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# Standing Committee on Public Accounts

EVIDENCE

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Chair: Mr. John Williamson





## Standing Committee on Public Accounts

Wednesday, September 25, 2024

• (1720)

[*Translation*]

**The Chair (Mr. John Williamson (New Brunswick South-west, CPC)):** Good morning, everyone.

I'd like to call the meeting to order.

Welcome to meeting number 141 of the House of Commons Standing Committee on Public Accounts.

[*English*]

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 using the Zoom application.

Before we begin, I'd like to ask all in-person participants to read the guidelines written on the updated cards on the table. These measures are in place to help prevent audio feedback incidents and to protect the health and safety of all participants, including and especially the interpreters. You'll notice a QR code on the card that links to a short awareness video.

This is a kind reminder to all those in person and online that, for the safety of our interpreters, it is very important that your microphone is muted when you're not speaking.

[*Translation*]

I thank all members in advance for their co-operation.

[*English*]

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

[*Translation*]

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

[*English*]

I'd now like to welcome our two witnesses, who have been very patient. I thank you for that.

From the Department of Public Works and Government Services, we have Lysane Bolduc, director general, professional services, transformative solutions sector, and Thomas von Schoenberg, senior director, real property contracting directorate.

You have five minutes for your opening remarks. I don't know if you have a preference as to who will begin, but I'll turn it over to Madame Bolduc.

You have the floor for five minutes, please. It's over to you.

[*Translation*]

**Ms. Lysane Bolduc (Director General, Professional Services Transformative Solutions Sector (PSTSS), Department of Public Works and Government Services):** Thank you, Mr. Chair.

Members of the committee, before I begin, I would like to acknowledge that we are meeting today on the traditional unceded territory of the Algonquin Anishinabe Nation.

Today, I am joined by Tom von Schoenberg, senior director of the real property contracting directorate within the procurement branch of Public Services and Procurement Canada.

I would like to thank the Standing Committee on Public Accounts for inviting Mr. von Schoenberg and me to respond to the testimony given by Diane Daly at the committee meeting of August 7, 2024.

[*English*]

Mr. Chair, serious allegations were made by Ms. Daly during her appearance before this committee. Specifically, we were accused of asking her to provide false statements to CBSA personnel in response to their request for her to appear as a witness in their investigation regarding ArriveCAN.

I want to be very clear about Ms. Daly's statements in this regard. They are false. Neither of us asked Diane Daly to engage in dishonest activities. On the contrary, we offered our support during what we understood to be a personally difficult time for her.

On December 14, 2023, I explained to Ms. Daly that her participation as a witness to the CBSA investigation was necessary as part of her job duties. I offered to accompany her, facilitated her request to have a union representative or her sister join her at the meeting, and regularly checked on her well-being before and after her meeting with CBSA investigators.

Further, between December 2023 and March 2024, I responded to several questions raised by Ms. Daly regarding her rights and obligations, either as a witness or as a respondent of internal investigations. This included providing her guidance on legal assistance and representation by her union.

I also took extra precautions to ensure that both her and my confidentiality obligations were respected concerning this file.

In March 2024, when the employee and I were informed that she was a respondent in a PSPC internal investigation, I reiterated my support and answered all of her questions, reassuring her that, while she was being removed from her procurement duties, she was on leave with pay.

Mr. Chair, my involvement with the ArriveCAN file is limited to my interactions with Ms. Daly as her director general during the period when the CBSA and PSPC initiated internal investigations, specifically between December 2023 and March 2024. It should be noted that I was not an employee of PSPC's procurement branch during the ArriveCAN procurement process and have no involvement with the related companies or associated contracts.

Mr. von Schoenberg's involvement with the ArriveCAN file was very brief and consisted of participating in the 30-minute meeting mentioned by Ms. Daly during her appearance before this committee. He attended the meeting in his capacity as her senior director at the time, with the sole responsibility of informing Ms. Daly of the necessity for her to co-operate with the CBSA's investigation. That is the full extent of Mr. von Schoenberg's involvement on this matter.

The false allegations made at this committee on August 7 have called our professional integrity into question and have the potential to undermine our reputations. In my case, this reputation was built over 30 years of flawless professional work in both the private and public sectors, in Canada and abroad.

Both Tom and I are committed to fair, open and transparent public procurements that provide best value to Canadians. I have a particular interest in solicitations for professional services, given my role as director general of a new sector within PSPC created in April 2024 to transform procurement in this commodity area.

Mr. Chair, we are grateful for the opportunity today to correct the record and clear our names of the defamatory information presented to this committee on August 7.

• (1725)

[*Translation*]

We would be pleased to answer your questions on these topics.

**The Chair:** Thank you.

[*English*]

Monsieur von Schoenberg, you have the floor for five minutes, please.

**Mr. Thomas von Schoenberg (Senior Director, Real Property Contracting Directorate, Department of Public Works and Government Services):** Thank you.

I would just reiterate Ms. Bolduc's commentary. I don't have any additional comments to provide.

**Mr. Nathaniel Erskine-Smith (Beaches—East York, Lib.):** Chair, via the video feed, I don't mind your face, but I just see you the entire time. I'm not seeing the witnesses. I don't know if that can be corrected.

**The Chair:** Apparently someone is working on that. I'm also informed that there is no additional vote this evening so that will help us on the time schedule.

Mr. Erskine-Smith, I'll proceed with questioning, unless you insist on....

**Mr. Nathaniel Erskine-Smith:** No, that's fine.

**The Chair:** I just wanted to double-check with you. Very good. We'll begin our first round.

Thank you to the witnesses.

My intention is to get through four rounds today. We're going to begin with Mr. Brock.

You have the floor for six minutes, please.

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

Ms. Bolduc, I'm going to be asking you some pretty simple but very important questions. I appreciate straightforward answers. We don't want talking points. We don't want to continue to be misled by officials at PSPC and CBSA.

You got caught up in this mess. We, as a committee, want to know how this arrive scam grew from an initial \$80,000 app to at least \$60 million with no accountability from this government. I realize you're not part of the ArriveCAN app, but the more we dig into these issues and interview witnesses, the more we find layers of misdeeds and collusion with top-level executives pointing the finger down the line.

Frankly, we've been misled by senior officials on a number of occasions in a number of committees. This goes for deputy ministers and, likely, the ministers they are protecting.

You have had weeks to prepare for this committee meeting and we're looking for answers. Canadians deserve nothing but the truth. You've had weeks to prepare. Have you received any coaching at all or any material to review in advance of your testimony today, yes or no?

**Ms. Lysane Bolduc:** Mr. Chair, thank you for the question.

I have sought and I have received counselling in order to prepare for this committee. This is the first time that I have appeared at a parliamentary committee and I wanted to know about the etiquette.

If the question is as per the—

• (1730)

**Mr. Larry Brock:** Who counselled you?

**Ms. Lysane Bolduc:** People who are in—

**Mr. Larry Brock:** Ma'am, who counselled you?

**Ms. Lysane Bolduc:** Essentially, the unit that prepares these witnesses to come to the committee.

In terms of material to come to this committee, this is my material—

**Mr. Larry Brock:** I want you to name the officials who prepped you for this testimony.

**Ms. Lysane Bolduc:** That's the unit, essentially, that—

**Mr. Larry Brock:** What's the unit called?

**Ms. Lysane Bolduc:** It's the unit that liaises with this committee, essentially.

**Mr. Larry Brock:** Is it at PSPC?

**Ms. Lysane Bolduc:** Yes, that's correct.

**Mr. Larry Brock:** Okay. Did you talk with Ms. Reza, the deputy minister?

**Ms. Lysane Bolduc:** No, I did not.

**Mr. Larry Brock:** In advance of this meeting and in preparing for this meeting, you did not.

**Ms. Lysane Bolduc:** Thank you, Mr. Chair.

I did not—

**Mr. Larry Brock:** Yes or no, did you talk with Erin O'Gorman at CBSA?

[*Translation*]

**Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.):** On a point of order, Mr. Chair.

I understand that my colleague has a lot of questions he wants to ask, but I'd like to respectfully remind him that a slight delay is always needed for interpretation. I would ask my colleague to show some respect for that, so we can have simultaneous interpretation and make sure we don't miss anything.

[*English*]

**Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC):** [*Inaudible—Editor*]

**The Chair:** Mr. Genuis, we're going to be here for a little bit of time. I expect there's going to be some—

**Mr. Garnett Genuis:** [*Inaudible—Editor*]

**The Chair:** Mr. Genuis, you're not the chair. I'm capable of seeing this through.

Mr. Brock, could you just take your foot off the gas just a little bit? I know you want to get as much time in.

Madame Bolduc, I know this is your first time appearing.

I just want to tell the witnesses a couple of things here. The time belongs to the members, so if you are interrupted because they feel your questions are too lengthy or going in a different direction, I'd ask you to just respect their time. I'm going to assume that all of your answers are through the chair, so you don't need to repeat that.

Having said that, you are entitled to take a second to answer the question. Certainly, we're not trying to get into rapid fire here.

Mr. Brock, I just ask that you recognize that there are interpreters here. Having said that, we are familiar with your rapid style. We know it's one that you use effectively.

The floor is yours for three minutes and 40 seconds, please.

**Mr. Larry Brock:** Ms. Bolduc, who first contacted you about the CBSA investigation?

**Ms. Lysane Bolduc:** Thank you for the question, Mr. Chair.

I was contacted by the human resources unit of my department. My understanding is that they were contacted by the investigation of the CBSA.

**Mr. Larry Brock:** When did Michel Lafleur contact you?

**Ms. Lysane Bolduc:** Thank you, Mr. Chair, for the question.

I spoke to Michel Lafleur for the very first time on December 13, 2023.

**Mr. Larry Brock:** Were you aware of the exchange of communication between Mr. Lafleur and Ms. Daly leading up to your intervention?

**Ms. Lysane Bolduc:** Thank you, Mr. Chair, for the question.

No. December 13, 2023, was the first time I was made aware of an investigation and—

**Mr. Larry Brock:** Hold on. It's my time, ma'am.

Did Mr. Lafleur not inform you that he was communicating with Ms. Daly before he spoke with you?

**Ms. Lysane Bolduc:** He informed me for the first time on December 13, 2023.

**Mr. Larry Brock:** Okay.

Did he inform you that it was an offer to attend, or an invitation to attend, as opposed to a mandatory requirement? Did he tell you that?

**Ms. Lysane Bolduc:** No, he did not tell me that. In fact, I learned it the following day when I spoke to Ms. Daly.

**Mr. Larry Brock:** Ultimately, this correspondence goes back and forth between Daly and Lafleur. Lafleur is giving her the impression.... I have the emails and it's clearly an invitation, not a requirement. She says, "No".

She speaks very highly and positively about the work ethic, the integrity and the character of Mr. Utano and Mr. MacDonald. She doesn't want to get involved. She specifically confirms people have lied at committee. She outs Erin O'Gorman, who we've caught in numerous lies. This is the president of the CBSA, who took it upon herself to lie to a parliamentary committee. She called her out.

She called out Minh Doan, who has also lied throughout numerous committees. You were aware of that, weren't you?

**Ms. Lysane Bolduc:** Thank you—

**Mr. Larry Brock:** Was that brought to your attention?

**Ms. Lysane Bolduc:** I've followed this committee. I've also followed other committees, so I'm aware of what was said at those meetings.

**Mr. Larry Brock:** At the time you got involved, you were actually on vacation. You're actually at least five levels above that of Ms. Daly. Is that right? You're a director general. Ms. Daly is, I believe, an EX-01. Maybe you're an EX-05 or an EX-06, so it's very unusual, because she doesn't report to you. She reports to at least three people between you, and all of a sudden the president of the CBSA is very interested in Ms. Daly, and Deputy Minister Reza is very interested. They asked you specifically to cancel your vacation, get back to Ottawa and put pressure on Ms. Daly to participate in an interview.

That's how it went down, didn't it?

• (1735)

**Ms. Lysane Bolduc:** I was not on vacation. I was actually on certified medical leave. The reason I took this call, as I took many other calls during my medical leave, was that my ankle was broken but my head was working—

**Mr. Larry Brock:** Speaking of medical issues, you were aware Ms. Daly had been diagnosed with cancer in the fall of 2023. She informed her superiors about that. You knew that going into your intervention, didn't you?

**Ms. Lysane Bolduc:** I'd like to go back to the question about my first intervention with Mr. Michel Lafleur. He contacted me on December 13, when he explained to me that, as audits and evaluations have confirmed and documented, there were missing pieces of information [*Technical difficulty—Editor*] as part of their investigation they wanted to have a witness appear in front of them in order to fill in the gaps.

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

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

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

Thank you to both of the witnesses for being with us today. I know this is stressful, so we'll try to make it less so.

I'm going to ask a series of questions I hope you could both answer, because I know you have different roles. You covered a lot of things in your opening statement, but it was very quick, so there might be some duplication here.

I'll start with you, Ms. Bolduc, and then Mr. von Schoenberg can answer afterwards.

Could you please tell us a little about your background working in procurement, how long you've worked in the area and where you were employed before your role at PSPC?

**Ms. Lysane Bolduc:** I began working for the procurement branch of PSPC as director general of the real property and commercial acquisition sector on November 14, 2022. I am still with the procurement branch now. On April 1, I became director of the new sector that was created under the procurement branch and dedicated specifically to the transformation of professional services. Prior to that, I was with PSPC, but I was working with real property services as a senior director, at the time, responsible for infrastructure projects.

I began with PSPC in October 2010, I believe. Prior to that, I was with Indigenous Services Canada for about eight years. Prior to that, I was with the private sector. I worked in Canada for a small firm here in Ottawa. I worked in France for five years for a larger company in ultrapure water treatment. Prior to that, I was in Toronto working for an engineering consulting firm.

I'm an engineer. That's my educational background.

Thank you.

**Mr. Thomas von Schoenberg:** Thank you for the question, Mr. Chair.

I've been with Public Works and Government Services for almost 26 years, all of it in procurement. Most recently I've been working as the senior director of the real property contracting directorate. Prior to that I worked for a few years with the pandemic response, in response to the COVID pandemic, arranging logistical contracts for the delivery of protective equipment to Canada and to Canadians.

Prior to that I worked for many years on property and facility maintenance contracts. These are large contracts to take care of our government buildings, to maintain them and to assist with leasing—essentially fulsome property management contracts including repair and alterations to those buildings. As noted, I have 26 years with PSPC, all of it in procurement.

**Ms. Valerie Bradford:** Thank you very much.

Can each of you explain your current roles at PSPC and what kinds of day-to-day tasks and responsibilities you have?

