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Chair: Mr. John Williamson



Standing Committee on Public Accounts

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• (1105)

[English]

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

[Translation]

I call the meeting to order.

[English]

I'm going to begin by speaking about some housekeeping issues. I know my idea of having some quick committee meetings on Dec 18 went over like a lead balloon, both on the government side as well as with opposition members. To relieve everyone, Santa's coming early. We're not going to do that. I expect we are going to recess Parliament on Tuesday, so there won't be a Wednesday meeting as I had just floated and mused.

There is already a link that's gone out for Wednesday regarding line by line. The clerk and I have been unable to secure the witnesses that the subcommittee had prioritized, largely because of unavailability. That's every last one. As the subcommittee recommended, we going to use the time we have for line by line.

You'll note that, on Wednesday, we'll tackle report 7. On Monday, it is my intention—and this notice hasn't gone out yet—to pick up “Report 8: The Benefits Delivery Modernization Programme”, which is tied to it. I would like to tackle that while it's still fresh in our minds. For any other time remaining, we'll continue to go through our list. That's it for the update.

Wednesday's notice went out just before this meeting. We will get Monday's out in the next day or two, but so you know, it is my intention to have another round of line by line.

[Translation]

Welcome to meeting number 157 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. This is with respect to the audio system with which you're all familiar. As a kind reminder to all those in person and online, for the safety of our interpreters, it is very important that your microphone be muted when you're not speaking.

[Translation]

Thank you all for your co-operation.

Pursuant to Standing Order 108(3)(g), the committee is resuming consideration of the Auditor General of Canada's report 8, entitled “Canada Emergency Business Account”, from reports 8 to 12, referred to the committee on Monday, December 2, 2024.

[English]

I would like to welcome all our witnesses from the Office of the Auditor General. We have Karen Hogan, Auditor General of Canada; Andrew Hayes, deputy auditor general; and Mélanie Cabana, Senior Principal.

It's nice to have you all back again so soon.

From the Department of Finance, we have Chris Forbes, deputy minister; and Julien Brazeau, associate assistant deputy minister, financial sector policy branch.

Thanks for coming in.

Ms. Hogan, you have the floor for any opening comments you might or might not have. I know we just had you in, of course.

The floor is yours for up to five minutes if you would like.

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

I believe that my colleague, Mr. Erskine-Smith, is unable to get into the meeting. I want to make sure that he has access.

The Chair: The clerk is working on that. Thank you.

It is a member's privilege to join us either in person or remotely. Mr. Nater, you are aware of that.

Ms. Khalid, I appreciate that. If it is going to be an issue we can't resolve, I would ask the Liberal whip to make preparations to replace Mr. Erskine-Smith.

Ms. Hogan, you have the floor for up to five minutes if you'd like.

Ms. Karen Hogan (Auditor General of Canada, Office of the Auditor General): Mr. Chair, I am pleased to be here today to talk about our report on the Canada emergency business account program, which was tabled in the House of Commons on December 2.

As you've mentioned, I'm accompanied by Andrew Hayes, deputy auditor general, and Mélanie Cabana, who's the Senior Principal responsible for the audit.

[*Translation*]

Since I gave an overview of my report when I appeared before this committee last week, I will not be making a statement today, but I will be happy to answer any questions committee members may have.

Thank you very much.

The Chair: Thank you very much.

Mr. Forbes, you have five minutes to comment.

Mr. Chris Forbes (Deputy Minister, Department of Finance): Thank you, Mr. Chair.

I'm here with my colleague Julien Brazeau. We thank the committee for the invitation to speak today on the audit of the Canada Emergency Business Account.

I would like to thank the Auditor General and her team for her work on this file. They worked closely with our team as they put the audit together.

Before discussing the specific recommendations, I would first like to note that the context in which this unprecedented program was delivered, and the impact it had on the Canadian economy are not detailed in the Auditor General's report. The program made an important contribution to ensuring the resilience of the Canadian economy during the pandemic and its aftermath.

In the spring of 2020, the government quickly set up this program, the objective of which was to ensure that Canadian small and medium-sized businesses could survive the pandemic.

No government department was in a position to deliver a program of this size and scale. Export Development Canada was selected given its expertise in loan delivery and administration, as well as the possibility of using the Canada Account to fund CEBA transactions.

At launch, the economic situation was highly uncertain. As more became known and in response to the evolving pandemic and needs of businesses during this time, the program was quickly expanded and refined during 2020.

• (1110)

[*English*]

For instance, after stakeholders such as indigenous groups flagged that not all businesses use business accounts, the requirement for a business account was removed. After agriculture groups, among others, flagged that some businesses did not have significant payroll expenses but did have other non-deferrable expenses, the non-deferrable expense stream was created. After groups like the Canadian Federation of Independent Business highlighted the need for additional support, the amount of CEBA loans available expanded from \$40,000 to \$60,000.

An important point is the timeliness of the support delivered under the CEBA program. Business insolvencies, particularly for

small businesses, were dramatically reduced during the pandemic, a reduction of nearly 25% in 2020 and a further 11% in 2021. Over 55% of CEBA loan-holders reported that the amount received from the CEBA was necessary to maintain their operations during the pandemic.

It is also positive that over 80% of loan-holders fully repaid their loan by March 2024 and received partial loan forgiveness. Repayments have continued, and the current outstanding balance has dropped from \$8.5 billion at the end of March to just over \$8 billion at the end of November, even though we still have another two years until the final repayment deadline.

In its report, the Office of the Auditor General provided Finance Canada with four recommendations. Three of them deal with improving collection efforts from both eligible and ineligible recipients, and I would note that we strongly support those recommendations on increasing our efforts or ensuring that we make good efforts to collect on owed funds, including from ineligible loan-holders.

We did, however, disagree with one of the recommendations, which was that the Department of Finance Canada address the accountability and oversight gaps for the CEBA program, including the oversight of administrative expenses. I would note that we had multiple exchanges with the Auditor General and her office over the course of the audit on this very point, as we wished to support the work. I think we came to some agreement on some of the root causes, but we couldn't find agreement on the recommendation itself.

The Auditor General's report did raise important questions about the current oversight and accountability mechanisms around the Canada account and whether they are well suited for the management of a large government program like the CEBA program. We also do agree that there are likely opportunities to improve the oversight of programs like the CEBA program.

That being said, we had to disagree with the recommendation that we "should address the accountability and oversight gaps for the [CEBA] program, including oversight of administrative expenditures that are paid". We note that EDC, as the program administrator, was responsible for decisions regarding administrative expenditures. The Department of Finance Canada doesn't have the legislative authority to evaluate or provide direction on these expenditures and, therefore, can't agree to the recommendation.

Again, I want to reiterate that the program was delivered in unusual circumstances. We think it did a great job in supporting small and medium-sized businesses throughout the pandemic.

We're happy to take any questions from the committee on the audit or on the program.

The Chair: Thank you very much.

I'll begin our first round now. Our first round consists of four members with six minutes each.

Mr. McCauley, you have the floor, please.

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

Witnesses, thanks for being with us today.

Welcome back, AG Hogan, Mr. Hayes and Ms. Cabana.

I have a quick question for you, AG Hogan. I'm looking at a press release by Deputy Prime Minister Chrystia Freeland, who of course is also the Minister of Finance, and by the Minister of Small Business, Minister Valdez, which says that your report “[doesn't] properly acknowledge that CEBA was designed and delivered during a global pandemic.”

