CBSA employees?

**Mr. Jonathan Moor:** I think we're always looking at how to modernize and improve the code of conduct. There is a review being undertaken at the moment around the code of conduct. The aim is always to make sure that it is relevant. For example, if social media changes, then adjustments need to be made to the code of conduct.

**Ms. Jean Yip:** Do you think the CBSA has done enough to ensure that appropriate oversight is being done in managing relationships between employees and prospective contractors?

**Mr. Jonathan Moor:** As I said, I think the procurement improvement plan, which I've been working very hard on over the last nine months, has taken a number of actions in that respect, in particular around the conflicts of interest and in particular around the disclosure of relationships or within interactions with vendors or potential vendors.

**Ms. Jean Yip:** Is there anything else you would like the committee and Canadians to know?

**Mr. Jonathan Moor:** My belief is that ArriveCAN did provide value for money, but it didn't provide the best value for money. I know that not necessarily everyone agrees with that approach, but we had to do this at a time of national emergency.

We had to get the paper-based system out of the approach and get into a digital system. That was done within six weeks, and it was very important for our officers not to fear touching pieces of paper from people crossing the border.

I think it's a really important sort of thing to recognize that we did not do everything right with ArriveCAN. We recognize that, and we accept the recommendations made and are doing something about it. Overall, we did a very difficult job in very difficult times, and I'm proud of what we did, but we did make some mistakes and will learn from those mistakes.

**Ms. Jean Yip:** Thank you.

**The Chair:** That's it, Ms. Yip. Thank you very much.

[Translation]

We now go to Ms. Sinclair-Desgagné for two and a half minutes.

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

I want to follow up on some questions I asked Mr. Vleeming.

You confirmed that Aurora Cannabis was hacked when you were working there as chief information officer. According to an article by Yahoo Finance Canada, hackers stole all the computer data that Aurora Cannabis had, including copies of passports, copies of driver's licences and other highly confidential documents. When they tried to sell that data in an online marketplace, they posted, as proof of those documents, a photocopy of your passport, Mr. Vleeming.

Can you explain how you experienced these events, as chief information officer? Were you the victim of blackmail directed at you personally or at Aurora Cannabis as a result of this data breach?

[English]

**Mr. Darryl Vleeming:** The data breach actually got a very small amount of data from Aurora, and we were subjected to blackmail. Basically, they tried to force us to pay to not release it, but the

amount of information they stole was extremely limited, so we made a decision as an organization not to pay.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** Did that disrupt your career in any way, given that you were presumably responsible for ensuring the cybersecurity of the company?

How can you say that you've learned from this extremely unfortunate incident and that you're going to protect the data of Quebecers and Canadians within the Canada Border Services Agency?

[English]

**Mr. Darryl Vleeming:** It didn't. The reality is that anybody can read any of the news. Cyber-attacks are increasing. As we've seen with the Government of Canada in the last year, since I've been here, a number of cyber-attacks have disrupted services. Every organization is under attack. The vast majority of organizations have been subjected to successful attacks, so it's not uncommon at all.

The thing that worked well when I was at Aurora was the design of our cybersecurity. While the hacker was able to get in, they were only able to get a very small amount of data, so our protection actually worked very well. A cyber-attack that's successful is never ideal, but every CIO is prepared for that.

[Translation]

**Ms. Nathalie Sinclair-Desgagné:** So you feel that you were prepared for that eventuality. However, these hackers have managed to obtain highly confidential data, such as copies of passports and driver's licences.

• (1225)

[English]

**Mr. Darryl Vleeming:** You're never as prepared as you could be, but the reality is that cyber-attacks continue to increase worldwide. You just have to google the number of companies that get hacked on a daily basis. It is expected. What you have to do is limit the damage, and in this case the damage was extremely minimal.

[Translation]

**The Chair:** Thank you very much.

[English]

Next up is Mr. Desjarlais.

You have the floor for two and a half minutes.

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

I want to ask the deputy auditor general about the findings on page 15. The subtitle is “No governance structure or budget”. The Auditor General’s office found that “from April 2020 to July 2021, when the ArriveCAN application was being developed and regularly updated, no formal agreement existed between the Public Health Agency of Canada and the Canada Border Services Agency on their respective roles and responsibilities.” It goes on to say in the final sentence, “In our view, the Public Health Agency of Canada, as the business owner, was responsible for establishing the governance structure.” Then, later on it says, “A letter of intent between the agencies was signed in July 2021 and was in force until March 2022.”