**Ms. Lysane Bolduc:** Thank you for the question, Mr. Chair.

As I said, I'm currently the director general of the newly created professional transformative sector for professional services. In my day-to-day role I oversee procurements as a common service provider for other government departments. I also, in my current role, oversee the specific directorate that's responsible for the acquisition for the department—for PSPC per se.

There are other responsibilities that I have as part of this role. For instance, I'm part of the governance bodies that are established to review procurements. When certain triggers on procurements are reached in value—for instance, when these require approval by the Treasury Board—we have governance to oversee them. A number of us directors general in procurement get together and oversee those files, and we make recommendations on the way forward on those files. Those are the kinds of things that I do on a day-to-day basis in my current role at PSPC.

• (1740)

**Mr. Thomas von Schoenberg:** Thank you for the question. In my current role I'm the senior director of the real property contracting directorate. This is an operational buying group. We manage, primarily, real property procurements for major projects. What this means is, specifically, architectural and engineering contracting, construction contracting and property maintenance contracting. We do this for the national capital area. It's one of three real property contracting groups within the procurement branch, and there are other similar groups across the country, providing similar services to the regions.

**Ms. Valerie Bradford:** Can you each tell me who you report to at the PSPC? Is it the deputy minister Arianne Reza or ADM Michael Mills?

**Ms. Lysane Bolduc:** I report to ADM Dominic Laporte. I'm a director general. Specifically—earlier statements were made—I'm an EX-03 and Ms. Daly is a PG-05. There would be a senior director, an EX-02, between me and then a manager and then Ms. Daly.

To get back to an earlier question, in an instance in which there would be something out of the ordinary on a human resources file, something that I do on a regular basis is to actually meet with my employees, even if they are several levels below me, when something as important as an investigation, for instance, is happening. For example, when I know that somebody is going through something difficult in their personal life, I would make a point of meeting with them and making sure that they understand that they're supported by their organization. That's why I would meet with a person like Ms. Daly on an occasion like an investigation by a different department on something as high profile as ArriveCAN.

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

[*Translation*]

Ms. Sinclair-Desgagné, you have six minutes.

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

Thank you to the witnesses for being here today.

We've heard many contradictory statements between Ms. Daly's testimony and what you've said here today. So, obviously, we will be asking a lot of questions to get to the bottom of what happened. I'll jump straight in.

I'd like you to repeat the date on which you received a call from Michel Lafleur and, before that, the date on which human resources informed you that he was conducting an investigation.

**Ms. Lysane Bolduc:** As I said, I met Michel Lafleur for the first time on December 13, the day before I met with Mr. von Schoenberg and Ms. Daly. I probably have the exact date I was contacted by Human Resources written down somewhere, but I know it was either the same day or the day before.

**Ms. Nathalie Sinclair-Desgagné:** So, on December 13, Mr. Lafleur and Human Resources told you that Ms. Daly was part of the investigation. Is that correct?

**Ms. Lysane Bolduc:** No. They indicated that Ms. Daly was a witness in the investigation.

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

• (1745)

**Ms. Lysane Bolduc:** They said they needed her testimony. Mr. Lafleur explained to me that their administrative investigation was missing some supporting documentation. I thought that made sense. Indeed, as we know, that is exactly what came out of the audits that were done. They found that some supporting documentation was missing.

**Ms. Nathalie Sinclair-Desgagné:** Okay, thank you.

So she was just a witness. She did her interview in January, and I'm going to come back to that. Yet she was put on administrative leave. On what date was that?

**Ms. Lysane Bolduc:** As I recall, I'd say she was put on administrative leave on March 12, 2024.

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

Can you tell us any more about the reasons for this leave? If she was just a witness and not being investigated, why was she put on administrative leave?

**Ms. Lysane Bolduc:** Thank you for the question.

When I was contacted in December, Ms. Daly was a witness in a Canada Border Services Agency investigation. On March 12, I learned, just a few minutes after Ms. Daly herself, that she was the subject of an internal investigation by Public Services and Procurement Canada. So these were two different investigations, conducted by two different agencies at different times.

**Ms. Nathalie Sinclair-Desgagné:** Who informed you of that?

**Ms. Lysane Bolduc:** I was informed directly by the unit at Public Services and Procurement Canada that conducts investigations. As I said—

**Ms. Nathalie Sinclair-Desgagné:** Who was it, exactly? In the first instance, it was Mr. Lafleur, the Canada Border Services Agency investigator. Who was it regarding the other investigation?

**Ms. Lysane Bolduc:** I can give you the name, but I don't have it with me right now.

**Ms. Nathalie Sinclair-Desgagné:** Could you please send it to us?

**Ms. Lysane Bolduc:** Yes, no problem.

**Ms. Nathalie Sinclair-Desgagné:** Do you know when Public Services and Procurement Canada launched the internal investigation? Do you have any more information about that investigation?

**Ms. Lysane Bolduc:** Ms. Daly and I were informed on March 12, 2024. That's all I know about that investigation.

**Ms. Nathalie Sinclair-Desgagné:** So you don't know who else was implicated or why Ms. Daly, in particular, was being targeted by the investigation and no longer considered a witness.

**Ms. Lysane Bolduc:** Thank you for the question.

Actually, no, I don't. There is a separation between the units that conduct this type of investigation and people like me whose job it is to manage program activities. So I don't know any more about that investigation.

**Ms. Nathalie Sinclair-Desgagné:** You say there is a separation. In that case, why did you insist on being in the room when Ms. Daly gave her testimony?

**Ms. Lysane Bolduc:** Thank you very much for the question.

I didn't actually insist, but rather I offered to be in the room. When Ms. Daly suggested that she would prefer to be accompanied by a union representative or her sister, I thought it was a good idea.

**Ms. Nathalie Sinclair-Desgagné:** You're neither of those.

**Ms. Lysane Bolduc:** I'm neither of those people, but I was offering my support.

**Ms. Nathalie Sinclair-Desgagné:** Still, it's a bit unusual. If one of my employees is being investigated, I'm certainly not going to be in the room.

**Ms. Lysane Bolduc:** Thank you very much for the question.

Ms. Daly had expressed reluctance to testify and told us that she wasn't doing well on a personal level. What I was really trying to do was offer my support. I remember—

**Ms. Nathalie Sinclair-Desgagné:** So you're saying it wasn't ill-intentioned, but I still find that a bit awkward.

**Ms. Lysane Bolduc:** Thank you for the question.

I was actually really hoping it would be supportive for her to see that her organization was there for her that day. When she told me she didn't want me to be there, that she preferred to have someone else there, I didn't see a problem.

**Ms. Nathalie Sinclair-Desgagné:** You were there, though.

**Ms. Lysane Bolduc:** No, I was not present at the interview with the Canada Border Services Agency.

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

However, you did meet with Ms. Daly just before she was prepared.

**Ms. Lysane Bolduc:** I met with her on December 14, when I asked her to co-operate. That's all.

**Ms. Nathalie Sinclair-Desgagné:** Okay. You asked her to co-operate.

Did you discuss the possible content of the interview?

**Ms. Lysane Bolduc:** No, zero, not at all.

**Ms. Nathalie Sinclair-Desgagné:** So there was no information, nothing.

**Ms. Lysane Bolduc:** No, absolutely not.

**Ms. Nathalie Sinclair-Desgagné:** So why would Ms. Daly make that up? It's a pretty big deal to say that you had a conversation about the content and what should or shouldn't be said.

**Ms. Lysane Bolduc:** Thank you for the question.

I would prefer not to speculate about Ms. Daly's motives, because I don't know what they are. I can only speak for myself. What I do know is that I was genuinely trying to offer her my support, plain and simple.

**Ms. Nathalie Sinclair-Desgagné:** Still, it's highly unusual for a director general to accompany an employee who occupies a position several levels below her to an interview, when that employee is

a witness in a very important investigation. As we know, CBSA was conducting an internal investigation at that time. You're telling us today that Public Services and Procurement Canada was also conducting an internal investigation. That's not to mention the RCMP investigation, which is still ongoing. The RCMP would never allow that to happen.

Considering your extensive experience, which you demonstrated earlier in answering questions, how is it that you thought this was a good idea?

**Ms. Lysane Bolduc:** Thank you very much for the question.

Once again, the employee had expressed discomfort at the idea of taking part in the investigation. All I was trying to do was be supportive.

I'd like to come back to the fact that some people find my presence at such an investigation unusual. I would suggest to you that it really isn't. I'm there to support my employees when they're going through unusual circumstances. I don't think an investigation like this is something that happens every day for procurement employees. Personally, I'm there for my employees, including Ms. Daly, even when I'm on sick leave.

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

[*English*]

Up next is Mr. Desjarlais.

You have the floor for six minutes, please.

• (1750)

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

Thank you to the witnesses for being here today.

As a matter of establishing some important facts related to Ms. Daly's testimony, and listening very carefully to your opening remarks, I find it necessary to ask a few basic questions to better understand both the timeline and your direct responsibilities and relationship with Ms. Daly, if you don't mind.

First, from January 2020 to March 2023, what were your direct responsibilities?

**Ms. Lysane Bolduc:** Thank you, Mr. Chair, for the question.

I was not with the procurement branch in January 2020. I was with PSPC, with the real property services at the time. Yes, that's right. I joined the procurement branch in November 2022.

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

What was your relationship with Ms. Daly?

**Ms. Lysane Bolduc:** She reported to me through several levels of hierarchy. I had never met Ms. Daly up until that day on December 13, when I was contacted to ask her to co-operate in the investigation. That was the first time I actually met Ms. Daly.



**Mr. Blake Desjarlais:** Had you had any previous text messages, phone calls or emails between you and Ms. Daly prior to your meeting in person?

**Ms. Lysane Bolduc:** Thank you for the question. No, not once.

When I was director general of real property and commercial acquisitions sector—as I said, I joined in November 2022—I had about 245 employees at the time. I possibly had met Ms. Daly through a meeting, but I had never communicated one-on-one with Ms. Daly.

**Mr. Blake Desjarlais:** I understand. Were there any issues with Ms. Daly's work before she was placed on administrative leave? Was she ever disciplined? Was there notice ever given to a union in regard to this, either formally or informally?

**Ms. Lysane Bolduc:** Thank you for the question. No, not that I'm aware of. The full file would need to be looked at but, no, I'm not aware of any issues.

**Mr. Blake Desjarlais:** From the committee meeting we had with Ms. Daly on August 7, she stated clearly that “issues of GC Strategies' very poor documentation, errors with submissions and slow responses to resolution for the errors have been raised with TBIPS PSPC managers and the contractor by me and other CBSA staff.”

What is your impression of the statement she submitted to this committee, and who are the PSPC managers that she refers to?

**Ms. Lysane Bolduc:** Thank you, Mr. Chair, for the question.

Is that a statement that Ms. Daly made? Could you repeat the statement, please?

**Mr. Blake Desjarlais:** She said, “From 2020 to 2022, the issues of GC Strategies' very poor documentation, errors with submissions and slow responses to resolution for the errors have been raised with TBIPS PSPC managers and the contractor by me and other CBSA staff.”

Do you recall that?

**Ms. Lysane Bolduc:** Thank you for the question, Mr. Chair.

I would say that the Auditor General as well as the procurement ombudsman have also found deficiencies with those methods of supply. We're well aware. In fact, the department has acted on many of the recommendations already.

**Mr. Blake Desjarlais:** Were you aware of these particular issues prior to the Auditor General's report, most particularly when Ms. Daly submitted to this committee that she had brought this up with senior management during her time and capacity at PSPC?

**Ms. Lysane Bolduc:** Thank you for the question. I was not there with the procurement branch at that time. Thanks.

**Mr. Blake Desjarlais:** Who do you think she would have reported to in that instance when she describes senior managers of TBIPS and PSPC managers?

**Ms. Lysane Bolduc:** Thank you for the question, Mr. Chair. I believe, at the time, she worked for the CBSA.

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

Ms. Daly is currently on administrative leave and was under investigation, as you previously referenced, by PSPC and CBSA. Are these investigations ongoing?

**Ms. Lysane Bolduc:** I believe so.

**Mr. Blake Desjarlais:** In this instance, if there's new information that arises from her testimony related to that investigation, are there any additional facts to her testimony that you'd like to submit here today in relation to that study regarding the internal investigation?

**Ms. Lysane Bolduc:** No.

**Mr. Blake Desjarlais:** Ms. Daly alleges that she was placed on leave for retaliatory reasons.

How do you respond to the allegations that she was placed on leave because she refused to provide false testimony?

● (1755)

**Ms. Lysane Bolduc:** As I stated in my opening remarks, at no point did either Tom or I ask Ms. Daly to make a false statement. On the contrary, we offered our support.

**Mr. Blake Desjarlais:** When was that discussion where you offered the support?

**Ms. Lysane Bolduc:** Thank you for the question.

I offered her the support on December 14, 2023.

**Mr. Blake Desjarlais:** How long was that from the time and period she says she raised these claims with PSPC?

**Ms. Lysane Bolduc:** Thank you for the question, Mr. Chair.

I don't know. You're suggesting January 2020, but again, I don't know.

**Mr. Blake Desjarlais:** She's suggesting that period of time, but I understand you deny that fact—that is, that she ever raised concerns with senior managers.

**Ms. Lysane Bolduc:** Thank you very much for the question.

About CBSA, when we were in our roles...no.

**Mr. Blake Desjarlais:** Interesting.

Do you recall the conversation that Ms. Daly is speaking about in regard to the moment when she had been [*Technical difficulty—Editor*] that fear of retaliation if she didn't give false testimony? Do you recall that conversation?

**Ms. Lysane Bolduc:** Thank you very much for the question, Mr. Chair.

I do recall a conversation I had with Ms. Daly. My recollection, again, was that we were genuinely offering our support at a time when it was particularly difficult for her.

**Mr. Blake Desjarlais:** How long was that meeting?

**The Chair:** Thank you.

I'm afraid, Mr. Desjarlais, that is the time. We will come back to you.

Beginning our second round, Mr. Brock, you have the floor again for five minutes.

**Mr. Larry Brock:** Ms. Bolduc, when did you find out that your Teams meeting with Ms. Daly and Mr. von Schoenberg was actually recorded?

**Ms. Lysane Bolduc:** Thank you very much, Mr. Chair, for the question.

It was when I watched the committee proceedings the night that it occurred, on August 7.

**Mr. Larry Brock:** I trust that you haven't had access to any transcript and you haven't had access to the actual recording itself. I appreciate your memory. It may not be as sharp as it would be if I were asking you what you did last night, so I'll go through some of the details because the impression I'm hearing about you being so managerial-like and concerned regarding her well-being, etc., can be interpreted differently. I'm going to go through a couple of areas.