I recall a previous report about COVID benefits and the lacklustre oversight on them. Do you think a pandemic is an excuse not to provide proper oversight or proper guardrails around the spending of taxpayers' dollars as the government is insisting here?

Ms. Karen Hogan: I've been asked this question a few times since we released the report. I very much stand by the fact that I believe our report is quite balanced. It does definitely talk about the pandemic. It recognizes the situation in which the program was rolled out. It acknowledges the rigorous analysis that the Department of Finance did to develop the policy and to make recommendations around the report.

I have said it about other programs, and I'll say it again. Even if there was a pandemic, there was an expected level of due diligence and monitoring of expenses, which I think everyone would expect.

I acknowledged that at the beginning. By going non-competitive and by doing things quickly, the objective was to quickly get funds out and that was achieved. However, as the program kept moving on, there was the need to change that. I've held that view for every single COVID program that we have looked at.

• (1115)

Mr. Kelly McCauley: Thank you.

Mr. Forbes, you intimated the same argument that the finance minister stated, that it was COVID and that it had to be pushed out the door quickly. What is the acceptable level of fraud to be committed against a taxpayer by the government if we're stating that a lot of dollars went out the door because it was COVID and it had to be done fast, but look how many businesses it saved. There seems to be this attitude that theft is okay and that fraud is okay because it was an emergency, and look how much money we got out the door anyway.

Mr. Chris Forbes: Thank you for the question.

I don't think that we think any level of fraud or theft is acceptable. I think the point we're making—

Mr. Kelly McCauley: That's right, and I would agree. Why, then, do we have your department putting out a press release saying that the AG didn't appreciate, at the time, the difficulties?

Mr. Chris Forbes: I think our—

Mr. Kelly McCauley: All the push-back we get from the government is that those were unprecedented times, and it had to put

the money out the door as soon as possible, and look how successful.... You, yourself, stated how successful the program was. However, we have all of this money stolen from taxpayers and have money being sole-sourced, possibly in a fraudulent way, through Accenture, but it just seems to be that it's acceptable because it was an emergency.

Mr. Chris Forbes: Thank you for the question.

I disagree with the idea that we'd treat fraud or not collecting amounts owed as things that we can just wave away. Indeed, as I said, the Auditor General made a number of recommendations around improving efforts to collect from ineligible or other accounts that were outstanding. We agree that we have to do.... These are taxpayer dollars, as you said, and these are amounts that we intend to go after.

Mr. Kelly McCauley: Did you read the December 2 statement?

Mr. Chris Forbes: I've read it. I don't have it in front of me right now.

Mr. Kelly McCauley: There are eight paragraphs. There's not one word about protecting taxpayers' money, about preventing fraud or even about claiming it back. I just find it very concerning that the government has time to attack the AG, has time to throw its arm out, patting itself on the back, but there's not a single comment about the stolen money—the money fraudulently taken from taxpayers.

I'm going to get a different line of thinking or questioning. Who decided that EDC would be the department or the Crown corporation that was going to manage this program? We heard from EDC that it wasn't prepared for it, that it didn't have the capacity and that it pushed back against Finance with this information. Who decided that, yes, it would be given to it anyway?

Mr. Chris Forbes: The government took the decision to use EDC as a delivery vehicle.

Mr. Kelly McCauley: Was that at Minister of Finance's level? Who? Someone would have had to because, as much as the government is a blob, someone has to.

Mr. Chris Forbes: It's a cabinet decision as to the delivery agent.

Mr. Kelly McCauley: Would it come out of cabinet?

Mr. Chris Forbes: It's a cabinet decision as to who delivers.

Mr. Kelly McCauley: In previous testimony on the CERB issue, we heard from CRA that CRA pushed back against some of the proposed ways that the money was going to flow out for fear of fraud and oversight issues.

Did Finance push back against this decision to give it to EDC, which was clearly not capable of rolling out this program?

Mr. Chris Forbes: The challenge that we faced, given the scope and the scale of this program and the timing, was that there weren't a lot of options as to how to deliver this, and we knew we had to get the support out. EDC, it was determined, was the best option. I'm not saying it was easy for EDC where they were—

Mr. Kelly McCauley: It was determined by whom? Was it a group decision of “we have no one else”, or was it “no, make it EDC”?

Mr. Chris Forbes: We would have assessed what the options were for the delivery of such a program. We would have assessed that, and we would have provided options, the risks and benefits of various delivery options, and the decision would have been made based on that.

• (1120)

Mr. Kelly McCauley: Thank you, Mr. Forbes.

The Chair: Thank you very much.

Next up is Mr. Erskine-Smith, joining us online.

You have the floor.

Mr. Nathaniel Erskine-Smith (Beaches—East York, Lib.): Thanks very much, Chair.

By the way, I'm using a different system, but I've just gone through a sound check with this. I hope it's sufficient for the interpreters. I was told it was better, so we'll see.

I want to start with you, Mr. Forbes. There's been a lot of talk about the recovery of ineligible loans. In fact, when the Auditor General attended previously, she expressed some displeasure.

The Chair: Wait one second, Mr. Erskine-Smith. I'm looking for either a thumbs-up or a thumbs-down.

Mr. Erskine-Smith, I'm afraid I'm getting a thumbs-down from the interpreters.

Mr. Nathaniel Erskine-Smith: After all that.

The Chair: I will turn to Mr. Drouin.

Mr. Drouin, you have the floor for six minutes, please.

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): Thank you, Mr. Chair. I have one quick question.

I know that you've acknowledged the auditor's reports.

Mr. Forbes, it's good to see you in front of the PACP committee. I was used to seeing you in front of the ag committee. We still miss you over there. You were a good deputy minister, but it's great to see you. Now that you're in finance, just remember to say yes to all the ag requests, if I can make that one plea.

Regarding report 8, the CEBA account, obviously the Auditor General has made a statement with regard to the administrative costs with EDC, and there should be more accountability, and Finance Canada should have taken that. Finance has said they've disagreed with that. Can you explain to this committee as to why?

Mr. Chris Forbes: I think there are two points. One, as I said, is that I feel, in discussions with the Auditor General's team and in the report, we recognized that, with this scale and scope, we needed to think about oversight. If we were to deliver a program of this scale

via EDC and the Canada account again, we would have to think about whether there are better oversight mechanisms for administrative expenses.

Our issue at the Department of Finance is that we don't really have, once a program is launched, the legislative or administrative tools to play that role ourselves. I'm not opposed to oversight, to be clear. I think it was just that we were put in the recommendation as the organization to do that. We felt that it would be something that should be better thought about, but not necessarily....

Mr. Francis Drouin: At the time, the government would have had to propose a legislative change in order for that to respect the recommendation of the Auditor General. We would have had to change the law. Is that essentially what you're saying?

Mr. Chris Forbes: I'd have to think about whether it would be a legislative change, but I would have had to effectively insert myself into administrative decisions that were being made by EDC over the course of the administration of the program. Now, I do want to say that we were engaged with EDC as the program rolled out, so we were aware of the expenses that were going on. In the end, we feel quite honestly that the level of the administrative expenses is quite reasonable. It's certainly, we think, under 1% per year for delivering loans of that value, which is quite reasonable in the context of the cost of other programs.