Mr. Hayes, what evidence did your office review or not review that suggested that no governance structure was adhered to?

**Mr. Andrew Hayes:** As mentioned in the report, we expected that the Public Health Agency of Canada, as the business owner, would have established the governance structure. They would have clearly outlined the roles and responsibilities expected of their officials and the CBSA. We would have expected a budget at the very least and some objectives, cost estimates, resource needs assessments and other risk management activities, and those were simply not in place. Quite frankly, without a budget, it’s difficult to monitor costs and to identify when costs are rising outside of the acceptable range.

I would say, as the Auditor General has mentioned, that we were disappointed by what we did not find in this report.

**Mr. Blake Desjarlais:** Mr. Moor, to your knowledge, why wasn’t information as basic as a budget supplied on behalf of the CBSA?

**Mr. Jonathan Moor:** I think, as Mr. Hayes does, that there was no memorandum of understanding between the Public Health Agency, which was responsible for the public health version of ArriveCAN, and—

**Mr. Blake Desjarlais:** What about the governance structure that you’re a part of? You mentioned in response to my previous question that there was a governance structure and that you’re adamant that this governance structure was put in place, but we see that there wasn’t one and there were largely failures with what existed after that.

What knowledge do you have of the governance structure, and why wasn’t the question raised about a budget?

**Mr. Jonathan Moor:** There was an emergency management governance structure, which was an operational environment, and there were regular—I would say daily—meetings between PHAC, the CBSA and others in order to make adjustments to ArriveCAN in line with the orders in council.

It was disappointing that no funding was provided and, therefore, no budget was set. If a budget had been set and we had received funding, it would have been treated more like a project for which we would have brought in the governance structures. However, as Mr. Hayes said, that was the responsibility of the Public Health Agency of Canada.

**The Chair:** Thank you very much. That is the time.

Just so our witnesses know, we have two more questioners. One is from the official opposition. The government members will then round it out for us today.

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

**Mr. John Nater:** Thank you very much, Mr. Chair.

Again, thank you to our witnesses.

Mr. Moor, could you confirm for us how many employees of CBSA are currently actively engaged in outside employment or contracting?

**Mr. Jonathan Moor:** I cannot confirm that number, but I can ask the CBSA to come back to you with a number. That would be the human resources branch.

**Mr. John Nater:** Are you telling me that you came to this committee meeting unprepared to answer that question, despite the fact that this has been the topic of discussion for some weeks?

**Mr. Jonathan Moor:** My understanding is that a question has been raised and they will be giving a response. They are now doing a check of everybody to make sure they have the full disclosure before they come up with a definitive number.

**Mr. John Nater:** Are you personally aware of any employees within CBSA who have outside employment or outside contracts?

**Mr. Jonathan Moor:** I was personally involved in a conflicts of interest discussion last year for one of my employees, who was proposing to take on an unpaid role. We perceived that to be a conflict of interest, and it went through the standard process. The evidence was gathered by our human resources branch. We discussed the process with the individual concerned, and they decided to withdraw from that because there was at least a perceived conflict of interest.

I am aware of the process that’s being operated, but it’s operated by our human resources branch.

• (1230)

**Mr. John Nater:** On the other side, are you aware of any contracts currently at CBSA that involve employees from other government departments?

**Mr. Jonathan Moor:** As a result of the investigations that are ongoing, we have done some searches in GEDS and have identified some individuals. If you’re in GEDS, it implies that you’re an employee of another government department. We have therefore contacted the departments where each of those individuals worked. I think it was about six or seven individuals. The director general responsible for that has confirmed with the other government departments that there was no conflict in those cases. However, that work is ongoing—

**Mr. John Nater:** I’m sorry. I just want to stop you for a second. You say there was no conflict, but they are in fact government employees who have contracts with CBSA. Is that correct?

Can you confirm that there are government employees, public servants, at other departments who currently have active contracts with the Canada Border Services Agency? Are you confirming that, yes or no?

**Mr. Jonathan Moor:** I cannot confirm that, but we can get back to you with the details of that individual—

**Mr. John Nater:** Sir, I'm going to stop you right there. You said they were checking GEDS. They confirmed with the departments and the director general that they were in fact employees of those departments. You said there were six or seven of them. Are you now unwilling to confirm that?