One thing that really caught my eye is your confirmation. This is a 17-minute conversation. Within the first minute and a half you used these words: "I know that you did exchange briefly with the CBSA in recent weeks. I know and you know they probably explained that they're carrying out an investigation on the allegations that are targeting two individuals within the CBSA."

It's a very interesting use of the word "targeting" because that's precisely what the evidence has shown, that government and senior managers, deputy managers and ADMs, have looked for fall people to take the blame for this \$60-million boondoggle.

There are consequences when people speak out against power, when people speak out against authority. They end up suspended, sometimes without pay. I'm glad you used the word "targeting" because that's the first confirmation that Justin Trudeau and his government and his public servants are deliberately targeting individuals to take the blame for this boondoggle. That's one observation.

The second observation is that you said their investigation includes everything that they're able to put their hands on and there are a couple of holes. Here's another interesting angle. You asked very early on whether Daly was threatened, and you didn't say that once. You didn't say it twice. You didn't say it three times. In 17 minutes, Ms. Bolduc, you reiterate, "If you've been threatened, now is your time to share details."

I would well imagine the people you believed were threatening Diane Daly were her friends, Mr. Utano and Mr. MacDonald. Am I correct?

**Ms. Lysane Bolduc:** Thank you very much, Mr. Chair, for the question.

You are correct that—

**Mr. Larry Brock:** Yes. Thank you.

**Ms. Lysane Bolduc:** —I have not heard the—

**Mr. Larry Brock:** Thank you. I'm moving on.

**Ms. Lysane Bolduc:** No, no, no—I would like to say on what you are correct.

I have not heard the proceedings. I'd like to explain why—

**Mr. Larry Brock:** Ma'am, this is my time.

I asked you if you were referring to MacDonald or Utano threatening Diane—

**Ms. Lysane Bolduc:** No.

**Mr. Larry Brock:** Are you saying no?

**Ms. Lysane Bolduc:** No.

**Mr. Larry Brock:** Who, then, were you suggesting was threatening her?

• (1800)

**Ms. Lysane Bolduc:** Just generally speaking, there was no—

**Mr. Larry Brock:** What evidence were you relying on?

**Ms. Lysane Bolduc:** None. There has been—

**Mr. Larry Brock:** Who told you? Who told you to use that line of attack?

**Ms. Lysane Bolduc:** Nobody.

Essentially, I was making sure that Ms. Daly did not feel...because she was uncomfortable to participate in the investigations—

**Mr. Larry Brock:** Because she already laid out her position. Why does she need to participate in an optional meeting that you kept stressing was no longer optional?

In fact, what really disturbs me is that Ms. Daly specifically asked you this: "I want evidence. I want policy. I want written direction. I want something official that compels me to participate in a meeting that I'm not comfortable with."

You agreed that you would provide that, and in fact you didn't. Why didn't you provide policy?

**Ms. Lysane Bolduc:** Thank you very much for the question, Mr. Chair.

In fact, I got these policies and looked at them. When I looked at them, I realized that the meeting was very strongly mandatory for her under the policies I reviewed.

The reason I did not provide those policies to Ms. Daly was that, as I explained previously, I was genuinely trying to offer my offer. When I got hold of this policy, she had already accepted to meet with the CBSA. There was no point at that time for me to provide these policies—

**Mr. Larry Brock:** I don't accept that. I don't accept that at all.

You're trying to portray yourself as being really kind to your employees. An employee expresses reservations and concern, feeling pressured to participate in an interview that she doesn't want to do. She asks you a legitimate question: Give me evidence of policy. You find policy and you deliberately withhold it from her.

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

**Mr. Larry Brock:** That is not good enough.

**Mr. Francis Drouin:** [*Inaudible—Editor*]

**Mr. Larry Brock:** Mr. Drouin, I'm about accountability.

**The Chair:** Order.

**Mr. Larry Brock:** Maybe you're not, but I am.

**The Chair:** Order.

Next is Mr. Erskine-Smith.

You have the floor for five minutes, please.

**Mr. Nathaniel Erskine-Smith:** Thanks very much, Chair.

Let me start with this. You're coming in after the fact. You are part of the investigation by the sounds of it. You've started to articulate your version of the MS Teams meeting.

What could possibly have happened during that meeting for Ms. Daly to think that she was being pressured to provide false testimony? Is there anything at all, in your recollection? What could she possibly be pointing to?

**Ms. Lysane Bolduc:** Mr. Chair, I would prefer not to speculate on Ms. Daly's motivations to feel pressure. As I explained earlier, when the investigator from the CBSA contacted me, he explained that there were gaps in the facts that he was trying to put together to have the investigation completed. His motivation was to access a witness who could presumably fill in those gaps. My motivation was to ask for the co-operation of Ms. Daly as a witness as part of this investigation.

On that conversation, again, I don't know why, and I don't want to speculate as to why, Ms. Daly took away that she was being pressured to make false testimony. I don't know.

**Mr. Nathaniel Erskine-Smith:** Thank you.

This is an individual who had direct dealings with Mr. Firth from GC Strategies and some direct involvement in communicating as to the contours of what the RFP was going to be. You're sitting here today in front of us, and you've not been involved throughout the ArriveCAN awarding process or the delineation of the RFP. You're at the back end of this as part of the investigation.

What's your view of Ms. Daly's involvement with GC Strategies, sitting here today?

**Ms. Lysane Bolduc:** Thank you very much for the question, Mr. Chair.

I do not want to speculate. There are two investigations under way, one with the CBSA and one with PSPC. I don't want to speculate on why.

**Mr. Nathaniel Erskine-Smith:** What individual did you report to as a consequence of your meeting with Ms. Daly? You're ultimately reporting up the ladder. Who are you reporting to?

**Ms. Lysane Bolduc:** Thank you very much for the question.

I did not report on the meeting to anybody at the time. I just did my job on that day.

At the time, I reported to the ADM of the procurement branch.

**Mr. Nathaniel Erskine-Smith:** I would have. If I felt pressured to provide false testimony in a meeting with a superior, I would have immediately put that in writing. Is there anything in writing?

**Ms. Lysane Bolduc:** Thank you very much for the question. No, there is nothing in writing to the effect that she felt pressure.

• (1805)

**Mr. Nathaniel Erskine-Smith:** There's just no follow-up.

From that December 14 meeting, what's the follow-up on your end? Is there anything in writing between you and Ms. Daly?

**Ms. Lysane Bolduc:** Thank you very much for the question.

I did follow up with her, actually. I did meet with her early in January to check in on her.

The holidays had passed. Again, she was not well. I, myself, was off. I just wanted to make sure that she was okay before appearing in front of the investigators of the CBSA. That was it—

**Mr. Nathaniel Erskine-Smith:** I'm sorry for cutting you off. You don't have to thank me for each question.

When you checked in with her in January, was that in writing?

**Ms. Lysane Bolduc:** No, I just met with her.

**Mr. Nathaniel Erskine-Smith:** You never communicated with her by email.

**Ms. Lysane Bolduc:** I did not.

**Mr. Nathaniel Erskine-Smith:** Did she at any time subsequent to that December 14 meeting raise concerns with you or with Mr. Von Schoenberg around intimidation or pressure?

**Ms. Lysane Bolduc:** Thank you for the question.

No, she did not raise concerns about intimidation following that meeting on December 14. In fact, I learned of how she felt when I watched the proceedings of this committee on August 7, 2024.

**Mr. Nathaniel Erskine-Smith:** If there's nothing in writing and she has not lodged a complaint around pressure, what would make one think that she's suspended as a result of whistle-blowing or some concern on this front?

**Ms. Lysane Bolduc:** Thank you for the question.

That's her version of the fact.

**Mr. Nathaniel Erskine-Smith:** Okay.

My only other question for you...

Mr. Chair, I'm new to this committee. I understand that Ms. Daly emailed back and forth with Mr. Firth. I understand that she's now laid out some pretty serious allegations.

If there's any evidence that she's shared with this committee, in any correspondence or any transcripts, of where the pressure is obvious, I think that's important. If not, the line of attack is a bit of an odd one if we don't have evidence to back it up.

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

You have a right to reply if you like it.

Very good.

[*Translation*]

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

**Ms. Nathalie Sinclair-Desgagné:** Did you inform Ms. Reza of your call with Michel Lafleur, or your superior, Dominic Laporte?

**Ms. Lysane Bolduc:** Thank you very much for the question.

No, I did not inform Ms. Reza of my call with Mr. Lafleur.

**Ms. Nathalie Sinclair-Desgagné:** Is that also the case regarding your immediate supervisor, Mr. Laporte?

**Ms. Lysane Bolduc:** Michael Mills was my supervisor at the time, but no, I did not inform him of my meeting with Ms. Daly, because it simply made—

**Ms. Nathalie Sinclair-Desgagné:** I assume you didn't inform him of your call with Mr. Lafleur either. You didn't inform him that someone on your team, and therefore on theirs as well, was a witness in an investigation.

**Ms. Lysane Bolduc:** No, I didn't inform him either. It became pretty clear right away that the department was aware of the fact. So I didn't feel the need to inform my immediate supervisor.

**Ms. Nathalie Sinclair-Desgagné:** You said that it's quite unusual, that it can be stressful and that it doesn't happen often.

**Ms. Lysane Bolduc:** That's right.

**Ms. Nathalie Sinclair-Desgagné:** Even so, you didn't think that it would be a good idea to let your line manager know about the investigation or the key witness in your department.

**Ms. Lysane Bolduc:** Thank you for the question.

I'm quite sure that, when the human resources department contacted me, I was told that my superiors knew about the Canada Border Services Agency investigation. I thought that this was only natural.

**Ms. Nathalie Sinclair-Desgagné:** Did Mr. Lafleur tell you that?

**Ms. Lysane Bolduc:** No. I think that the information came from PSPC staff.

**Ms. Nathalie Sinclair-Desgagné:** PSPC's human resources told you that your superiors likely already knew about it, so there was no need to tell them.

What else did human resources tell you, apart from the fact that Ms. Daly was a witness and that your superiors knew about this?

**Ms. Lysane Bolduc:** Actually, human resources contacted me because I was part of Ms. Daly's reporting line and they wanted to ask for my help in telling her why she needed to participate in the investigation and co-operate with CBSA. That's exactly what I did.

**Ms. Nathalie Sinclair-Desgagné:** We know how long the reporting lines can be at PSPC. How many levels or middle people separate you from Ms. Daly?

**Ms. Lysane Bolduc:** There's me. Then there's Mr. von Schoenberg, who was her senior director. Then there's her manager, who is at the PG-06 level. Lastly, there's Ms. Daly.

That said, as I explained earlier, when it comes to human resources cases that concern employees in my area, I get involved when necessary.

**Ms. Nathalie Sinclair-Desgagné:** Did you involve her direct manager?

**Ms. Lysane Bolduc:** I didn't involve her direct manager much. She was in daily contact with Ms. Daly. In cases of this nature, I try to let the manager manage the employee on a day-to-day basis,

while I handle the more sensitive issues. A CBSA investigation is one example.

I don't think that I spoke to her manager in December. In March, I informed her manager that I had learned about an internal investigation at PSPC. I had to do so. At the time, Ms. Daly was being relieved of her procurement responsibilities.

At that point, I looked into my confidentiality obligations in this case. I made sure that whatever I revealed to her manager fell within the scope of what I could say. I could say that she was no longer allowed to work on procurement-related files.

• (1810)

**The Chair:** Your time is up, Ms. Sinclair-Desgagné.

Wait, we have a point of order.

Mr. Genuis, the floor is yours.

[*English*]

**Mr. Garnett Genuis:** The interpreter was just advising that the sound was cutting in and out.

[*Translation*]

**The Chair:** Okay. Give me a moment to check that.

We'll just keep going while this is being looked into.

Ms. Bolduc, can you repeat what you said in the last 20 seconds of your response?

Ms. Sinclair-Desgagné's time for asking questions is up, but I'll let you finish your last answer.

**Ms. Lysane Bolduc:** Okay. However, I'm not sure where you want me to pick up from.

**The Chair:** Just the last 10 or 20 seconds.

**Ms. Lysane Bolduc:** Sorry. I forgot what I was explaining to Ms. Sinclair-Desgagné.

**Ms. Nathalie Sinclair-Desgagné:** I could remind her, Mr. Chair.

**The Chair:** Please be brief.

**Ms. Nathalie Sinclair-Desgagné:** We were talking about the levels between you and Ms. Daly. You said that you informed her direct manager, who is at the PG-06 level.

**Ms. Lysane Bolduc:** Yes. That's right.

I learned in March, a few minutes after Ms. Daly herself, that she was the focus of a PSPC internal investigation. I think that it was March 12. At that point, I had to inform her manager, since this affected Ms. Daly's workload and her manager had to take measures.

**The Chair:** Thank you.

[*English*]

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

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

I want to follow up on a piece of evidence that was submitted in testimony by Ms. Daly regarding TBIPS.

How familiar are you with TBIPS? Can you describe in 20 seconds or less what your knowledge of TBIPS is?

**Ms. Lysane Bolduc:** My knowledge of TBIPS is relatively new. In my new role as director general of the professional services transformative solutions sector, TBIPS is one of seven methods of supply that are mandatory for other government departments to use when they want to access professional services. TBIPS specifically stands for task-based informatics professional services. It is access to professional services in the area of information technology on a task-based basis as opposed to a solution-based basis.

That's what I know about TBIPS, and I know that's the method that was used.

• (1815)

**Mr. Blake Desjarlais:** Thanks for that. That's my understanding of TBIPS as well.

I would submit that Ms. Daly would largely agree with your statement and your summary, as she described TBIPS as where:

...team members pre-qualify contractors and companies like GC Strategies and place them into the government-wide purchasing catalogue. No manager, DG or minister in the federal government is permitted to buy IT pro services from any other source but this TBIPS-designed catalogue. There may be exceptions unknown to me.

That was her understanding of the program. Is that a fair assumption that you would agree with?

**Ms. Lysane Bolduc:** That is correct. However, these are called supply arrangements—

**Mr. Blake Desjarlais:** How do you get on the list?

**Ms. Lysane Bolduc:** There is a periodic refresh of all those methods of supply; it's quarterly. Essentially, to get on the list, you propose your services on a quarterly basis.

**Mr. Blake Desjarlais:** Are those reviewed at all? How did GC Strategies, this two-person company, get access to such a significant catalogue that makes mandatory government-wide purchasing?

**Ms. Lysane Bolduc:** There are many suppliers on the list in that catalogue, and when a specific need arises from a government department, what happens is that, from that list, a request for proposals is made—

**Mr. Blake Desjarlais:** How does someone get on the list? That's part of the problem this committee is seized with, or at least I am, because if you become pre-qualified for this catalogue and you're a two-person company and you start getting millions of dollars' worth

of contracts and nobody reviews it, then all of a sudden you're made a millionaire and you're taking money out of the public service. That's my perception of what took place.