Mr. Francis Drouin: Yes, and we've definitely had some previous meetings with regard to other matters that the Auditor General has brought forward.

On this note, Mr. Chair, I know that the subcommittee met before, but I would move that we resume debate on Ms. Khalid's motion.

The Chair: Just one second.... I'm going to have the clerk send that out so everyone has it.

I'm going to get the witnesses to hold for a few minutes.

We have to do the vote as well.

Would members like to see...? I guess it doesn't really matter, does it? Well, actually, it could.

Clerk, would you send the motion out to all members so that members know what we're voting on resuming or not? Thank you.

I'm going to suspend until that is sent out. It'll be a minute or two.

• (1120)

(Pause)

• (1125)

The Chair: All right. The motion has been sent around.

Mr. Cannings, did you have a point? I have an obligation to go directly to a vote. Is this a point of order, or are you just in the line-up to speak?

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): No, I'm sorry. This is was to get in the lineup.

The Chair: That's fine. Thank you very much. I will take note of that. You're not the first.

I will turn to the clerk to take a roll call.

(Motion agreed to: yeas 6; nays 4)

The Chair: All right.

If I could ask the witnesses.... I suspect you'll be excused momentarily here, but I'm just going to take the temperature of the room first.

I already have a speaking list. We're resuming the debate on the motion, which you've all been sent.

Mr. Nater, you have the floor, please.

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

The Chair: Pardon me. We're actually resuming debate on the amendment to the motion, just so we're clear.

You have the floor, Mr. Nater.

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

You know, it's quite frankly galling. I guess the Liberals don't want to listen, but that's all fine. I'll wait for Ms. Bradford and Ms. Yip to complete their private conversations getting their directions from staff—

The Chair: Let me ask you, Ms. Khalid, did you motion to speak? I saw your hand move quickly.

No? Okay. That's fine. I just didn't want to overlook you.

Mr. Nater, you have the floor.

Mr. John Nater: Thank you, Chair.

You know, here we are, frankly, and we've had two rounds of questions. Our friends from the NDP and the Bloc have yet to have a chance to ask these officials any questions, and here we are with the Liberals coming in with a guillotine motion to prevent the committee from doing its work.

I will say as a matter in passing that I do want to thank our witnesses for joining us, even though they may not get their full opportunity to answer questions. I want to note that I appreciate Finance Canada coming in person. I think that's a show of respect for this committee.

I appreciate the in-person attendance, which we did not have with Export Development Canada and which I think is quite unfortunate, considering that they're 450 metres away from this building. I do appreciate in-person attendance. I think it's a mark of respect, and I do thank you for that.

Here we are. I mean, we've had a subcommittee meeting on this, a subcommittee meeting where Liberal members were present and where we agreed that CEBA would be a priority for this committee. There's a Liberal member on that committee—

Ms. Iqra Khalid: I have a point of order.

I believe that the discussions that happened within the subcommittee were in camera, and the member should not be speaking about them out of camera, especially since we haven't passed any report that came out of that subcommittee.

• (1130)

The Chair: All right.

The subcommittee had a report. I want to check with the clerk to find out.... It was certainly sent to members, but I would ask you, Mr. Nater, to respect the in camera—

Mr. John Nater: Absolutely, but I will say that there was a subcommittee report, and Liberal members are on that subcommittee. If they want to have these discussions, let's go back to the subcommittee report and discuss it that way, but here's the thing. This is a priority of this committee, the CEBA study, and what we've had today after two rounds of questions—or not even two rounds, just two sets of questions—is a guillotine motion to go to this.

I want to highlight a couple of the points from this motion that I think are just ridiculous.

Ms. Iqra Khalid: I have a point of order again, Mr. Chair. I believe the debate is on the amendment.

I don't actually remember what the amendment is, so perhaps Mr. Nater can start there.

Mr. John Nater: I would be happy to focus on that.

The Chair: Why don't you start start there, Mr. Nater?

You know, I'm going to excuse the witnesses.

Thank you very much for coming in. We will see you likely in the new year.

I have a long list here.

Let the festivities begin, Mr. Nater. Please refresh everyone's memory on where we're at with the amendment to the motion.

Mr. John Nater: Thank you, Chair.

Perhaps I'll wait a minute, Chair, while the commotion dies down. I notice that there are now no Liberals at the table. I don't know if we have quorum or not.

The Chair: I'll suspend for a second.

• (1130)

(Pause)

• (1135)

The Chair: I'll bring this hearing back into session, please.

Mr. Nater, you have the floor. Please begin by just reminding the room of the amendment to the motion.

Mr. Francis Drouin: I have a point of order.

Mr. Chair, I'd like your ruling, because I think the amendment is no longer receivable.

I hope Mr. Nater doesn't have the power to go back in time. December 5 has come and gone. It's irrelevant now. I'd ask for your ruling on that. Can you check to see if it's still in order?

The Chair: Let me consult the clerk. I suppose Mr. Nater can get ready to prepare a new date.

Mr. Drouin, it was set in time. We've moved beyond that time, but it hasn't changed the objective of Mr. Nater's amendment.

Mr. Francis Drouin: If we adopt the amendment, Mr. Chair, we can't act on the amendment itself. It says, "December 5". It's gone. It's in the past.

The Chair: It's for any further meetings taking place "after December 5". That could be tomorrow or the next day. It doesn't say "on". It says "after".

Mr. Francis Drouin: I challenge the chair.

The Chair: Okay. I'll ask the clerk to call the vote.

This is unusual, because normally challenges to an amendment don't happen when we're midstream, but on a technicality, I will allow it.

The challenge is that Mr. Nater's amendment is out of order. Of course, he will just pose another amendment, I'm sure.

Let's have the roll call, please.

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

The Chair: Mr. Nater, you have the floor.

Mr. John Nater: Thank you, Chair.

That's rather disappointing. I thought that was a rather reasonable amendment—not a reasoned amendment, but a reasonable amendment. That's fine. I'm not too worked up over it. The day is long, and much can be said on this original motion.

This now frees me up to speak to the entirety of this Liberal guillotine motion. Let me highlight a few points about this motion. There's a real effort here to prevent this committee from doing its work.

I did hear a heckle from my colleague about what a guillotine motion actually is. I think we don't use the term "guillotine motion" enough in the Canadian Parliament. It's far more common in the U.K. A guillotine motion is basically any motion that ends debate. It prevents Parliament or its committees from doing their work. We see that all the time in the House of Commons, with closure motions or time allocation motions. This is effectively what this is. It is a guillotine motion on steroids. It guillotines not only one particular study but multiple studies, and it prevents us from doing our work.

Mr. Stewart wishes to have a historical definition of guillotine. We'd have to go back to the French Revolution for that. Maybe at another time and in another place, we can have a more enlightened discussion on that.

To the motion at hand, I want to point out a few key challenges with this motion. First of all, we have point three, which says, "At the conclusion of the meeting on Report 1, ArriveCAN, no more

meetings be conducted to hear from witnesses in relation to Report 1, ArriveCAN".

It says, "no more meetings". We're done. We're finished. We'll wipe our hands of it. Even if something else comes out in the media, even if there are some new issues and new things to decide, no, we are preventing ourselves from having any more meetings on ArriveCAN—period, full stop.