**Mr. Jonathan Moor:** No. What I'm saying is that six or seven were checked. I do know for a fact that some of them were inappropriately on GEDS and had actually resigned and moved elsewhere.

**Mr. John Nater:** Again, of those six or seven, how many are Government of Canada employees with contracts at CBSA?

**Mr. Jonathan Moor:** I do not have those details, but I can get those for you.

**Mr. John Nater:** Sir, you just said there were six or seven. It's a small number. Are you telling me you can't confirm one way or the other?

**Mr. Jonathan Moor:** I can't confirm that because it wasn't in my area. We can come back with—

**Mr. John Nater:** Sir, you are the chief financial officer of the CBSA. You came here knowing that this would be a topic of discussion. You're unable to tell us this information, yet you seem to have information on the process that happened. You seem to have the information that these checks were done, but you can't tell us what actually happened.

**Mr. Jonathan Moor:** I'm willing to come back to you on the level of details for these individuals.

**Mr. John Nater:** Sir, there's been a process undertaken. This information is obviously at hand. Can you confirm that information and provide it to this committee by the close of business today?

**Mr. Jonathan Moor:** I'll have to go back to the department to see if they have that—

**Mr. John Nater:** Could you endeavour to do that by the close of business today?

**Mr. Jonathan Moor:** I'll have to go back to the department and talk to the DG who is responsible for this.

**Mr. John Nater:** Your non-answers are frankly surprising.

**The Chair:** Let me just interject here. I appreciate that the information will be forthcoming as soon as possible.

Mr. Nater, the committee does allow for some time. I appreciate your determination to get to the bottom of this.

Mr. Moor, if you're able to do that as soon as possible, that would be wonderful. We will reach out at some point.

Mr. Nater, it's back to you for a minute and 20 seconds.

**Mr. Jonathan Moor:** There may also be some privacy impacts, which I can't comment on.

**Mr. John Nater:** Again, privacy is not an issue. As you well know, sir, Parliament and this committee can compel information from witnesses to any degree. Privacy and any of those issues are not impediments to providing information to this committee. You as a senior public servant ought to know the power of committees to call for information and documents.

On a different matter, three information technology contractors were found to have fraudulently billed for contract work with several departments between 2018 and 2022. These payments were estimated to be nearly \$5 million.

You were asked this question by my colleague Mr. Brock in a previous committee. Can you now confirm whether any of those firms did work with the Canada Border Services Agency?

**Mr. Jonathan Moor:** As I said at a previous committee appearance, Public Services and Procurement Canada informed us that the CBSA was involved, and the involvement was estimated at up to \$15,000. They have not come back and given us the details yet.

**Mr. John Nater:** When do you expect that information to be forthcoming?

**Mr. Jonathan Moor:** I'll have to go back to PSPC and ask them.

**Mr. John Nater:** That's basically the exact same answer you gave a week and a half ago.

**Mr. Jonathan Moor:** We have had the Easter period in between.

**Mr. John Nater:** Yes. We did have two days that were—

**The Chair:** You have 10 seconds, Mr. Nater.

**Mr. John Nater:** —statutory holidays.

Chair, I will just conclude by saying that I look forward to that information on double-dipping coming to this committee as expeditiously as possible, because it is a concern for many Canadians.

**The Chair:** Thank you, Mr. Nater.

Our last member is Mrs. Shanahan.

You have the floor for five minutes.

**Mrs. Brenda Shanahan:** Thank you very much, Chair.

I want to say again how much I appreciate the witnesses being here today and making themselves available to us.

In my last line of questioning, we established that there indeed is enduring value to ArriveCAN. The original purpose was to offset the paper-based cost of dealing with people filling out forms and so on. I can just imagine the inefficiency of that system. What I'd like to know now, though, is what went wrong with the procurement of the ArriveCAN app.

Mr. Moor, you're familiar with the procurement ombud, who wrote a detailed report regarding the procurement of ArriveCAN.

• (1235)

**Mr. Jonathan Moor:** Yes, absolutely. I really welcome the procurement ombud's report and also the OAG's report. We have learned an awful lot around the procurement, and as I have said before, we definitely made some mistakes on procurement and have learned those lessons.

I think the comptroller general at a recent committee appearance said that now is the time to move on and make sure the recommendations are implemented and that the organization has the time to implement the recommendations to ensure this does not happen again. However, I would also say that we should always go back four years and think about the atmosphere of the pandemic.