Are there any recommendations you would make in regard to the TBIPS program that could close this loophole that allows two-person companies like GC Strategies to continue to siphon public dollars?

**Ms. Lysane Bolduc:** In fact, many recommendations were made by both the Auditor General of Canada and the procurement ombud. We're acting on them all. They pertain to methods of supply such as this one that you have described.

One of the recommendations is to shift from task-based types of methods of supply to solutions-based methods of supply. What does that mean? It means that, up front, the scope or the requirement is very well defined to seek vendors.

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

I will now turn to Mr. Genuis.

You have the floor for five minutes, please.

**Mr. Garnett Genuis:** Thank you very much, Chair.

Chair, part of the arrive scam scandal is that we are seeing this intense and bitter conflict between senior public servants and senior officials accusing each other of lying, falsifying evidence and even faking major illnesses. We have a similar dynamic today, where we have witnesses whose testimony conflicts with the statements of Ms. Daly.

I want to just observe that, whoever you find more convincing, the fact of this intense conflict within the ranks of the senior public service is a major problem. It's a problem that this division exists, that people can't trust each other, that someone is lying and that whoever's responsible is not owning up to the problem.

We have heard testimony along the way that Minister Mendicino wanted someone's "head on a platter" over the arrive scam scandal. This is obviously a massive boondoggle. The investigations at committee had started, and the implications of the testimony we heard about wanting someone's head on a platter is that Minister Mendicino was looking for a fall person: someone to carry the blame and someone within the public service to take responsibility for the disastrous ArriveCAN procurement. He wanted to hold someone else responsible.

It seems to me that, just looking at the timelines, there really was an emergence and an intensification of conflict among senior public servants after this directive from Minister Mendicino came down—an informal directive, after he said that he wanted someone's head on a platter.

I would just observe as well that we have seen the conflict between what you might describe as the Minh Doan faction and the MacDonald-Utano faction. I think this plays into the questioning of Diane Daly and her allegation that she was supposed to say certain things about who was responsible, and she didn't say the things she was expected to, and, therefore, people went after her.

I want to ask a few questions about this. When did you first decide to interview Ms. Daly? When did you reach out to her and say, "We need to talk about this?"

• (1820)

**Ms. Lysane Bolduc:** Thank you very much for the question.

I reached out to Ms. Daly, as I said earlier, on December 14, after I was asked to ask her to co-operate with the investigation.

**Mr. Garnett Genuis:** Thank you.

I just want to observe that this was after the MacDonald-Utano testimony, where they basically came out with very strong criticisms of Minh Doan and other senior public servants. You were asked to interview Ms. Daly after Mr. Utano and Mr. MacDonald had already kind of separated themselves from the narrative being advanced by other officials.

Can you confirm that during her hearing with you, Ms. Daly accused Minh Doan of lying and said that Minh Doan was responsible for the decision to choose GC Strategies?

**Ms. Lysane Bolduc:** Thank you very much for the question.

No, I cannot remember that. It was not an interview. This was, in fact, a meeting. I never interviewed Ms. Daly. I was not and I am not part of either investigation—not that of CBSA, nor that of PSPC.

**Mr. Garnett Genuis:** We have it in the transcript that Ms. Daly did say that Minh Doan had lied. She did say that he was responsible for the decision to choose GC Strategies.

She further said that Minh Doan had ruled out Deloitte as an option for GC Strategies because of issues with CARM. That is consistent with testimony that was given by Mr. MacDonald and Mr. Utano, although it contradicts testimony given by Minh Doan and the leadership of CBSA.

I don't know if you can confirm that or not, but that's in the transcript that we received.

**Ms. Lysane Bolduc:** Thank you very much for the question.

No, I cannot confirm that. I don't recall this. I have not heard the transcript nor read the transcript, so I don't recall that.

**Mr. Garnett Genuis:** Okay. It's there and members have it.

What was clear to me is that Ms. Daly's testimony conformed to the version of events that we heard from Cameron MacDonald and Mr. Utano. It conflicted with the events that we heard from Minh

Doan. Statements by the senior leadership of CBSA supported Mr. Doan's statement. You have these two conflicting stories.

The problem is that people who support one version of events continually get forms of pressure. They get put on leave and in some cases leave without pay, whereas people who support the other version of events don't face the same kinds of consequences.

**The Chair:** Ask a question, Mr. Genuis.

**Mr. Garnett Genuis:** We're trying to make sense as a committee—I'd just be curious for your comments on this—of why, while an investigation is supposedly ongoing, you have this conflict between senior officials. One faction is facing penalties already and the other faction is not, when the investigation is supposedly going on.

Doesn't that suggest kind of a problem?

**Ms. Lysane Bolduc:** Thank you very much for the question.

I'm not part of any of those factions. I don't want to speculate as to the motivations of those individuals.

I also would like to go back to the words in an answer earlier that I used in that meeting with Ms. Daly. It's specifically the word "targeted". What I was trying to convey—

**The Chair:** Ms. Bolduc, I know you're going to have a chance to answer that. We are over the time. I give witnesses the chance to answer the question posed to them. I'm sure this is going to come up in the next round or soon thereafter.

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

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

Thank you for coming. I'd like to direct my questions to both of you.

Mr. von Schoenberg, you can answer as well.

Could you please tell us how long you've worked with Diane Daly? What was the working relationship like?

**Ms. Lysane Bolduc:** Thank you very much.

I'm going to start and then ask Mr. von Schoenberg to step in.

From the record, not from my recollection, Ms. Daly came back to PSPC as a department in the summer of 2023. I began working for the procurement branch about six months prior in November 2022. She came back through my hierarchy a couple of months after I had joined the procurement branch.

Like I explained earlier, I had not personally met with Ms. Daly until I reached out to her for that meeting on December 14, 2023. Following that meeting, I kept in touch as it related to the investigations with Ms. Daly, but for no other purpose than that. I have a couple of meetings with her in my records, where I checked in on her between December 14, 2023, and March 12, 2024.

• (1825)

**Ms. Jean Yip:** Did you feel that it was a good relationship? Was it contentious or tense?

**Ms. Lysane Bolduc:** Thank you for the question. It was like a business relationship. I didn't feel that there was anything particular about meeting with her on the few occasions that I had to meet with her.

Like I said, she expressed reticence to participate in the investigation. She was forthcoming with that. She was also forthcoming about her personal situation. I felt empathy for her for what she was going through. I also felt empathy for Ms. Daly about the fact that she needed to appear as a witness in an investigation given her personal circumstances, but nothing more.

I had not heard—the question was asked before—that her work was inadequate at all, through my time.

**Ms. Jean Yip:** Okay.

Go ahead, Mr. von Schoenberg.

**Mr. Thomas von Schoenberg:** Ms. Daly was part of my directorate between July 29, 2023, until the time of her being placed on administrative leave in March. Ms. Daly was a member of our facility maintenance services contracting division, in which she undertook the procurement and contract management for service contracts related to building services such as elevators, fire alarms, HVAC equipment and that sort of thing.

I had very little direct contact with Ms. Daly. I did participate in some division and team meetings with her. My understanding from her manager is that her performance was entirely satisfactory. There were no concerns about her behaviour, her contact with other individuals or her contact with clients. Thank you.

**Ms. Jean Yip:** Did you read the Auditor General's report on ArriveCAN?

**Ms. Lysane Bolduc:** Yes, I did.

**Ms. Jean Yip:** Do you agree with her findings and recommendations?

**Ms. Lysane Bolduc:** Yes, I do personally, and we do as a department. We welcome the recommendations and, in fact, the department has acted upon many of them. Those that are left to act upon we've begun acting upon them. It's the same with the recommendations from the procurement ombud. There were a couple of studies, reviews and reports from the Auditor General, so, yes, we welcome those recommendations.

**Ms. Jean Yip:** Mr. von Schoenberg, what about you? Did you read the Auditor General's report?

**Mr. Thomas von Schoenberg:** Yes. I have read the report. I'm familiar with the findings of the report, and I would echo what Ms. Bolduc has said. I agree with the findings of the report. I would, however, reiterate that I am not involved in professional services contracting. The contracting I do is generally of a different nature. We very rarely use task-based contracts, so I think the context is somewhat different. However, there are certainly elements of the report that can be taken as general advice and can help us.

I think improvements are being made overall in the procurement branch as we look at the findings of that report and implement some of those changes.

Thank you.

**Ms. Jean Yip:** Was there anything in the report that you found concerning?

**Ms. Lysane Bolduc:** The report definitely highlights the need for better contract management. It also highlights the need for better documentation of not just the procurement process but also the contract management phase of the procurement life cycle. In those specific areas, again, we've taken action. For example, my new team has already put in place new templates to support our clients to procure professional services, and new checklists as well were put in place to act upon those recommendations from both the Auditor General and the procurement ombud.

We've also strengthened our governance as a department, for example, with new government bodies within PSPC that have emerged at a high level to oversee procurement contracting. There's a new position for quality review as pertains to documentation. I know also that already many files that we were involved in were already reviewed by this new position for quality review and documentation within the procurement branch. If I'm not mistaken, 266 files already have been reviewed since April this year.

• (1830)

**The Chair:** Thank you, Madam Bolduc. Members can pick that up again.

Up next is Mr. McCauley for five minutes, please.

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

In the briefing that you received before this committee, were you given briefing documents?

**Ms. Lysane Bolduc:** No.

**Mr. Kelly McCauley:** Just a verbal briefing only...?

**Ms. Lysane Bolduc:** That is correct. Essentially—

**Mr. Kelly McCauley:** No, that's all I need to know if there wasn't anything else.

Who instructed you to contact Ms. Daly to start this whole ball rolling?

**Ms. Lysane Bolduc:** The human resources unit contacted me.

**Mr. Kelly McCauley:** Who in HR?

**Ms. Lysane Bolduc:** I believe it was a director in human resources who was aware that the investigation unit—

**Mr. Kelly McCauley:** Why would you not contact someone at your level to contact Ms. Daly? Why not Mr. von Schoenberg? Why would HR not do this themselves?

**Ms. Lysane Bolduc:** Thank you for the question, and it's a good question, actually. It could have been Mr. von Schoenberg. I know the people within human resources, and I've worked with them quite—

**Mr. Kelly McCauley:** How many other affairs such as this have you gotten personally involved in at this level, of people relatively lower down the ladder?

**Ms. Lysane Bolduc:** There are at least two others that I can think of.

**Mr. Kelly McCauley:** Don't you find it odd that HR would contact you about this?

**Ms. Lysane Bolduc:** No. I actually know those people—

**Mr. Kelly McCauley:** Do you know why specifically she was suspended or put on admin leave?

**Ms. Lysane Bolduc:** No. Because I am not part of that investigation, I don't.

**Mr. Kelly McCauley:** You testified earlier that you're hands-on, you're a caring person and you wanted to be involved. You followed up with her, you said, but when one of your people was suspended, you didn't follow up about the reasons she was suspended.

**Ms. Lysane Bolduc:** I actually had interactions with her after she was suspended. She asked questions about—

**Mr. Kelly McCauley:** But you never asked why she was suspended.

Whose decision was it to suspend her? It was made within PSPC, so—

**Ms. Lysane Bolduc:** It was, yes.

It was not my decision, but I did carry it, as her superior.

**Mr. Kelly McCauley:** You were promoted two weeks after her suspension.

When did you apply for this promotion or put your name in for the promotion?

**Ms. Lysane Bolduc:** This was not a promotion. I want to be super clear there. Although I know it was said that it was a promotion, I was already a director general. I was already an EX-03 and I had been for a while.

**Mr. Kelly McCauley:** Did you put your name in for this, or did they just pluck you out of the air for this role?

**Ms. Lysane Bolduc:** I was asked to stand up.

**Mr. Kelly McCauley:** By who?

**Ms. Lysane Bolduc:** I was asked by my boss.

**Mr. Kelly McCauley:** Who is your boss? When I ask who, I'm asking for names, please, just for future reference.

**Ms. Lysane Bolduc:** My boss is the ADM, Dominic Laporte, and he asked if I would undertake the transformation of professional services. As several reports from the audit—

**Mr. Kelly McCauley:** You have repeatedly said that, when they contacted you, it was about gaps in the story. What were those gaps?

**Ms. Lysane Bolduc:** I don't know, because I am not part of the investigation. Again, as documented through audits that are public, there were gaps in the procurement and in the contract management for ArriveCAN.

**Mr. Kelly McCauley:** Do you know what those gaps were? Have you looked into this?

**Ms. Lysane Bolduc:** Specifically as part of the investigation...no. I am not part of the investigation.

**Mr. Kelly McCauley:** Let me ask you something.

The narrative here is very strange. One of the things that PSPC and Mr. Lafleur seem to be going after Ms. Daly on is this email, or this creative writing, that somehow she had some role in selecting GC Strategies. Someone at her level would not have been able to do that.

Who was responsible for signing off on the NSE, the national security exception, which they seem to be putting on Ms. Daly?

**Ms. Lysane Bolduc:** I don't know, because I was not part of the procurement process at the time and—

**Mr. Kelly McCauley:** Are you aware that the person who signed off on it was Ms. Reza, who is now, of course, the deputy minister?

**Ms. Lysane Bolduc:** I was not.

**Mr. Kelly McCauley:** Do you find it odd that they seem to be targeting someone who is a PG-05 and very far down the ladder for this when legally it was the ADM at the time, Ms. Reza, who was accountable and responsible for signing the national security exception?

**Ms. Lysane Bolduc:** I was not aware of that, and I don't want to speculate on what it is, odd or not.

**Mr. Kelly McCauley:** Do you understand how odd this is that somehow this...? The government cannot put out a tweet without 20 people approving it, yet Ms. Daly, from far down the totem pole, somehow pushed a sole-source to GC Strategies when the ADM was the one who actually signed the exception. However, it's all due to this lower-level mastermind who pushed it toward GC Strategies.

Do you not find this narrative hard to believe?

• (1835)

**Ms. Lysane Bolduc:** I don't want to speculate.

**The Chair:** Thank you.

That is the time, Mr. McCauley.

[*Translation*]

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

**Mr. Francis Drouin:** Thank you, Mr. Chair.

I want to thank the witnesses here today.

I'll take the lead from my colleague, Mr. Desjarlais, and ask a few questions about supply arrangements. I think that the term in Ontario is vendors of record.

I gather that you were a director general at the Canada Border Services Agency when—

**Ms. Lysane Bolduc:** No. I never worked for CBSA.

**Mr. Francis Drouin:** Okay.

I want to ask you about task-based informatics professional services, or TBIPS, and solutions-based informatics professional services, or SBIPS. My colleague seems to be saying that it's a bit tricky to get on that list.