It's not as simple as something that we could potentially be agreeable to, such as that after that meeting we give drafting instructions. I think we could probably live with that, but no, it's a matter of there being no meetings to hear from witnesses.

• (1140)

The Chair: Mr. Nater, actually, you raised a good point.

I want to get clarification about that from the motion's sponsor.

On point nine, is it in fact your intent that even a 106(4) would not trigger a meeting?

Ms. Iqra Khalid: Chair, as I said in our last meeting when I was speaking on this motion, absolutely, a 106(4) is a right of the committee. This motion does not take away the right to call a 106(4).

The Chair: That's a problem you're going to have to address, Ms. Khalid, because, in fact, it does just that.

It says, "Notwithstanding a meeting called pursuant to Standing Order 106(4), no meetings of the committee or subcommittee be held during Parliament's adjournment from December 18, 2024 to January 26, 2025." In fact, the way this is written, a 106(4) would not be permitted.

Mr. Nater, you have the floor again.

Mr. John Nater: Thank you, Chair.

I also thank you for your learned comment on that, because I think it is a good point. You obviously have the experience, as a skilled parliamentarian, and I appreciate your wise counsel on this matter. It goes back to the point of this motion, which will prevent this committee from doing its work. That's the reality. This is preventing it.

I'll go back to the specific points in this motion.

The first is "no more meetings" on ArriveCAN. We'll have one more meeting. You'll note that this actual motion doesn't say which witnesses we'll hear from for that meeting. I think we have a pretty good indication of who we'll hear.

First of all, I think we should be hearing from CBSA president Erin O'Gorman, who reminds me of the old *Saturday Night Live* sketch where O. J. Simpson tries to find the real killer on the golf course. Ms. O'Gorman came before this committee and claimed she has no clue whatsoever about how ArriveCAN went down—no idea, just can't figure it out, doesn't know what happened or who did what.

She even pushed back against Minh Doan's emails disappearing, saying she didn't know all the information about how that might have happened. Minh Doan, who is the chief technology officer of Canada, couldn't replace a battery on his laptop without conveniently losing all of his emails during the time of the ArriveCAN scandal. No, Ms. O'Gorman can't figure out who gave the order to deliver this contract through GC Strategies—two guys working out of their basement, who, I might add, were required to appear before the bar of the House, which is something that has not happened very often in our history.

The previous time was for another Liberal scandal, the Winnipeg lab scandal. The president was required to appear at the bar and was admonished by the Speaker of the House of Commons. It's interesting, in this case, that the Liberal government took the Speaker, who was elected as a Liberal, to court over that matter.

However, here we have a motion for “no more meetings” on ArriveCAN, regardless of what may happen—a motion that, *carte blanche*, will prevent us from going further. That's point three. I have a real issue with the guillotine of “no more meetings”.

The next one is interesting because, obviously, when the Liberals were drafting this, they weren't entirely paying attention to which witnesses we've heard from and which witnesses we haven't heard from. “Two [more] meetings be dedicated to...Sustainable Development Technology Canada [to hear from] Zoe Kolbuc”—again, we're happy about that—“Andrew Noseworthy”—we're happy to hear from him—“and the Minister of Innovation, Science and Industry”.

I would note, though, that the offer to hear from Minister Champagne has been on the table for several months. We have five Liberal MPs on this committee who sit in caucus with the minister. Surely one of them, at some point, could have pulled him aside and said, “Minister, this committee really desires to hear from you on this important matter. Could you find it in your schedule to come to the committee?”, especially since the original mandate letters to each minister in the Liberal government said they ought to make themselves available to committees—not just as a one-off but as a regular course of practice, so they can appear before the committee and be held accountable for the actions of their departments and agencies.

However, what's interesting about point four is who the Liberals left off this list. First of all, Mr. McConnachie, who was deputy minister during the period of the scandal, is left off.

• (1145)

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

I want to clarify that I tried to seek unanimous consent to include Mr. McConnachie. My dear colleague decided not to allow the amendment.

The Chair: Ms. Khalid, that is not point of order.

If you would like to be added to the speaking list, just put your hand up.

Go ahead, Mr. Nater.

Mr. Francis Drouin: It's a point of truth.

The Chair: What is truth? That is a question of the ages. I'm sure it's one that Parliament will not settle.

Mr. Nater, you have the floor.

Mr. John Nater: Thank you, Chair.

That has given me an opening to go further along this line. The Liberals did try to—I don't know if it was a mistake, or they didn't realize it—to change it at the last minute, but they actually wanted to take out another witness. They wanted to take out Andrew Noseworthy, which is why we, obviously, denied that, because there's a lot more we have to ask Mr. Noseworthy.

Just to remind our Liberal friends across the way, Mr. Noseworthy sat in those board meetings. I don't know if he was eating chicken fingers at the time and not paying attention, but there he was in those meetings not paying attention. He was not paying attention when all of these conflicts of interest were going down, when Liberal appointees were enriching their friends, enriching themselves in some cases, and voting on matters that they themselves benefited from. It was quite shocking.

Mr. Noseworthy was at that meeting as the assistant deputy minister. We've heard many interpretations of his role there, but the most important one was from the deputy minister himself who said that he was his “eyes and ears” on the SDTC board. He was the eyes and ears.

Obviously, he had neither eyes to see nor tongue to speak, because he did not report. We don't know. It appears that he didn't report these matters back. One would have thought he ought to have reported as the eyes and ears. You would have thought there would have been reporting structures. This is why I'm not entirely sold on his testimony or what, frankly, were the testimonies of others related to this matter. You had a senior official, number two only to the deputy minister, sitting at these SDTC meetings.

It was interesting when we heard from Ms. Verschuren, who was chair of the board. One of the comments she made, when I questioned her about the role of Mr. Noseworthy, was that he was actually to bring the viewpoints from the department. I think that was quite interesting and quite fascinating, that the department was actually using the opportunity of having Mr. Noseworthy on the committee to bring the point of view of ISED, the deputy minister and, potentially, the minister. Of course, that would have been Liberal minister Navdeep Bains at the time, but I found that interesting.

Point number four of this is that the Liberals would hear from Andrew Noseworthy, which we agree with. Obviously, we think it should be amended to include Mr. McConnachie, who was here for a meeting but was unable to testify at that point.

There is an important person who isn't there. It's another minister of the Crown, the Minister of Environment and Climate Change, the Hon. Steven Guilbeault. Why would Minister Guilbeault be pertinent to this testimony? My friend, Mr. Stewart, has many commentaries, and perhaps he'll get his name on the list to provide his commentaries on the record.

Mr. Guilbeault was a lobbyist and a shareholder in an entity called Cycle Capital. Why is that important? Cycle Capital was receiving funds from SDTC. While SDTC was making these funding decisions, guess who was lobbying the Government of Canada. It was Steven Guilbeault. Not only was he actively lobbying the Liberal government—for which he would later run as a Liberal candidate—he was a shareholder. To this day he still discloses on his ethics declaration this matter about his financial interests in a company that was being funded by a conflicted board of the SDTC.

Obviously, we as the official opposition demand that Mr. Guilbeault appear before this committee. It was agreed by this committee that he be on the witness list. He has failed to appear. He failed to grace us with his presence.