It was a very difficult atmosphere. Personally, I had to have a letter from the CBSA president to attend the office during that period, even though I was operating at an operational level. We had the relocation of all individuals back to their home environments, which they had never worked in before. We had the border, which was being significantly challenged. I think people need to have a look at the context around this period of time, and the Auditor General did recognize the context at the time.

I accept that we made mistakes. We have learned from those mistakes. We are implementing actions from those mistakes, but we also need to recognize that some of those mistakes may well have occurred because of the pandemic conditions.

Also, we're looking to see if there was any wrongdoing. If there was any wrongdoing, I can guarantee you action will be taken, but we really need to allow the RCMP and the internal investigations to conclude and find out whether any of these accusations are founded. If they are founded, action will be addressed.

**Mrs. Brenda Shanahan:** Thank you for that.

I would go a step further and say that during the height of the pandemic emergency, when we did not even know the nature of COVID-19, whether we could have a vaccine and what kind of protection we could have in order to simply continue as a society from day to day, there were those who took advantage of the emergency situation and the fact that people were working from home and their services were needed. We talked about staff augmentation. We needed specialized services to provide that digitized application.

I'm thinking of the ombud's recommendation 3 concerning the "Replacement of Specific Individuals" clause in contracting. The procurement ombud was very clear about the bait and switch strategy used by contractors who were taking advantage of the emergency situation at the time. Can you comment on that?

**Mr. Jonathan Moor:** I think there is a risk that some contractors took advantage of that, but I also think that clause is different for different purposes. For a staff augmentation contract, it is highly likely that an individual will not be available at the time the contractor is required. I think it is different when we're talking about a supply arrangement where there's a defined product. In that case, we would expect the people who have been put into the RFP to be attending to and doing the work.

I think there are different types of contracting and different explanations around that.

**Mrs. Brenda Shanahan:** Regarding some of these preferred contractors, they were not only involved in setting the criteria by which they would bid on the contract; they were also using subcontractors. I'm thinking of Dalian and Mr. David Yeo. He told this committee he was very happy to provide the service of access to government contracts, because he was indigenous and they were

able to access the indigenous set-aside that all government agencies have.

How would you comment on that?

• (1240)

**Mr. Jonathan Moor:** That is subject to review by CIRNAC. I don't think that's right. I think if you're there to provide opportunities for indigenous people, they should be provided.

My understanding is that under those contracts, 33% of the total contract value needs to be provided by indigenous people. I would look to CIRNAC to make sure that's happening.

**Mrs. Brenda Shanahan:** Thank you.

I have a question for the chair. We asked Mr. Yeo to provide his Conservative donor card documents to this committee. Have we received them yet?

**The Chair:** I don't know. You're welcome to send a note to the clerk and find out what information Mr. Yeo has provided.

Mrs. Shanahan, you seem intent on this card. I will remind you, all members and the audience watching that those cards are sent out even before people donate. I wouldn't read too much into it, but we will of course endeavour to follow up on all documents that have been promised to this committee and report that information to committee members.

Thank you, members of the Office of the Auditor General, for coming today, along with members of the Canada Border Services Agency. We appreciate you being here. We also appreciate your patience with us. I know we've run a bit over time, but I thank you for your time today.

To wrap things up, I'll note that a working calendar was sent out to members this morning. I worked with Ms. Yip—actually, all members of the subcommittee—and we're going to factor in some time at the end of the meeting on Tuesday to review the subcommittee's work to date.

Also, to the next point, I previously requested witnesses for the ArriveCAN study, and I neglected to put a date on that. I will do so right now, and the clerk will send it out again today. It's one week from today for any witnesses members might want for the ArriveCAN study.

Of course, it is my intention to abide by every motion that is passed by this committee. I see no issues with the motion that was passed today. It will just mean working through and communicating clearly on deadlines.

I'm going to refer you all to *House of Commons Procedure and Practice*, chapter 20, regarding the convening of meetings. I don't want today's motion to be misunderstood. Chapter 20 says that meetings are called through a decision of the chair or through the chair's authority, which is demonstrated across the parliamentary precinct. Of course, I look forward to working with all members as we continue to study ArriveCAN and as we agree together on witnesses going forward.

I will see you all back here tomorrow.

Without further ado, I adjourn this meeting.

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