Public Works and Government Services Canada manages the supply arrangements for TBIPS and SBIPS, right?

**Ms. Lysane Bolduc:** That's right. As I explained, every quarter, suppliers can offer their services and join this list, which is a supply arrangement. Under this arrangement, when our clients have specific needs, they can request specific proposals to meet those needs.

**Mr. Francis Drouin:** Okay.

**Ms. Lysane Bolduc:** Inclusion on the list doesn't constitute a contract.

**Mr. Francis Drouin:** Exactly. It isn't a contract. It just shows availability. A company could, if it wanted to, approach certain Public Works and Government Services Canada clients if they had specific information technology needs.

**Ms. Lysane Bolduc:** No. It's the other way around. Clients make their needs known and the companies then come up with proposals to meet them.

**Mr. Francis Drouin:** Okay.

That said, the whole point is to shorten the procurement process, right? Otherwise, why have a supply arrangement if the department's clients must go through a lengthy procurement process? As we often hear, the process takes too long and acts as a barrier to the uptake of technology available on the market. We often hear this from public servants. They would like a certain technology, but it takes too long to obtain it.

Is the goal to shorten the procurement process, or just to simplify it?

**Ms. Lysane Bolduc:** The goal is to shorten the process, not to simplify it, since it involves an extra step. However, this list of pre-qualified suppliers makes it possible to obtain proposals more quickly when a need arises.

**Mr. Francis Drouin:** Okay.

There is a lot of talk about GC Strategies, the company at issue, but there are many such companies, so-called body shops or recruitment agencies. Basically, they are companies that, once they are selected by a department, find consultants that can provide the expertise the department needs. So they have to be specialists in the field in question, whether that's Oracle or something else, in order to give the required training.

Is that correct, overall?

**Ms. Lysane Bolduc:** That's correct.

**Mr. Francis Drouin:** Okay.

In the case of GC Strategies, the auditor general said there were some gaps. I am new to this committee, but I read the auditor general's report and I also note a lack of information and accountability on this contract, specifically as to whether this procurement method was used.

Typically, if a department used this procurement method for a company, any company, whether for TBIPS or SBIPS, how would it report that it used a certain consultant or expert and that the person fulfilled the requirements? What is the internal reporting process?

**Ms. Lysane Bolduc:** Typically, clients follow up and verify the invoicing in relation to the contract. Clients actually have to be able to report how much they spent on a contract. At Public Services and Procurement Canada, our role is to ensure that the maximum amount that can be spent on a contract has not been exceeded. That is indeed the maximum that can be spent. The client departments are in fact responsible for tracking what was spent, bearing in mind what the contract says.

● (1840)

**Mr. Francis Drouin:** Does it sometimes happen that a client says that they actually underestimated the maximum amount they would have to spend? That happens often in construction. For example, an estimate is given to tear down a wall, but in the end there is a lot more work involved than expected so there has to be a change order.

Can that also happen in the case of a supply arrangement for TBIPS? If so, what is your course of action?

**Ms. Lysane Bolduc:** It can happen. Some of those contracts allow for an extension in duration or an increase in value. So that possibility has been provided for. When it happens, the options set out in those contracts are exercised.

Extending the length of a contract is not so serious, but we recommend limiting as much as possible any increase in the value of a contract without issuing a new call for bids from suppliers. That is how we proceed.

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

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

**Ms. Nathalie Sinclair-Desgagné:** Ms. Bolduc, I imagine that when you got the call from Mr. Lafleur, you had already known for a number of months that ArriveCAN would become a huge issue, isn't that true?

**Ms. Lysane Bolduc:** Yes. As I recall, the appearance of the first witnesses before the committee had just made the headlines, in the fall.

**Ms. Nathalie Sinclair-Desgagné:** That's right, that was in November and December 2023.

You also knew where Ms. Daly, a member of your team, came from.

**Ms. Lysane Bolduc:** Actually, I didn't know. I found out when they contacted me to tell me that.... No, wait, I found out when her name was mentioned at the committee.

**Ms. Nathalie Sinclair-Desgagné:** Do you remember the date, approximately?

**Ms. Lysane Bolduc:** No. I think it was in November.

**Ms. Nathalie Sinclair-Desgagné:** At that point, did you not think it would be a good idea to ask Ms. Daly some questions or to speak to Mr. von Schoenberg, or to the manager at the PG-06 level, whose name we do not know? In any case, their identity is not that important right now.

**Ms. Lysane Bolduc:** At that time, Ms. Daly was mentioned as a witness, as someone who was there. When Mr. Lafleur contacted me, it was the same thing. He wanted—

**Ms. Nathalie Sinclair-Desgagné:** Even if she was considered as a witness, surely you were somewhat curious. The issue was making the headlines after all, and the auditor general's report was going to be published in February 2024, so there was a lot going on.

The name of an employee from your team was being mentioned publicly. She was part of the Canada Border Services Agency team that was directly involved in what would become a scandal. Nonetheless, you did not speak with either Ms. Daly or one of her superiors.

**Ms. Lysane Bolduc:** No, not at that time. As I said, I spoke to her for the first time on December 14, 2023.

When Ms. Daly worked for me, she was actually working in a procurement sector that was not for professional services. As Mr. von Schoenberg just explained, she was working in the procurement sector for infrastructure operations and maintenance. As Mr. von Schoenberg also said, there were no problems with the work she was doing in my sector either.

**The Chair:** Ms. Sinclair-Desgagné, your speaking time is up. You will have another turn later on.

[English]

Up next is Mr. Desjarlais.

You have the floor for two and a half minutes, please.

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

I want to continue my questioning on the TBIPS program.

From my perspective, the TBIPS program is a system that largely allows these brutal companies, like GC Strategies, to get in the door to public procurement and take good jobs away from public servants. We've heard this many times at this committee already.

The TBIPS program has someone in charge of it, someone who makes a decision related to who gets on that list. Who is that person?

• (1845)

**Ms. Lysane Bolduc:** There's a team, like I explained earlier, that assesses the proposals that are received on a quarterly basis for each and every one of those methods of supply, TBIPS being one of them.

**Mr. Blake Desjarlais:** What's the name of this unit?

**Ms. Lysane Bolduc:** It's a directorate, and it's called the PSD, or professional services directorate. It's that simple.

**Mr. Blake Desjarlais:** Who is the leader of this PSD?

**Ms. Lysane Bolduc:** It's currently me. I am there to transform it. I'll say that we have recognized what you've just stated. It has been

said at committee that we need to make changes. Specifically, I must make changes.

**Mr. Blake Desjarlais:** You would agree that the TBIPS program allowed for what, in this case, is either a convenient loophole for small predators like GC Strategies to take advantage of millions of dollars of government contracting or, at worst, a coordinated criminal effort that would allow for bribes, fancy dinners and preferred access by certain individuals who would align themselves with groups like GC Strategies.

It's one of the two. Is that correct?

**Ms. Lysane Bolduc:** Again, we recognize that we need to modernize. We've already started modernizing. We've brought in several changes to those methods of supply.

**Mr. Blake Desjarlais:** I agree with that, and I fully commend the work related to the rebuilding of the program.

What's important to understand in any mistake, particularly system failures like this—I classify this as a massive system failure—is that in your work to try to rebuild it, you need to understand how these things went wrong. The Auditor General found instances where high-level officials were taken out to dinners and gave preferential treatment to GC Strategies.

Do you think that, in any way, shape or form, could have determined the outcome of GC Strategies getting onto a list like TBIPS, which allowed them access to millions of dollars in government contracts?

**Ms. Lysane Bolduc:** GC Strategies must have—I wasn't there at the time—made a proposal and gotten onto the list, the supply arrangement that's—

**Mr. Blake Desjarlais:** Do you see this often, little groups like GC Strategies being able to get on a list like this?

**The Chair:** Mr. Desjarlais, thank you. You will have another opportunity. You'll be able to pick it up. I'm going to give you a full two and a half minutes for your final turn.

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

**Mrs. Stephanie Kusie (Calgary Midnapore, CPC):** Thank you very much.

In her opening statements, Diane Daly stated she felt intimidated and attacked during the internal investigation currently going on at CBSA. She used phrases such as, "I am very concerned that if I tell the truth here, I'm going to lose my job." She also stated that "I have been muzzled for some time now." In the same opening statement, Ms. Daly stated, "Despite assurances from my [director general] and senior director that CBSA was not investigating me, ATIP records show PSPC began investigating me on December 11, 2023."

She states, "I haven't had federal authorization to do procurement from...2018 through...2023. I'm currently on administrative leave from Public Works."

Can you please explain why Ms. Daly was told she was not being investigated when she is now part of the agency's internal investigation process and has since been interviewed?

**Ms. Lysane Bolduc:** Ms. Daly still is not under investigation by the CBSA in my understanding. Again, I'm not part of those investigations. I can confirm that there is an investigation at PSPC. At the time that the statements were made by me to Ms. Daly, she was a witness into an investigation. The statements that I made to her were accurate and true when I made them on December 14, 2023.

**Mrs. Stephanie Kusie:** If Ms. Daly did not have any federal authorization to be involved in procurement, can you explain why Kristian Firth named her as the individual in the CBSA who helped him negotiate the terms of his own contract?

**Ms. Lysane Bolduc:** No, I can't. Mr. Firth and Ms. Daly would have to speak for themselves on that.

**Mrs. Stephanie Kusie:** If you suspected Ms. Daly of misconduct in the procurement of the ArriveCAN application, why was she given procurement authority once again in July 2023?

**Ms. Lysane Bolduc:** Again, I did not suspect Ms. Diane Daly of anything at the time because I was not there. I was not part of the procurement branch at the time. When she returned to the department in July 2023, there was no such thing as an investigation on Ms. Daly at that time.

• (1850)

**Mrs. Stephanie Kusie:** Ms. Daly stated in her testimony that she believes she is on administrative leave because CBSA and Public Works did not get the negative narrative expected about two former bosses at CBSA in the January 15, 2024, security interview.

Is this the reason Ms. Daly was placed on leave?

**Ms. Lysane Bolduc:** Those are her statements. In answer to your question of why she was placed on leave, she was placed on leave because an administrative investigation began in March 2024 initiated by PSPC. We judged that it was more appropriate to remove her from her procurement duties given the investigation and place her on administrative leave with pay at that time.

**Mrs. Stephanie Kusie:** I'm not sure what you based your judgment upon, but Ms. Daly also stated, Madame Bolduc, that two weeks after she was placed on leave, you, as her former director general, were appointed director general of the new professional service transformative solutions sector on March 27, 2024. You've corroborated positively with this today.

It would appear that this position was created and given to you because you helped to generate a false set of reprisals against Antonio Utano, Cameron MacDonald and Diane Daly, as they claimed. What would you have to say to that, please?

**Ms. Lysane Bolduc:** As I explained, this was a lateral move. I was previously director general. I was asked to step into an area of procurement where help was needed, hence why I accepted the position as director general to transform the professional services. Again, there were several reports from the Auditor General and the procurement ombud that identified a need to modernize and to transform, and I stepped into the job.

**Mrs. Stephanie Kusie:** Did you receive an increase in salary or substantive level in this new position?

**Ms. Lysane Bolduc:** Not at all.

**Mrs. Stephanie Kusie:** Mr. Chair, I'm not sure if the group here is aware, but last year Canada's Public Servants Disclosure Protection Act, which provides whistle-blower protection, was ranked last when compared to 50 other countries. This government was given an opportunity to update whistle-blower protections back in 2017, but accepted none of the government operations committee's recommendations to improve whistle-blower protections. Finally, the Bloc, of course, my colleagues, put forward a piece of legislation to improve whistle-blower protections, which is now being held up in the Senate and which was filibustered for weeks by the Liberals.

Mr. Chair, unfortunately, the testimony we are receiving here today from Madame Bolduc corroborates the idea that, frankly, public servants are not safe in speaking the truth in this Liberal government.

Thank you very much, Mr. Chair.

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

Up next is Ms. Bradford. You have the floor for five minutes, please.

**Ms. Valerie Bradford:** I would like each of you to answer these questions, if you wouldn't mind.

Was it common practice to meet with prospective vendors and contractors off site, to your knowledge?

**Ms. Lysane Bolduc:** No.

**Ms. Valerie Bradford:** Mr. von Schoenberg, did you do that in your practice at all?

**Mr. Thomas von Schoenberg:** No. It's not regular practice.

**Ms. Valerie Bradford:** Would you consider meeting with prospective contractors outside of the office to discuss contract requirements or details to be normal practice?

**Ms. Lysane Bolduc:** No, it's not.

**Ms. Valerie Bradford:** Neither one of you ever did that—okay.

**Mr. Thomas von Schoenberg:** Same answer.

**Ms. Valerie Bradford:** Did you or any of your colleagues meet with Mr. MacDonald or Mr. Utano to discuss developing the RFP or otherwise?

**Ms. Lysane Bolduc:** Never. I don't know either of these people, and I never met with them or interacted with them.

**Mr. Thomas von Schoenberg:** I was not involved in any way in the ArriveCAN procurement or project.

**Ms. Valerie Bradford:** Okay. Again, even though you may not have been directly involved, I'm sure that, because this has been so public, you're probably a bit aware of the controversy. Would you consider the terms of the contracts that ended up being awarded to GC Strategies as restrictive?

**Ms. Lysane Bolduc:** What do you mean by "restrictive"?

**Ms. Valerie Bradford:** Do you think, maybe, that the terms were so restrictive that very few companies might have been eligible to respond?

**Ms. Lysane Bolduc:** I believe this is actually one of the findings of the Auditor General, that it was restrictive. Yes.

**Mr. Thomas von Schoenberg:** I'm not familiar enough with the terms of the contract to comment on that.

**Ms. Valerie Bradford:** You haven't reviewed them. Okay.

Do either of you know who at the PSPC made the decision to select GC Strategies?

• (1855)

**Ms. Lysane Bolduc:** No, I don't.

**Mr. Thomas von Schoenberg:** No, I don't.

**Ms. Valerie Bradford:** Now, I'm going to ask this question. I think I know the answer. Have either one of you been contacted by the RCMP regarding any of this?

**Ms. Lysane Bolduc:** No.

**Mr. Thomas von Schoenberg:** No, I have not.

**Ms. Valerie Bradford:** Okay.

There have been many meetings on this. We've had well over 20 here at this committee, and it's been before other committees as well. I'm not sure how closely you've been following it, but I suspect you might have. Is there anything that was said, during the many meetings and witness testimonies on this issue over the last several months, that you disagree with or would like to clarify?