I'll be honest. I always prefer witnesses to attend in person. That's why I thanked our friends from Finance Canada for appearing in person. That's a show of respect. Do you know what? If Mr. Guilbeault actually wanted to appear virtually, I would take it. If he's willing to appear virtually, I would accept that. I wouldn't even force it to be done in person. He could appear by Zoom at a meeting of the public accounts committee. I'd take it.

That would be a fair compromise. We do have a couple of meetings left. I know they're currently designated to committee reports. However, if we could find extra time here or there, it would be super if he were able to appear. We cannot complete our study of SDTC without hearing from both those ministers.

● (1150)

Perhaps my friends across the way could take that message back to Liberal caucus this week and encourage Mr. Guilbeault to respect the accountability of the public accounts committee. We don't have a moniker like “the mighty OGGO”, but the public accounts committee is nonetheless one of the important committees of this place.

Point four then flows into point five of this motion, which says, “At the conclusion of the second meeting on Report 6, Sustainable Development Technology Canada, no more meetings be conducted to hear from witnesses in relation to Report 6, Sustainable Development Technology Canada”.

What I find interesting here, Mr. Chair, is that they want to guillotine this study before the House of Commons has even pronounced on the question of privilege related to the disclosure of documents to the law clerk in an unredacted form. It really begs the question of what could be coming down the pipe. What are the Liberals so afraid of regarding what could be determined on SDTC and the scandals that are behind these unredacted documents?

They would rather allow the House of Commons to be paralyzed since September of this year than simply handing over the documents in the proper format, as ordered by the House of Commons, to the law clerk so that those matters could be referred to the RCMP. The RCMP can do with them what they wish. The RCMP can look at them. They can not look at them. They can put them in the shredder. They can lay criminal charges. They can do whatever they wish because the RCMP has that discretion, that authority and that independence.

No, rather than simply doing what is required of them by the House of Commons, they have decided to paralyze the House for, now, over two months.

It's interesting because we had the finance department here. If we'd had the chance to question them rather than have this Liberal guillotine motion, I would have had some questions for them as well as about the status of their enterprises specifically related to the fall economic statement, which we have not yet been given indication of. This is despite, I would note, the willingness of our official opposition leader to provide time this very afternoon to deliver said statement. It was not accepted. Even on opposition day we were willing to allow the Liberals to stand in the House of Commons, so that the Minister of Finance could tell us and tell Canadians just how bad the deficit numbers really are.

We are obviously seeing news reports about how they have blown through their deficit projections and blown through whatever fiscal guardrails may or may not have been left at this point. Obviously, with this particular Liberal government and this particular Liberal Minister of Finance, those guardrails have been long gone.

The Liberals aren't even taking us up on a fair option to come before the House and do that, all because they are bound and determined to prevent the lawful order of the House of Commons from being fulfilled related to Sustainable Development Technology Canada.

This is an enterprise that simply didn't have any care whatsoever for proper governance or management of taxpayers' dollars. It's just really unfortunate and it saddens me that we would have an enterprise of government that would not have that respect—but not for the Liberals. No, they're happy with just shutting this down and hearing from no more witnesses on SDTC, regardless of what may or may not come out of things.

This brings me to point eight of this motion. It's an unamended motion at this point, since the Liberals threw out my thoughtful amendment. It says, “The Chair schedule at least two meetings for the consideration of draft reports”.

I often hear from Liberal colleagues about how important it is to get draft reports done, yet a notice of meeting has already gone out for this coming Wednesday for a full two hours of draft reports and again next week for another two hours of draft reports. The Liberals, I guess, can't take “yes” as an answer and instead have come forward with this motion.

● (1155)

Of course, that leads us to point nine, the final clause of the motion.

It reads, “Notwithstanding a meeting called pursuant to Standing Order 106(4), no meetings of the committee or subcommittee be held during Parliament's adjournment from December 18, 2024 to January 26, 2025.”

That's about six weeks, give or take, that this committee will be on ice and unable to operate, unable to fulfill our mandate as entrusted to us by the Standing Orders and also by Canadians. We will effectively handcuff ourselves, preventing us from meeting and preventing us from undertaking studies or anything, whether it's an emergency situation or not.

Mr. Chair, as you rightly pointed out, it actually puts us in a bit of a sticky situation if a Standing Order 106(4) is requested, in terms of whether that could actually be fulfilled, or, if the 106(4) meeting does happen, whether any outcome of that meeting could be fulfilled.

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

I just want to inform my colleague that the fall economic statement will be published on December 16. I'm sure he'll be happy.

The Chair: Thank you very much for that update. It's not a point of order.

Mr. Nater, you have—

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): On the same point of order, could Mr. Drouin just clarify whether he thinks we'll be happy about the date or happy once we see the economic statement? I suspect Canadians will not be happy.

The Chair: Mr. Genuis, you've already indicated your desire to speak, so we'll come back to you.

There is a long list of individuals to speak.

Mr. Nater, you have the floor.

Mr. John Nater: Thank you, Chair.

I'm sure there are many folks who want to speak to this.

I do thank Mr. Drouin for making the note that December 16 will finally.... I am happy to have the information. I am not so sure I'll be as pleased with the actual information that will come out of the fall economic statement—

Mr. Francis Drouin: Just wait until you see the expenses on Stornoway....

Mr. John Nater: —when we finally see what has been transpiring under the Liberal government, blowing through its deficits.

However, we'll get back to the matter at hand. We are debating a motion that will absolutely prevent us from doing any work. I did joke that this was a Liberal holiday from accountability and that they want to be able to pause their accountability, to pause their ability to be held accountable for the failures of the Liberal government.

I find this interesting as well. If we want to go back to the very first point about the CEBA, we can recall what was happening when the CEBA program was being dreamed up. I will point out first that I do find it very troubling that the Department of Finance failed to accept responsibility and that the Minister of Finance tried to blame the pandemic, saying that it was all the pandemic's fault and that the pandemic made her do it. However, the Auditor General was very clear that the pandemic does not excuse one from their accountability. It doesn't excuse one from the importance of following sound rules.

As the Auditor General mentioned today and again last week with the EDC officials, there were points along the line, even at the very beginning, where, if there were a more urgent situation to make things happen and to change things around, those things could have been corrected. There could have been added guardrails and procedures put in place as they went along, which could have prevented that.

It made me think about this: Why wasn't finance focused on those issues at the time? What the heck was going on at the Department of Finance at that time?

• (1200)

Mr. Kelly McCauley: We just don't know.

Mr. John Nater: We don't know, as my colleague Mr. McCauley says. However, I think “we” may actually know, because it was the WE Charity scandal. Perhaps the former minister of finance, at that time, was far too concerned about getting nearly a billion dollars—\$900-plus million—to his friends at WE Charity and giving them hundreds of millions of dollars. Perhaps finance was more preoccupied with enriching friends of the Liberal Party.

It may shock Canadians. They may have forgotten this or may have blocked it from their minds, but members of the Prime Minister's family were actually being paid by the WE organization to give speeches. It was paying members of the Prime Minister's own family to give speeches, and then, lo and behold, it gets a nearly \$1-billion contract from the government to encourage Canadians to volunteer.

I always find it interesting that it costs a billion dollars for folks to volunteer. I know we all have great organizations in our ridings through which people volunteer each and every day without a billion dollars from His Majesty's government, but obviously that's the Liberal way.

To the point at hand, while the Department of Finance should have been focused on putting proper guardrails and proper guidelines in place for this program, it was dealing with the massive fall-out from the We Charity scandal. While I noted that the Prime Minister's immediate family members were being paid by the WE organization, something came out, as well, in an ethics report—and a damning ethics report, I might add—from the Ethics Commissioner. It was found that Bill Morneau, the minister of finance at that time, broke the ethics law, because he also had a close family member who was employed by the WE organization.

I might add that Bill Morneau actually just plumb forgot about, I believe, a \$40,000 trip that he took courtesy of the WE organization. It was a \$40,000 trip, and he just plumb forgot. Former minister Bill Morneau is also the one who plumb forgot about that French villa that he owned.

I sometimes forget where I put my car keys, but I can't imagine forgetting a French villa.

Mr. Kelly McCauley: I have a point of order.

Were they French car keys or...?

Mr. John Nater: I drive a little Hyundai.

This is what was going on at a time when the department should have been focused on CEBA and making sure there were proper accountability measures in place so we weren't seeing these sole-source contracts to Accenture—hundreds of millions of dollars to an entity that did not do loans. That's what we heard last week from EDC. They do not do loans. It did about 300 loans internationally, but they are focused on export development. They are not a lending institution.

To go a step further on the CEBA side of things, it's also interesting that the actual loans were delivered by the financial institutions—banks, credit unions and those entities. The money was going to Accenture for delivering the loans, which makes it even more appalling that this was allowed to be undertaken. Obviously, the Auditor General's report clarified that pretty clearly.

I will make a few more points to wrap up this particular thought on Bill Morneau.

This was obviously something that took up a lot of time at the Department of Finance and for the finance minister himself. Because of what happened, the minister had to resign. The former minister of finance was forced out of his job because of the WE organization scandal and the damning ethics report on this matter. As the Ethics Commissioner clearly determined, he participated in discussions on this matter when he had a pecuniary interest and a clear connection to a close family member involved with this organization. The way this all went down, I think, is absolutely appalling. The Liberals at the time were more concerned about giving nearly a billion dollars to their friends at the WE organization than focusing on the administration of this loan program.

What is interesting—I know the Liberals are laughing, since I guess they don't find fraud that interesting, or they find it to be a laughing matter—is the fact that there were at least 17 cases of fraud.

Chair, I think the translation may not be working. The Liberals don't seem to be hearing what I say.

• (1205)

The Chair: I think the translation is working just fine, Mr. Nater.

Mr. John Nater: Okay. I guess they're just not paying attention.

Mr. Francis Drouin: Mr. Chair, the opposition thinks we're listening to them. I acknowledge the man. I respect him. However, we're not talking about—

The Chair: Thank you, Mr. Drouin.

As is common for the Liberal backbench, there is no need to listen to what's going on in the front row.

Mr. Nater, you have the floor.

Mr. John Nater: Thank you, Chair.

The Liberals are not listening—

A voice: [*Inaudible—Editor*] spicy.

Mr. John Nater: I'm not sure that type of commentary is appropriate, but I digress. Back to the point at hand—

A voice: Go back to the French Revolution, and then I'll listen.

Mr. John Nater: I'll leave that to Mr. Stewart. My interest is on guillotine motions—rather than the guillotine as the focus of the French Revolution—and their accountability mechanisms, which were far more decapitating at the time.

I want to go back to the point here.

The Liberals were more concerned, at the time, about getting money to their well-connected friends rather than administering this program. They made the decision to give it to EDC, which had no expertise to do that. I had a question I wanted to follow up on with Finance. They said they looked at the options and there were not a lot, other than giving it to EDC.

However, the fact remains that there were a lot of options that could have been done. EDC contracted it out with a sole-source contract to Accenture, and then Accenture subcontracted that to one of its own subsidiaries. It begs the question of why they even would have gone to EDC when it was really Accenture that could have done this with any entity and may have had more accountability, because, as a Crown corporation, EDC was separate from certain accountability measures that could have been undertaken. EDC was a good example, as my colleague Mr. McCauley just highlighted. These are the issues at hand that are very troubling, and I think the Auditor General was right and appropriate in undertaking this study.

I know my reasonable amendment earlier was ruled out of order. Since I have the floor here, I would like to move a different amendment, if that is okay, Mr. Chair.

The Chair: Yes, Mr. Nater, you have the floor.

Mr. John Nater: Thank you, Mr. Chair.

I would move the following amendment. First of all, in point one, the number “27” be replaced with “6”. It would then read, “take place after January 6, 2025”.

The Chair: Mr. Nater, I'm sorry. Was it December 6?

Mr. John Nater: It was January 6. Did I say December?

The Chair: Pardon me. You might not have. I just heard the date. I was just trying to pre-empt Mr. Drouin's concerns.

Mr. John Nater: The first thing would be the change from “January 27, 2025” to “after January 6, 2025”. That would be the first part of the amendment.

The second one would be under point three of the current motion. I would amend it by removing the words after “ArriveCAN” and inserting “the committee give drafting instructions to the analysts on Report 1, ArriveCAN”. That full clause would now read, “At the conclusion of the meeting on Report 1, ArriveCAN, the committee give drafting instructions to the analysts on Report 1 ArriveCAN”.

For point five, after the very end of that clause, we insert “provided all the aforementioned witnesses have appeared”. That would be at the end of point five.

Finally, point nine would be deleted.

That would be the amendment. I think I still have the ability to speak briefly to this, if that's—

• (1210)

The Chair: You do.

I'm going to ask you if you have sent that in to the clerk.

Mr. John Nater: I believe that if it hasn't been sent in, it's probably working its way through the Interwebs right now and hopefully will be with the clerk shortly.

The Chair: You can keep speaking to it until I check.

Once the clerk has received it, I will then suspend to get it out. However, until then, you have the floor. I don't want to create a precedent where I suspend while a motion is being drafted.

Mr. John Nater: I appreciate that.

The Chair: You keep the floor, speaking to your amendment. I'll check with the clerk.

Mr. John Nater: I'm happy to keep the floor because I did hear—I wouldn't say a heckle—perhaps a question from Ms. Khalid about my one amendment being redundant because it falls under point eight. I would note—and I believe this is actually her original motion—that the consideration of draft reports is far different from drafting instructions. The consideration of the draft reports are reports that have already been drafted under the direction of our committee. This would be drafting instructions on the new reports that may or may not come out of this report.

Let's go back to the amendment, which I believe I have the floor on. I think it's important that we remove point nine, plain and simple. I think this would be the antithesis of a democratic society, where we would knowingly and freely condemn ourselves to being unable to respond to things that may or may not arise in the six weeks.

Now, perhaps there may be things that Liberals know are coming down the pipe that would be unfriendly to their narrative, or perhaps the fall economic statement that's coming on December 16 will be so bad that they don't want the opportunity to be anywhere near Ottawa to be held to account for their blown deficit projections.

My friend Mr. Drouin claims rightly that he's always near Ottawa. He does have the wonderful benefit of being from a beautiful part of eastern Ontario, where he is within—

An hon. member: It's soon to be blue.

Mr. John Nater: I won't make a political comment on what colour that riding may be in the future, but it is a nice part of the country and a strong—

An hon. member: Oh, oh!