**Ms. Lysane Bolduc:** I mean, I watched several of the committees, both OGGO and PACP. Definitely, we're here today to say that we take exception to the testimony that was made on August 7 by Ms. Daly—strong exception, in fact. That's about all I have to say on what was said in those committees.

**Ms. Valerie Bradford:** Did you review the testimony thoroughly? You weren't there, but did you review the transcripts and everything, and are you familiar with what she said?

**Ms. Lysane Bolduc:** Actually, I listened to it on the night of—

**Ms. Valerie Bradford:** When it was live...?

**Ms. Lysane Bolduc:** It was not actually live, but right after, because I was made aware that my name was mentioned on several occasions during that testimony. Hence, I watched the meeting and, essentially, it's from my recollection of what I watched on August 7 that I'm speaking here today.

**Ms. Valerie Bradford:** Mr. von Schoenberg, were you there with her, Ms. Daly, when she was testifying?

**Mr. Thomas von Schoenberg:** The only interaction I had was that December 14 meeting, when Lysane and I met with Ms. Daly to stress upon her the importance of her participation in the CBSA investigation.

**Ms. Valerie Bradford:** Okay. Are you familiar at all with her testimony? Have you heard it, seen the transcript or anything?

**Mr. Thomas von Schoenberg:** I'm familiar with her testimony at this committee. I watched that tape after I was made aware that my name had been raised.

**Ms. Valerie Bradford:** Do you have any concerns about her testimony? Did it—

**Mr. Thomas von Schoenberg:** Likewise to Ms. Bolduc's testimony, I take exception to her interpretation of the events. I don't know why she felt that way. I can reiterate that, at the meeting we had, there was nothing, I felt, that was said that was intended to intimidate her. If she took it as intimidation, that's extremely unfortunate.

**Ms. Valerie Bradford:** Given that she was a union member, if she were feeling so intimidated, pressured or treated unfairly, why did she not file a grievance? That is the normal course. She was represented with a union steward or someone at this interaction—was she not?

**Ms. Lysane Bolduc:** No. She came to Tom and me, who were her superiors, to meet with us unaccompanied. At that meeting she asked whether she could be accompanied by her union to meet with CBSA investigators and, as we explained earlier, I welcomed it. I didn't know if she could or not. I needed to check into that, but I welcomed her suggestion. I looked into it. In fact, she was told that, yes, she could be represented at the meeting with the CBSA should she wish to. She chose to be accompanied by a family member instead. We looked into that too, and we found that it was acceptable to the CBSA investigators, so in fact she was accompanied by a family member.

**The Chair:** Thank you very much. That is the time, I'm afraid.

To begin our fourth and last round, Mr. Brock, you have the floor for five minutes, please.

**Mr. Larry Brock:** For the benefit of Canadians following this scandal, let's recap what's happening here. Diane Daly, a low-level, faithful public servant for almost 20 years, with no administrative or discipline record, gets investigated and suspended because she does not pinpoint Utano and MacDonald as being responsible for this \$60-million boondoggle and—surprise, surprise—within weeks of her suspension you get asked to take on more responsibility.

Now, you say there's no extra pay with that, but it's a higher profile, and I'm sure you've been bonused. Have you been bonused, ma'am?

• (1900)

**Ms. Lysane Bolduc:** No. In fact, I have fewer employees in my new role, and—

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

Mr. von Schoenberg, you were responsible for signing off on ATIP A-2003-00431, requested by Cameron MacDonald, for emails sent and received from Diane Daly, Ms. Bolduc and you, regarding the keywords "CBSA", "investigation", "interviews" and any and all participation between December 11, 2023, to the present date, February 16, 2024. You, then, on February 19, 2024, provide an interesting commentary in your response from the PSPC—that the matter to which this relates, the investigation, could result in future litigation.

Therefore, Mr. MacDonald, through the legal channels of going through an ATIP, does not receive the information requested because you're protecting it. Why is the PSPC hiding documents that are legitimately being asked for, and who gave you that direction at PSPC?

**Mr. Thomas von Schoenberg:** No one gave that direction. The recommendation form is exactly that: a recommendation form. It's common to indicate that there could be potential litigation associated with a file when providing documents. It is the ATIP office within PSPC that makes the determination of what should be released or what should not—

**Mr. Larry Brock:** Thank you. I call that obstruction of justice and deliberately withholding key, relevant information.

Now, for the benefit of Canadians, let's recap what has happened through this entire scandal. I know you're shaking your head because you don't agree with it, Ms. Bolduc, but this is exactly what happens. We have ministers denying any and all responsibility. We have a corrupt Prime Minister denying any and all responsibility for this boondoggle of \$60 million. We have deputy ministers—

**Mr. Francis Drouin:** I have a point of order, Mr. Chair.

**The Chair:** Go ahead, Mr. Drouin.

**Mr. Francis Drouin:** I know that our honourable colleague is a former prosecutor. He knows that using language like.... Corruption is a criminal offence. There's been no criminal investigation into the Prime Minister. I ask him to retract those comments, and if he wants to get into an investigation, we have two witnesses and he should get on with the questions as opposed to opining.

**Mr. Larry Brock:** That's not a point of order.

**The Chair:** Gentlemen, cease.

Monsieur Drouin, I try to maintain decorum. I also try to give members latitude. When I hear words in this committee that are permitted in the chamber, as the reference point, I let them go—"the chamber", I mean the House of Commons.

Mr. Brock, you have the floor again.

**Mr. Larry Brock:** We have presidents and we have deputy ministers who have deliberately lied and obstructed our ability to get to the truth, and then we have two individuals who called out the lies—Mr. MacDonald and Mr. Utano—immediately suspended without pay.

Now that's been resolved—the pay issue—but they're still suspended because of the use of counsel. Then we have Diane Daly, who, again, does not corroborate or put in those missing pieces of the evidence that she referred to. Lo and behold, a 20-year career is in shambles, and now she's suspended because she's not towing Justin Trudeau's line that no one higher up than these low individuals was responsible for choosing Kristian Firth and GC Strategies.

How many other individuals are going to face similar fates?

No wonder no one wants to talk about the practices at CBSA. We heard from the CBSA union president, who talked about a culture of corruption at the CBSA because people are afraid to talk and call out the abuses of integrity. That's a real problem with the public service, and everyone is trying to protect Minh Doan, who deleted four years' worth of emails, crucial emails, 20,000 emails.

Was he suspended? No, he was not. He is on a leave. Everyone is trying to protect him. This is a massive cover-up, and this is inexcusable. Canadians are watching, and you two individuals are part of the cover-up. Thank you.

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

Turning now to Mr. Erskine-Smith, you have the floor for five minutes, please.

**Mr. Nathaniel Erskine-Smith:** Thanks, Chair.

I'm new to this committee, so forgive me for not being quite as certain as Mr. Brock.

Before I get to trying to figure this out a little bit on my own terms, I'd like to ask Ms. Bolduc just one last time, your involvement in this has been engaging with Ms. Daly on December 13 and December 14 and subsequent to that in the course of—in your words—assisting her or providing some support in the course of the investigation of which she was the subject.

Do you have any other involvement in GC Strategies, in Arrive-CAN and in the investigations otherwise? Do you have any involvement?

• (1905)

**Ms. Lysane Bolduc:** Thank you for the question. No, I don't.

**Mr. Nathaniel Erskine-Smith:** Okay. I'm interested.

Mr. Brock, I'm interested in.... You listed off some concerning facts there around deleted emails. I don't know enough about them, so I'm interested in getting to the bottom of that.

Garnett, you said there are two competing stories. That's a fair point. The idea that we have a low-level faithful public servant, though, is belied a little bit by what I've seen, but maybe I have it wrong.

I mean, I have seen.... You have Ms. Daly. She comes over. Her previous boss had been Mr. MacDonald. She gets pulled over when Mr. Utano and Mr. MacDonald are at CBSA. She gets pulled over into CBSA, specifically to help with procurement. She reports to Mr. Utano who reports to Mr. MacDonald—that's my understanding—and then Mr. Firth, who doesn't answer anything until he's called to the bar, who does he name? He names Ms. Daly.

For me to be comfortable with any of this, to clear anyone, I would have to have the emails between Ms. Daly and Mr. Firth. I would have to have the proposal that was in front of Mr. Doan and have a much more serious understanding of the communication between all players before the approval of GC Strategies was made. If we have that, let's go through it, but my understanding is that there are two investigations under way where the RCMP and others are able to get to the bottom of this in a way that we are unable to.

I'm deeply concerned with us levelling accusations. I don't know about Ms. Bolduc, but the idea that she pressured or threatened anyone.... Where's the evidence? Where's the proof? I'm deeply uncomfortable with threatening civil servants or suggesting that civil servants have engaged in something wrong without evidence, so I'm interested in a conversation between us committee members after the fact to discuss what comes next, what additional evidence we need and what additional witnesses we need. I'm not interested in hearing from additional witnesses who came in at the tail end of this.

If we're missing documents, if we're missing testimony, let's fill in the gaps, but let's also keep in mind there are ongoing investigations by people and organizations that have much more authority and time and resources to get to the bottom of this, and we should be, presumably, working to get to the bottom of this.

When there is a report, when there is a proper finding by an organization like the RCMP, then we follow up on that in a more serious way, but the idea of throwing accusations around without evidence to back them up, against civil servants who are coming before this committee, leaves me with significant concerns.

Mr. Genuis and Mr. Brock, where you have a storyline on Minh Doan, I look forward to you helping me fill in the gaps. I'm interested in it because, again, I'm new to this committee and I'm trying to fill in the gaps here. However, the idea that Ms. Daly was some low-level civil servant is belied by.... I just read the CBSA interview with her. It's belied by that.

You know, it would be helpful, I think, and instructive for us, instead of throwing accusations around, to constructively work together to get to the bottom of this.

That's my time. Thanks very much.

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

[Translation]

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

**Ms. Nathalie Sinclair-Desgagné:** For my questions, Ms. Bolduc, I will pick up from where I left off.

With whom did you have official or informal conversations about ArriveCAN? I am thinking specifically of the period from when the first witnesses appeared before the Standing Committee on Government Operations and Estimates, in October 2023, and the phone call on December 13, 2023, and the period from that call until when Ms. Daly appeared as a witness in January 2024.

**Ms. Lysane Bolduc:** I didn't have any, actually. At the time, I was director general of a sector that was not responsible for professional services. I was director general of a sector responsible for acquisitions involving real property and services. At that time, my time and attention were focused on that and not on ArriveCAN.

As I said, my connection with ArriveCAN was that an employee in my sector had previously worked for the Canada Border Services Agency. That is my only connection with ArriveCAN.

To answer your question specifically, I would say that I did not have any conversations with anyone from the time that witnesses

appeared before the parliamentary committee and my meeting with Ms. Daly, and I did not discuss it after that either.

I became interested in the ArriveCAN issue and professional services when I was asked to join professional services.

• (1910)

**Ms. Nathalie Sinclair-Desgagné:** That was in December, wasn't it?

**Ms. Lysane Bolduc:** No. I was asked to take on that new role in April 2024. That is when I really became interested in what was happening with professional services procurement.

**Ms. Nathalie Sinclair-Desgagné:** You weren't interested in what was happening in the other team, even after Michel Lafleur called you on December 13?

**Ms. Lysane Bolduc:** We were of course following what was happening in the committee, but in a general way.

**Ms. Nathalie Sinclair-Desgagné:** So you never spoke to anyone about it.

**Ms. Lysane Bolduc:** No, I did not talk specifically about Ms. Daly or her role.

As I said, when I was contacted, she was considered a witness. So as her employer, I met with her. A few minutes later, I learned that she was being investigated.

**Ms. Nathalie Sinclair-Desgagné:** You said it is important to you to look after your teams. That is all well and good, I understand that. Since you had never met Ms. Daly before though, why did you think you were the right person to assist her when she was stressed and didn't want to take part in the investigation? You could have asked Mr. von Schoenberg or her direct manager to do that.

Don't you think you stepped up a bit too much when that was not necessarily what was expected of you? One might even think that you had received orders.

**Ms. Lysane Bolduc:** That was not the case. I was not personally ordered to meet with Ms. Daly.

Let me state my position once again. Ms. Daly had expressed reluctance to take part in the investigation. She said she needed support in a difficult process. Since I was the director general, I thought that if I took part in the investigation and showed her I was sensitive to her situation, she would feel she was being supported by her organization. She perceived that in a different way, however.

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

[English]

Next is Mr. Desjarlais for two and a half minutes, please.

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

I want to continue on this, on what is a very obvious gap between the former TBIPS program and what you've been asked to do, which is to largely reform the program.

Is the concern companies like GC Strategies, Coradix and these other random players? To be just really frank, if you had to look at a list, you're seeing Amazon Web Services and you're seeing Microsoft. You're seeing big corporations bidding on these government contracts, but then you say, okay, we're going to go and pick this two-person company, GC Strategies, to just dole out a bunch of money and it's going to go under no periodic review.

That seems to have been the process, even though there are good policies in place. I've reviewed the policies in TBIPS. Why weren't they followed and why weren't they enforced?

**Ms. Lysane Bolduc:** Thank you very much for the question.

As I've explained previously, we've already put in place measures to address concerns—

**Mr. Blake Desjarlais:** I'm sorry. I'm trying to understand what happened in the the ArriveCAN situation.

The Auditor General tables a report. It's our committee's job to understand how she comes to findings that are incredibly damning. These are concerns that Canadians have. Her office found that there was evidence of instances where people were being taken out to fancy dinners and lunches. In her report, she suggests that, in addition to these fancy dinners and lunches, they were known personally to individuals within the public service.

How is it possible that the rules that are in place, which ban—outright ban—and say no way can a public servant be meeting with these people inside of a restaurant, which took place...? Where was the critical system failure? How do we fix the critical system failure?

It's largely your job to fix that system. Can you give us confidence that you understand the issue so that it can actually be fixed? Is a company like GC Strategies able to do again what they did? Do you understand how they did it?

**Ms. Lysane Bolduc:** Thank you very much for the question.

Again, I was not part of the procurement process at the time of ArriveCAN—

**Mr. Blake Desjarlais:** In your view of what happened at TBIPS, now that you're reforming it, and it seems like a big job, it's really important that you, as the official there, understand precisely what went wrong, whether that was within enforcement or within the initial procurement.

Was there an individual or a set of individuals who were bribed, who were taken to dinners, who got GC Strategies on...? I'm not saying that happened. I'm saying that's a really hard fact to miss in the Auditor General's report, and that deeply concerns me. What is your understanding of what took place to get GC Strategies on a list of preferred contractors? How was that made possible?