Mr. John Nater: I'm sorry. I was getting distracted by the important commentary going back and forth between our friends across the way. I do appreciate the friendly commentary.

Back to the point at hand, it's not appropriate for us to be shutting down this committee and giving the Liberals a holiday from

accountability, which is exactly what this motion would do. That's why we have to remove that.

We are open to some of this, obviously. We're being fair. We'll have the remaining meetings. We'll send drafting instructions after that, but we shouldn't be handcuffing ourselves so we're not able to do our jobs, as Canadians sent us here to do.

The Chair: Mr. Nater, I'll just interrupt you.

The clerk has received the amendment to the motion. We're working on it and, as per what we normally do, you'll have the floor when you come back. I'm going to suspend until everyone has the amendment, so they can see it in both official languages.

I'll suspend for approximately five minutes, until the clerk is done.

• (1210)

(Pause)

• (1220)

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

Mr. Nater, the floor is yours when I finish up here. Your amendment to the motion has been sent in and received by email.

I'm now working on a speaking list for the amendment to the motion. I currently have Mr. Genuis, Madame Sinclair-Desgagné and then Mr. Vis.

Mr. McCauley, if you would like to speak to it, just put your hand up either virtually or in the room.

Mr. Nater, you have the floor.

Mr. John Nater: Thank you, Chair. I'll just wrap up very briefly.

For the benefit of the tens of viewers who are tuning in, I want to take us back to what happened here today.

We had witnesses, including the Auditor General and the Department of Finance, here to testify on the damning Auditor General's report about the CEBA program and the fact that there were at least 17 instances of potential fraud that have been referred to the Royal Canadian Mounted Police and that \$3.5 billion of ineligible funding went out to those who were not eligible to receive the funding. Instead of dealing with the witnesses, the witnesses have now been excused so the Liberals could introduce a motion to give themselves a holiday from accountability.

I think we've made an amendment here that is eminently reasonable for members of this committee

I will leave my comments there. I know a few of my colleagues wish to offer their thoughts on it, but I will end my formal comments there, Mr. Chair.

The Chair: Thank you very much.

Just to run through it, I have Mr. Genuis, Madame Sinclair-Desgagné, Mr. Vis, Mr. McCauley and then Mr. Cannings.

Mr. Genuis, you have the floor.

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

It's a real pleasure to be back at the public accounts committee and to follow my good friend, Mr. Nater. He has certainly put forward a reasonable amendment—to my taste, it might be almost too reasonable.

Colleagues, this is a frustrating situation to find ourselves in, because the government's view seems to be that the only time they need to be doing any kind of parliamentary work is during the relatively limited periods when Parliament is sitting. Fundamentally, as Conservatives, we don't agree with that.

I think members are, of course, familiar with the schedule, but for members of the public who may be less familiar with it, Parliament sits about half of the weeks of the year. It sits Monday to Friday, but when it's in session, typically most members are here Monday to Thursday. Some remain on the Friday. The rest of the weeks of the year used to be informally known as “break weeks”, but of course, politicians have wisely sought to brand those as something else. In truth, they're not break weeks; they are constituency work weeks. Members do obviously undertake lots of activities during those non-parliamentary weeks that do qualify substantively as work. Nonetheless, the business of the nation, that is, the governance responsibilities of members of Parliament, can and should continue.

I was first elected in 2015, and just looking around this table, there are lots of colleagues here who were elected at that time or, like you, Mr. Chair, had been elected previous to that time. You'll recall a time when, if Parliament was sitting or committees were meeting, the only way to participate in the activities of that session was to be physically present in Ottawa. If you were in your own constituency for an event or you were somewhere else in the country, you couldn't vote, you couldn't participate in debate and you couldn't participate in committee. That was the reality from the founding of this country up until the COVID pandemic. That's when the hybrid Parliament structure was established.

We've had lots of debates about the pros and cons of different aspects of that, and whether it makes sense. There have been some modifications along the way. However, whatever one thinks about the wisdom of those systems, the reality is that those systems are, in fact, in place, which means that now members of Parliament who want to vote, participate in committee or even participate in the activities of the chamber do not need to be physically present in Ottawa. They can get out of bed, fire up a computer and sign on to a House of Commons committee. They can vote through their app, so there is a great deal more flexibility for members of Parliament to engage in those ways.

In fact, right now we have a number of members doing that very thing. I am here in Ottawa, but I see that there are a number of members participating virtually, and that's something the system allows them to do.

The point is that, when committees meet now with this new technology, which existed during COVID and in the postpandemic period, members can fully participate in the work of committees and they can do so from anywhere in the country.

The only exception to that is you, Mr. Chair. The rules now require you to be present in person. However, the rules also provide

for the fact that the chair is the one who calls the meetings, so at least the chair has some flexibility in terms of when to call the meetings to ensure that she or he is able to be in Ottawa for the facilitation of those.

Other than the chair, you could have an entirely empty room. You could have all members participating from their constituencies. If there is, say, a two-hour meeting in the middle of a parliamentary break, it is no longer the case that it means lots of travel both ways for members of Parliament, especially for people like me who come from the west. Some members will choose to do that, obviously. I have often flown into Ottawa, specifically seeing the value in being in person for committee meetings. The option exists.

• (1225)

Therefore, I don't think it should be that onerous to, from time to time, have committee meetings take place during parliamentary breaks. Basically, yes, it requires a person to find those two or three hours in their schedule for that meeting and, yes, of course, to do the appropriate preparation.

I can imagine what people who were members of Parliament 20 years ago must think of this. Frankly, Liberal members of Parliament have championed their own ease and comfort in their engagement with their parliamentary work—

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

I question the relevance of what Mr. Genuis has been talking about for the past however long he's been talking about it.

The Chair: I have another point of order from Mr. Nater on the same issue.

Mr. John Nater: Thank you, Chair.

I think it's eminently related to the point because we're talking about when meetings can be and ought to be held.

The Chair: Thank you.

I tend to agree that Mr. Genuis is addressing when Parliament sits and how, which goes to the heart of this amendment to the motion.

Mr. Cannings, I do have you down on the list. You stepped away when I went through the roll call. You're about four away to speak on the amendment, but I do have you down, sir.

Mr. Genuis, you have the floor.

• (1230)

Mr. Garnett Genuis: Thank you, Chair.

I'm speaking precisely to the way the parliamentary calendar unfolds and to how that really should shed some light on point nine in the original motion by Ms. Khalid, which my colleague Mr. Nater is proposing to remove via his amendment.

We have this situation—and this is relatively novel in the history of our Parliament—where at times, not that long ago.... I've been here for only about nine years. When I was first elected, you would have the requirement to be in person for committees and in the House. You would have a lot of work happening around the clock in this place, work that required you to be here in person. Now, with the hybrid Parliament provisions, it is much more flexible.

I think the reality is that the Liberals have prioritized trying to make things easier for members of Parliament. I wish they'd put more of an emphasis on making life easier for Canadians, instead of being so focused on trying to make life easy for themselves.

We have this motion again before this committee that, on top of everything that is already in place, tries to make life even easier for them by saying that the committee would not be able to meet at all to do its work outside of Standing Order 106(4), which I'll comment on, although, the language here is.... I don't think that what the motion says, with respect to 106(4), actually matches Ms. Khalid's explanation of it. I'll talk about the issues around Standing Order 106(4) in a few moments.