• (1915)

**Ms. Lysane Bolduc:** One of the new measures that's in place currently is that vendors are required to adhere to a code of conduct. It is part of the mandatory clauses that are part of our con-

tracts now. I can't speak for the behaviour of individuals or vendors in that respect, but certainly, like you said, the policies and the procedures are in place.

**Mr. Blake Desjarlais:** Someone would have to be responsible, right, for the TBIPS list?

**The Chair:** Thank you. That is the time, I'm afraid, Mr. Desjarlais.

Up next is Mr. Genuis.

You have the floor for five minutes, please.

**Mr. Garnett Genuis:** Mr. Erskine-Smith noted that there are some documents he'd like to have that would be useful.

Of course, Conservatives would support any request for government documents that he would like to make and that would further his understanding of this issue, so fire away. You won't have any opposition to that.

Ms. O'Gorman met with PCO right before her testimony.

For the officials here, did you meet with PCO at any point regarding the investigation that's happening or your testimony at committee?

**Ms. Lysane Bolduc:** Thank you for the question.

Never.

**Mr. Garnett Genuis:** You've never met with PCO...?

**Ms. Lysane Bolduc:** No. I have not met with PCO regarding this affair or... The last time I met with PCO was actually when I was with Indigenous Services Canada, so I was not even with the department at—

**Mr. Garnett Genuis:** Okay. I'm going to come back to that, actually, but just in response to my earlier line of questioning, we have this internal investigation, allegedly. That internal investigation reports to the internal chain of command. That's what an internal investigation is.

Meanwhile, though, we have an internal factional conflict between public servants who are accusing each other of lying, of falsifying evidence, and that internal investigator reports to people who have already taken positions in the context of that internal conflict. That obviously raises significant concerns about the ability of that internal investigation to be genuinely impartial.

Do you think that an external investigation, external to the CB-SA, would help to clear the air more than the internal investigation?

**Ms. Lysane Bolduc:** Thank you very much for the question.

There have been external investigations. The Auditor General did investigate and so did the procurement ombud. In matters where internal investigations led to the need for the RCMP to get involved, my understanding is that the RCMP was asked to step in.

**Mr. Garnett Genuis:** Right, but just to emphasize here, the Auditor General and the procurement ombud's work focused on some of the significant failures of the process. They're not geared towards identifying individual culpability for things that have happened.

The internal investigation appears very much to be investigating people with the view to holding people accountable, yet that internal investigation is caught up in a factional conflict, which implicates the highest levels of CBSA. You have a minister saying he wants a head on a platter and you have officials that are going back and forth over whose head it should be.

In that case, insofar as there's a need to identify who was responsible for certain decisions, shouldn't that investigation happen external to the CBSA, not inside of the CBSA?

**Ms. Lysane Bolduc:** Thank you very much for the question.

I cannot speak for the investigation that's occurring at the CBSA.

**Mr. Garnett Genuis:** Okay.

As you mentioned, you previously worked at Indigenous Affairs. Part of the arrive scam scandal involves abuses of indigenous procurement.

Have you been asking questions or are you seeing investigations taking place into abuses of indigenous procurement rules as part of what has taken place?

**Ms. Lysane Bolduc:** I'm aware that this particular department, which should speak for themselves for their responsibilities—conducts audits on indigenous companies. Also, I'm aware that this particular department has the mandate of—

**Mr. Garnett Genuis:** I'm sorry, but I just want to drill into the work happening at CBSA.

If, as I suspect, rules around indigenous procurement have been broken, is that part of the internal investigation, or is that entirely being left to other people whom you hope are working on it?

**Ms. Lysane Bolduc:** Thank you very much for the question.

Again, I'm not aware of what's being investigated by the CBSA nor, for that matter, within PSPC, because I'm not part of those investigations. As I described earlier, on internal investigations, there are walls between the units carrying them out and—

**Mr. Garnett Genuis:** Okay. I'm sorry to jump in, Chair, but given that we are not hearing from these officials about the investigation of indigenous procurement, I'd just like to move:

That the committee report to the House that it supports recommendations from Indigenous leaders for an audit of Indigenous procurement.

We've heard those requests from various indigenous leaders for that audit of indigenous procurement. We're not able to get answers on that today, and I think it's important that this committee, as the committee that's responsible for engaging with the work of the Auditor General, would express its support for that call from indigenous leaders for that investigation.

I don't think it will be that contentious, but I wanted to put it on the table, Chair. Thank you.

• (1920)

**The Chair:** Very good. That is a motion. Have you submitted it to the clerk by any chance?

**Mr. Garnett Genuis:** Yes, I have.

**The Chair:** Just hold on. I see a few hands already. We're going to consult with the clerk for a second.

The clerk is going to send it out. I have on the list Mr. Drouin and then, after that, Mr. Desjarlais. Then I'll go back to you, Mr. Genuis. You sounded like you were done, and I'm going to Mr. Drouin so that we can move things along. You, of course, will have the right to come back. We'll come back to you if you so indicate.

Would you like to wait until you have the copy?

That's fine. I'm just going to suspend for—

**Mr. Francis Drouin:** Did he move the motion or is it a notice of motion?

**The Chair:** He has moved the motion.

I'm suspending right now, until you have it, and then, hopefully, will bring you back.

[*Translation*]

It will just take 30 seconds or a minute at most.

[*English*]

I'll suspend for that time and come back in one minute.

• (1920)

(Pause)

• (1920)

**The Chair:** I'm going to bring this meeting back to order.

Mr. Drouin, you have the floor.

After that, I have Mr. Desjarlais and then.... Okay. We have a few people.

Go ahead, Mr. Drouin.

**Mr. Francis Drouin:** Mr. Chair, I want to thank my colleague for putting forward this particular motion.

We are on report 1 of the Auditor General with regard to Arrive-CAN. I don't see how this is related to the matter at hand, so 48 hours' notice would be required to put forward this motion. I would look to you, Chair, for a ruling on this particular matter.

**The Chair:** I can deal with it. Both in the consultations with the clerk and the analysts...it is a matter at hand, a motion. I'm going to rule it in order and I'll continue the debate.

Mr. Drouin, I'll give you the floor. I'll go back to you for consideration of that.

**Mr. Francis Drouin:** Can you explain to me why is it in order with report 1? If it were specific to one particular company within report 1, then I would be more inclined to say this has to do with report 1, but it does not. It is a very general motion.

I would challenge the chair if it's so, but I will wait for your rationale as to why it is in order.



**The Chair:** Actually, I rarely do this, but I'm going to turn this over to one of the analysts to speak to it, to just generally why they felt it is in order. I'm relying on them for my reasoning. Of course, you're welcome to challenge it after that fact, Mr. Drouin.

**Mr. Dillan Theckedath (Committee Researcher):** Thank you very much, Mr. Chair.

Good evening to the members of the committee.

In examining the words that were laid out for the motion in question, it was my understanding, through the analysis of the words as it pertained to indigenous procurement and the study of that and given that part of the ArriveCAN application was developed and procured using a vehicle that was a set-aside for indigenous procurement, that the spirit of the motion tangentially does touch the topic and study at hand.

• (1925)

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

Mr. Drouin, you have the floor again.

**Mr. Francis Drouin:** Again, it's a very broad analysis in terms of.... Anybody could make that particular argument.

If it were specific to a company that was mentioned in report 1, I would be more inclined to say, one hundred per cent, I agree, but it's just a general line. I mean, I could have made a motion to say that "we support the recommendation to support procurement in Canada". Well, obviously, I'm going to find the word "procurement" in report 1.

Again, it's very general and not related specifically to the matter at hand. I don't see the conclusion and the relationship between what we are studying right now and what Mr. Genuis has proposed, so I challenge the chair.

**The Chair:** The chair has been challenged.

Clerk, would you take the roll call?

**Mr. Blake Desjarlais:** Are we going to debate this?

**The Chair:** There's no debate when the chair is challenged.

My ruling is that the motion is in order.

(Ruling of the chair overturned: nays 6; yeas 4)

**The Chair:** Mr. Genuis, you have a point of order only, I hope, because I have been overruled and this matter is....

**Mr. Garnett Genuis:** I understand, and I'm disappointed, but let's make the motion a notice of motion.

**The Chair:** You can come back. I'm sorry. This matter is dealt with. Your time is up.

I'm going to go back to the witnesses, which is really where we're at. Mr. Genuis's time is up.

Sometimes these go on forever, and sometimes they're quick. This was relatively quick.

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

**Ms. Jean Yip:** Before I begin my questions, I wanted to put a motion on notice that we can hopefully discuss in committee busi-

ness today related to the recent correspondence from our anonymous witness on the SDTC study. It reads:

That given the committee received correspondence from the whistleblower who appeared before this committee on September 18th, 2024, as part of the committee's study of the Auditor General's report into Sustainable Development Technology Canada; given the whistleblower alludes to key evidence of a grave nature, that has yet to be presented to this committee; As part of its study into Sustainable Development Technology Canada, that the committee request the whistleblower send all evidence alluded to in their correspondence of September 23rd, 2024, within 14 business days of the adoption of this motion; that this include all records and evidence pertaining to their unfounded claims that the Minister of Innovation, Science and Industry, manipulated the findings of the McCarthy Tétrault review into SDTC, which was mandated by and submitted to the Department of Justice, and; once the evidence has been provided to members in both official languages, that the committee hold no more than two in-camera meetings, to examine the evidence, at which time, it may decide to invite the whistleblower for further testimony at the committee.

I think it's important that we get this type of evidence. We've already heard from the whistle-blower, and I think it would benefit our committee to receive this evidence in both official languages. This motion is the best path forward, which will benefit our extended study.

• (1930)

**The Chair:** Thank you. That was a notice of motion only. That's very good.

**Ms. Jean Yip:** That's right.

I'll go back to my questions for the witnesses now.

**The Chair:** Yes. That's very good.

**Ms. Jean Yip:** Thank you for your patience.

I'll direct this to both of you.

Why do you suppose Ms. Daly's version differs from your version of the events that happened?

**Ms. Lysane Bolduc:** Thank you for the question.

I'd rather not speculate.

**Mr. Thomas von Schoenberg:** Likewise, I'd rather not speculate into Ms. Daly's motives.

**Ms. Lysane Bolduc:** If I may, there are investigations under way, and I think that it would be wise to let those investigations conclude.

**Ms. Jean Yip:** In your testimony, you mentioned that you are there for your employees. How are you there for your employees, and were they involved in any way?

**Ms. Lysane Bolduc:** Thank you for the question.

Are you referring to other employees?

**Ms. Jean Yip:** You mentioned earlier—

**Ms. Lysane Bolduc:** In general, when something out of the ordinary occurs—and this would qualify as something out of the ordinary—I do step up and support my senior directors, as well as my managers, through those occurrences.

Managers have a lot on their shoulders, generally speaking. They're not aware of every single rule and policy and so on and so forth. They deal with the day-to-day. They deal with the employees on a day-to-day.... My view is that we—management, executives—should be there for them when necessary.

**Ms. Jean Yip:** Did you want to finish your comments? You were in the middle of talking about the new position of the quality review—

**Ms. Lysane Bolduc:** Yes, I can speak to that.

**Ms. Jean Yip:** You said there were 266 files reviewed. Perhaps you'd like to finish.

**Ms. Lysane Bolduc:** Thank you very much.

This is part of the new measures that are being implemented as part of a large modernization of procurement in general, but in particular, this will be beneficial to the specific commodity area that is the procurement of professional services.

As part of the procurement branch that I belong to, there is a new position. It's chief, contract quality and records compliance office. The office is called the contract quality and records compliance office. They were set up early in the fiscal year. Several executives within the procurement branch have already contributed to reviewing, from memory, 266 files under this new regime for compliance in terms of record-keeping.

Again, we've heard from various audits and reports, and through committee work as well, that there are gaps in documentation, so the department is taking action to remedy this.

**Ms. Jean Yip:** Is there anything else that you would change or recommend?

**Ms. Lysane Bolduc:** In general, in terms of procurement, I think there's a lot of work that's under way. I'm actually pleased to be part of the modernization of the procurement of professional services and, of course, of the department. We public servants always strive to do better.

We, again, take to heart recommendations that are made from audits and reviews, so we're implementing changes in addition to what we see in our own world that requires modifications. There's already been a number of changes over the last couple of years, even before these committees and even before there were reviews and audits.

For instance, the electronic application, the electronic procurement system that was implemented, the interface with outside vendors is now CanadaBuys, and it is an easier application to use from outside, from external.... This is just one of the areas that, within ourselves and within the work that we do every day, we identify as needing modification, and action has been taken in that respect. We will continue to strive to make modifications that improve procurement processes within the department.

Thank you.

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

Ms. Yip, thank you.

I'd also like to thank Ms. Bolduc and Mr. von Schoenberg for their testimony, participation and patience tonight in relation to the study of "Report 1: ArriveCAN".

• (1935)

[*Translation*]

You may submit additional information to the clerk. Please consult her if you have any questions.

[*English*]

You are now excused. We appreciate your time.

I'm just going to suspend for three minutes, and then we'll come back here and get to our business at hand, dealing with the budgets. I anticipate that it could take a few minutes, but it will be up to members to make that determination.

I'll suspend for about three minutes.

• (1935)

(Pause)

• (1940)

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

When we last left one another, we were going over the budgets the committee needs to adopt. You have copies of these.

This is for a supplementary budget for report 6 on SDTC. The additional funding being requested is \$23,250. That will bring our total budget, with what's already been approved, to \$25,250.

This is largely for travel that is linked to the witnesses, as passed by a motion by this committee. For example, as you know, if we don't use the resources, the funds, they get returned to the central budget. Already that is the case with one witness who appeared last week.

Ms. Yip, I will turn to you when—

**Ms. Jean Yip:** I just wanted to make sure you saw me.

**The Chair:** Yes. I appreciate it.

Already we've had one witness who was on the west coast appear virtually. This is a global budget that the clerk has put together to reflect some of the locations of the witnesses this committee has requested to appear before committee. At our last meeting, one of our members asked how much of our current budget has been spent. At this time, we have spent \$1,322. This cost includes catering and headsets.

There we are.

Ms. Yip, you have the floor to discuss this budget.

**Ms. Jean Yip:** I actually want to move the motion that I put on notice before the break.

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

**The Chair:** This will require a vote to exit us from the budget to go to the....

**Mr. Garnett Genuis:** She's moving to adjourn consideration of the budget. Is that what she's...?

**Ms. Jean Yip:** No.

**The Chair:** She's moving to put it aside anyway. I think she wants to deal with the motion. I'm just going to consult with the clerk here on how to proceed so that we do this properly, but it will require a vote.

- (1940) \_\_\_\_\_ (Pause) \_\_\_\_\_
- (1940)

**The Chair:** Go ahead, Ms. Yip.

**Ms. Jean Yip:** We'll deal with the budget and then we'll move to the motion. Is that okay?

**The Chair:** Yes.

To go back to the budget, did anyone want to speak on the budget?

Go ahead, Mr. Drouin.

**Mr. Francis Drouin:** Because we are dealing with taxpayers' dollars and we are actually looking at how dollars were spent, I'm just wondering: On the budget that we will be approving tonight for SDTC at \$23,250, are we expecting more expenses coming out of this particular study, or is this the set amount that we have budgeted for, understanding that there have been many meetings on this at other committees?

I see my esteemed chair from OGGO, who also has had a chance to look at this previously. I'm just trying to determine whether this is the budget for SDTC or we are expecting more dollars to be spent. I will ask the same question on ArriveCAN shortly, Mr. Chair.

- (1945)

**The Chair:** As it stands now, based on the witnesses this committee has passed a motion to hear from, this relates to them. Should the committee come back and say it wants to hear additional witnesses, I would be forced to come back with an additional budget. I think that answers your question.

**Mr. Blake Desjarlais:** What's the motion?

**The Chair:** It's not a motion; we're debating the budget for SDTC.

Mr. Drouin.

**Mr. Francis Drouin:** Then, on the next one—

**The Chair:** No, we're only dealing with the first budget.

**Mr. Francis Drouin:** All right.

Is the opposition not going to speak? I'm looking towards you.

**Mr. Kelly McCauley:** No, we're fine with that.

**The Chair:** The budget was prepared by the clerk.

**Mr. Francis Drouin:** I understand. Are they going to have more witnesses? Are we going to approve this on an as-we-go basis, or are we actually going to budget...? That's part of budgeting.

**The Chair:** The budget reflects the witnesses this committee has....

Just so you know, Mr. Drouin, this committee passed a motion some time ago requiring the committee to agree to witnesses before

they're called before committee. This budget reflects the witnesses this committee previously agreed to hear from.

**Mr. Francis Drouin:** Okay. I don't have access to the.... Normally, the clerk would send us a list of the witnesses who have been submitted by all parties. I'm new, so maybe I don't.... It may be in the digital binder, but I don't have access. I would ask if I can see it, just so I can check off who is there.

I'm assuming this is how we work. Just like other committees, we submit a list and then we work through the witness list.

**The Chair:** That is how we proceed, but at the same time, any committee motions that come before the committee and are passed supersede that. That debate has happened, but, yes, as a matter of course, witnesses do come from the parties, and they are allotted proportionally as well.

**Mr. Francis Drouin:** It's an open study. We don't have a budget for the study. Do we just have an open-ended budget? That's what I'm asking.

**The Chair:** I suppose that's true, but that's true of every committee.

**Mr. Francis Drouin:** Not necessarily.

**The Chair:** A committee can extend and extend. Right now, we have witnesses who have been passed. For SDTC, I think there are 16 to go or something like that. That is fixed. That is set. This budget reflects that. That's the witness list. That's the budget.

I can't predict if the committee is going to come back and ask for more witnesses, and neither can you, but it's very fixed. This is the budget for the workload we have adopted as a committee.

[*Translation*]

You have the floor, Ms. Sinclair-Desgagné.

**Ms. Nathalie Sinclair-Desgagné:** Mr. Drouin, you are new to this committee, but not new to the House of Commons.

The committee would like to conduct a study on SDTC. The names of the witnesses have already been submitted. Approving the budgets is a formality. All the members of the committee here have better things to do than debate what should be a formality, because the matter has already been voted on and the committee has decided that it wants to proceed with the study.

Could we, in good faith, approve the budget allocated for the witnesses and move on to something else please? Once again, the witness list has already been validated by a motion passed by the committee.

[*English*]

**The Chair:** I'm not going to call for a formal vote. Is there agreement to pass this budget. Is it agreed?

**Some hon. members:** Agreed.

**The Chair:** Okay. That first budget is passed.

On the second one, moving on to "Report 1: ArriveCAN", we're looking for an additional \$1,500. That would bring our total budget to \$3,500. Are there any comments on this?

• (1950)

**Mr. Francis Drouin:** Again, I'm going to ask for the willingness.... I'm new and I just want to make sure, but I've also sat on the government ops committee. We normally have an agreement on how many meetings we have, and it's not an open-ended question. There have been 22 meetings on ArriveCAN. I want to make sure we don't treat this committee as a Facebook studio. That's what I'm trying to make sure of, because we are talking about taxpayers' dollars and we have open-ended investigations. There have been investigations of investigations.

Is it the will of the committee to continue to openly investigate this and to get down to the weeds and the...?

**Mr. Kelly McCauley:** We're not discussing this. We're discussing the budget.

**Mr. Francis Drouin:** The budget has an impact on taxpayer dollars, Mr. McCauley.

**Mr. Kelly McCauley:** Now you're concerned about taxpayers' dollars, after the millions diverted to Liberal Party appointees.

**The Chair:** I'll make a speaking list.

Mr. Genuis, why don't you go ahead first?

**Mr. Garnett Genuis:** I hope we can get on with this, but I want to underline that Mr. Drouin is showing disgusting disrespect for the important work being done by parliamentary committees. Of course members share the work they do in various fora with their constituents, but this is not a studio. This is a committee where we undertake investigations into important issues of public interest. Those issues include a series of serious Liberal government corruption scandals.

I understand that you, as a new member of the committee—and some other members of the government—don't like those investigations, but they are investigations that have happened, have revealed important information and have been agreed to. The kinds of things we have seen happening with ArriveCAN certainly merit investigation.

The broader point, though, is that parliamentary committees require budgets to do their work. They need to spend money if they're meeting. If we're not spending money doing this study, we're spending money doing another study, or we're just not meeting at all. It's very convenient for the Liberals, who spent \$60 million on an app, to suddenly claim to be fiscal hawks when it comes to this. Maybe parliamentary committees just shouldn't meet in order to save money. The work of public accounts saves the government far more money than it spends in gathering chairs together and having the audio equipment necessary for a meeting. We do important work, and the committee has already agreed to study these issues. It needs to study these issues.

I believe much more in the work of Parliament than Mr. Drouin clearly does. These are very reasonable budgets. They are in line with the work of committees. They are in line with the budgets we see at other committees. I think it is worth the public expenditure for parliamentary committees to conduct investigations that hold powerful people accountable and drill down on ways we can push the government to save more taxpayer money in much broader,

deeper and more substantive ways than his efforts to hold up the budget for the committee to do that investigation.

I think all of this is fairly obvious. If we were discussing this in camera, he wouldn't bother making these interventions. He's trying to defend the government's efforts to minimize these investigations.

I think we should now get on with it.

**The Chair:** Thank you very much, Mr. Genuis.

I'm going to Mr. Erskine-Smith in one second.

Mr. McCauley, did you want to speak as well? If you do, put your hand up.

Mr. Erskine-Smith, you have the floor.

**Mr. Nathaniel Erskine-Smith:** Thanks.

Look, I think we should get through it. As folks have said, let's adopt the budget.

I think what might be helpful, though, is this: I'm new to this committee as well, so I don't know how much the subcommittee is used to set an agenda going forward. I would be genuinely interested in sitting down with colleagues from the Conservatives, the Bloc and the NDP. We could do it in a setting like this. It's already late, so I don't think now is the exact time. However, I'd be curious to know what more we want to get out of this. How much evidence have we heard? Is it sufficient? What more do we need to hear? Who do we need to hear from?

Obviously, there's a proposal to hear from certain witnesses, but I outlined some things that I think are gaps. Maybe it's already there, but there are some gaps in my understanding. I've started to read a bit more about the missing emails, for example, that Mr. Brock was mentioning. I have to fill in some gaps on my end. To the extent that we need to fill in additional gaps across the board in order to get to the bottom of what we want to get to the bottom of, both on Sustainable Development Technology Canada and ArriveCAN, there have been a boatload of meetings already. It might be helpful to have a subcommittee meeting at some point in order to get folks to drill down, work across the aisle and say what more we want to get out of this—shared goals, accountability, who else we need to hear from, what documents we need to request and how we conclude this thing collectively. That's how I've operated on other committees where we tried to play that kind of accountability function, I think, successfully.

Otherwise, yes, let's adopt the budget. However, I think there's a more constructive way to be on the same page, going forward.

• (1955)

**The Chair:** Thank you.

I appreciate that we have new members on the committee. Cross-dialogue happens.

There has already been a subcommittee meeting. There are also a number of motions with predetermined witnesses that are outstanding and that have been set by this committee. That is the work plan. The clerk is working as hard as she can to line up these witnesses as quickly as possible.

I'm not sure how to guide you, because I don't know how things work on the governing bench. I think your first point of contact is the whip's office and then the vice-chair on the government side. Then you can bring back things through her. It's not the normal practice for the committee as a whole to discuss these things. That takes away from committee investigations of Auditor General reports.

I'm happy to talk, and I'm....

Pardon me...?

**Mr. Francis Drouin:** Exactly.

**The Chair:** There is coordination, which is why, when people come to me and say they have to leave, I reply that it is a whip problem and not a chair problem. That is just fair warning.

Anyway, let's call the question on this. Is this budget for \$1,500 approved?

**Some hon. members:** Agreed.

**The Chair:** Now, Ms. Yip, I appreciate your patience in allowing us to get through this. I will say this was a clever move, because you put in the notice of motion during the other meeting, which normally requires 48 hours, but then you brought it up again during community business. That is a good move.

The floor is yours.

**Ms. Jean Yip:** Okay.

**Mr. Garnett Genuis:** Can we get the motion?

[*Translation*]

**Ms. Nathalie Sinclair-Desgagné:** We did not receive the motion.

[*English*]

**The Chair:** Have you submitted the motion to the clerk? Yes.

[*Translation*]

Is it in both official languages? Yes, thank you.

[*English*]

It's going to come in just a few seconds. I'm just going to hold for a second.

While members are reviewing the motion in both official languages, I will turn the floor over to Ms. Yip. I'll then see you, Mr. Genuis.

Ms. Yip, you have the floor.

**Ms. Jean Yip:** As I said in my previous comments, I think it's important that we receive the evidence the whistle-blower alluded to in his letter. We've agreed to extend our study on SDTC. If there's any evidence that the whistle-blower did not provide us during his testimony last week, I think we should request it.

In addition, I asked the whistle-blower for evidence to back up claims that the minister was manipulating the McKinsey report, and the whistle-blower refused. Given that the whistle-blower has now volunteered to provide this type of evidence and more, I think it would benefit our committee to request this.

I think it's a fairly straightforward motion, and I would appreciate everyone's support on this.

**The Chair:** For clarity, Ms. Yip, could you just explain—and this is, I think, a general question—the need to have it in camera as opposed to a public meeting?

**Ms. Jean Yip:** Well....

• (2000)

**The Chair:** I can come back to you on that.

**Ms. Jean Yip:** Okay.

**The Chair:** Mr. Genuis might ask it as well, although perhaps with different motives.

Mr. Genuis, you have the floor.

**Mr. Garnett Genuis:** Thank you, Mr. Chair.

I want to assure you that my motives are always to advance the common good, as I see it.

I want to just observe very pointedly that this motion makes a judgment about the claims the whistle-blower made. It says that claims made with respect to the minister are “unfounded”. We are certainly not prepared to pass a motion that slaps onto a request for information words that characterize the claims of that witness. What is the point of even requesting the information if the government has already come to a conclusion about the nature of it?

Therefore, I would propose an amendment that simply strikes all of the words after “within 14 business days of the adoption of this motion”, so the motion would read:

That given the committee received correspondence from the whistleblower who appeared before this committee on September 18th, 2024, as part of the committee's study of the Auditor General's report into Sustainable Development Technology Canada; given the whistleblower alludes to key evidence of a grave nature, that has yet to be presented to this committee; As part of its study into Sustainable Development Technology Canada, that the committee request the whistleblower send all evidence alluded to in their correspondence of September 23rd, 2024, within 14 business days of the adoption of this motion.

Period.

It requests the documents but removes this editorial characterization of the nature of the claims and the idea of having two in camera meetings. Once the evidence is received, the committee can decide how to proceed. Maybe it will be with public meetings. Maybe, if necessary, it will be with in camera meetings. That will be up to the committee at that time.

I think this amendment maintains the request for information, but removes the political editorializing the government is using to try to defend the minister.

That's my amendment. Is it clear to the chair and the clerk?

**The Chair:** Yes.

We have an amendment to the motion to remove everything that follows “within 14 business days of the adoption of this motion”.

Turning to the amendment, then, I'll start a new speakers list. I will go to Mr. Drouin first and then Madame Sinclair-Desgagné.

Mr. Drouin, go ahead.

[*Translation*]

**Mr. Francis Drouin:** This is simply a precaution.

First of all, asking for documents in both official languages is not in any way an editorial comment. I want to point out that today is Franco-Ontarian Day. I expect that we will receive the evidence, especially since it is in the form of recordings. I don't know if they are in English or French, but I believe it is customary for the committee to receive evidence in English and French.

I know the witness has offered to comment on what was said. Without knowing what was said though, we have no way of knowing whether that is appropriate. We don't know who is on those recordings. I don't know what other evidence or testimony will be submitted, apart from the letter we have received. So I think we should receive that evidence before we allow the witness to comment on it. I need the evidence and proof that it has been provided in both official languages. Then we can decide whether a public meeting is needed.

The reason we wanted to meet in camera is precisely because we don't know what's coming. Out of respect for the individuals who may have been recorded without their consent, we have to be careful. Since we are not in the majority on the committee, the opposition may in any case do what it wants. Regardless, we have to be careful initially, out of respect for those who may have been involved in all of this, whether they wanted to be or not.

[*English*]

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

The amendment to the motion is being sent around as I speak.

Would you prefer, Mr. Drouin, that I pause for a second while it's sent out? Otherwise, I'll go to the next witness.

I see that you prefer a pause. Okay.

We'll wait for the 10 or 15 seconds, then, after which I have Madame Sinclair-Desgagné, Monsieur Genuis and then Mr. Erskine-Smith.

• (2005)

**Mr. Blake Desjarlais:** Do you have me on the speaking list?

**The Chair:** I have you on the other one. This is speaking to the amendment.

Would you like to be added to this list as well, Mr. Desjarlais?

**Mr. Blake Desjarlais:** No. Whatever makes this shorter...

**Voices:** Oh, oh!

[*Translation*]

**The Chair:** Ms. Sinclair-Desgagné, are you ready?

[*English*]

**A voice:** [*Inaudible—Editor*]

**The Chair:** Okay.

I'm afraid I'm out of resources. I will have to adjourn this meeting. We will pick it up at our next available opportunity. I will maintain this list.

We are adjourned.









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