I'll read the provisions of point nine in this motion: "Notwithstanding a meeting called pursuant to Standing Order 106(4), no meetings of the committee or subcommittee be held during Parliament's adjournment from December 18, 2024 to January 26, 2025."

This is during a six-week break in the parliamentary calendar where, yes, members will be engaging in their constituencies, but it's also a time when other kinds of parliamentary work can happen, including committee meetings. If a meeting is called for sometime in January, then yes, members will have to plan their schedules accordingly, in the same way they would during a sitting week. However, they have a much easier time doing that now because we are all given the equipment. We can access it from our offices and even from our homes. We can sign into a committee and can participate in the work of that committee, and the—

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

I respect the honourable member, but he's repeating himself. I've heard that before—less than five minutes ago.

The Chair: Thank you.

Mr. Genuis, yes, if you can, try to avoid repetition. I didn't think you were being repetitive, but I'll just flag that as one of the guidelines for any kind of discussion.

An. hon. member: Oh, oh!

Mr. Garnett Genuis: Mr. Drouin, I respectfully would say that your colleague intervened on a point of order on relevance, which suggested that maybe I needed to be more clear about the relationship, so I was trying to lay it out. I do appreciate that you're paying more attention to my remarks than you were to Mr. Nater's. I think it would probably be more edifying if you listened more to him and less to me, honestly.

Mr. Nater and I were schoolmates together at Carleton University and were part of the bachelor of public affairs and policy management caucus. He always got better grades than I did, of course, as one might expect.

Anyway, the amendment that Mr. Nater, in his great wisdom, has proposed, is to remove this section so that the committee can actually do its work over the break.

I want to make one other observation on this, Chair, which is the makeup of parliamentary committees. There are—I can't remember the exact number, I'm sorry to say—a large number of parliamentary committees, the vast majority, that are chaired by government members. The Standing Orders provide chairs of committees with significant powers. They have to act within the parameters of motions that are passed at committees. Within those parameters, they schedule meetings and schedule witnesses. They do the logistical work around the planning of the committee, of course supported by the various committee staff. Within the rules, they have a substantial amount of discretion in terms of how they schedule meetings. That discretion, in my experience, spending a lot of time on government-chaired committees, particularly under this government, has been shamelessly used in ways that align with the preferred patterns of activity that you'd expect from the government.

In fact, we have a situation today at another committee where the House has ordered the committee to hear from four ministers, and those four ministers are all packed into the same meeting, which is a.... Actually, I don't even think that's an appropriate use of discretion. I think that goes beyond an appropriate use of discretion as per the House order.

The fundamental issue is that you have a government chair doing things that no doubt reflect what the government wants. There are four committees that are opposition chaired, and these committees are particularly important because I think they're actually closer to what a parliamentary committee should be in the ideal—not nearly as beholden in their activities to the directives of the executive. In practice, the government exercises significant control, effectively appointing the chairs of government-chaired committees. They can, in practice, reassign those chairs, which may raise some questions as well.

In government-chaired committees, the chair, who's a member of the government caucus, has significant discretion, and that discretion is easily directed by the executive branch. However, we have four committees that have a special particular role within our system because those four committees are chaired by members of the official opposition. In those cases, the chairs are able to use their discretion in a way that lends itself more to facilitating the holding of government to account. In my experience, the official opposition chairs have actually been much more reasonable in being respectful of all committee members than have the many government chairs.

The motion—and this is a motion that we would likely not see at a government-chaired committee—is a motion that seeks to fetter the discretion of the chair. Chairs of committees are supposed to be able to say if there's some urgent issue or if there's some particular opportunity to hear from a witness. The chairs are able to grab those moments.

• (1235)

We see that happening on government-controlled committees, totally at the discretion of the chair. It's notable that we see more of an effort, particularly here at public accounts, to constrain what is supposed to normally be the room for action by the chair.

Those four committees are the public accounts committee, the government operations committee, the ethics and privacy committee and the status of women committee. Those four committees, uniquely, are able to work in a way that reflects having an opposition chair. I think those who negotiated and worked out our Standing Orders to the point they are now have obviously recognized the importance of having opposition-chaired committees and the role that they play.

I think it's inappropriate that we see these unique efforts by the government—a government member moving this motion—to try to, number one, do less work by limiting the ability of the committee to meet and, number two, impose these constraints on the work that an opposition chair is supposed to be able to do.

I wanted to speak, as well, on the reference to the Standing Order 106(4) in point nine of Ms. Khalid's motion. Her explanation of the intention of the motion is to say that the provisions of Standing Order 106(4) would still apply even if this motion passed. Maybe a better way of wording this section would have been, “No meeting of the committee or subcommittee be held during Parliament's adjournment from December 18 to January 26, 2025, unless that meeting followed the issuance of a notice under Standing Order 106(4).”

I still wouldn't support it for the reasons that I've explained, but if I can be helpful, that would maybe be a more effective way of wording the point that was intended to be communicated by this motion.

The way it's currently worded, it says, “Notwithstanding a meeting called pursuant to Standing Order 106(4), no meetings of the committee or subcommittee be held during Parliament's adjournment from December 18, 2024 to January 26, 2025.”

One obvious piece is that parliamentary committees are below the House of Commons as a whole. If the House of Commons issues an order to committees, committees have to follow it. The House of Commons can agree to “notwithstanding” a typical practice or rule of the House. A committee can decide to do something notwithstanding its own previous decisions, but committees can't order the House to do things and committees cannot decide to do things notwithstanding the rules of the House.

If this committee was to pass a motion that said, “notwithstanding 106(4), no meetings shall happen in this period”—which isn't quite what the section says either, although it sort of sounds like it's saying that—that motion couldn't apply. The committee cannot decide to not have Standing Order 106(4) apply because Standing Order 106(4) is a standing order of the House.

It binds the committee because it comes from the House, in the same way that, if the committee received a House order to undertake a certain study or to call a certain person, the committee couldn't just decide to ignore the House because committees are

creatures of the House. Their power is derived from the House and they have to respect the direction of the House.

Standing Order 106(4) will apply regardless of what we say, even if this committee was unanimous in wanting something to occur. There are some procedural tools for a committee to ask the House to issue an order that would change its normal operating procedures, but that would require the House to take a decision. It would not be something that would just flow from an expressed wish of the committee.

• (1240)

For those who are unfamiliar with it, Standing Order 106(4) provides that a group of members.... The standing order itself says four members must be from at least two parties. In practice, if you had three members of one party and one member of another party signing a letter asking the committee to meet on a particular subject matter, then the chair would have to, within, I believe, five days, call a meeting for that purpose.

This has been one tool for getting committees to meet outside of regular parliamentary sitting times, and it's a tool that I've seen frequently used on government-chaired committees. We used it from time to time when I was at the foreign affairs committee, for example, when there was some breaking international situation that required our work, and government members, being how they are, didn't want to have to meet. We would then have the opposition come together and say that we needed to meet, and this would compel, even on a government-chaired committee, the committee to come together and hold that meeting. That's how Standing Order 106(4) works.

Generally, we have not seen Standing Order 106(4) requests on opposition-chaired committees, and it's kind of obvious why. On a government-chaired committee, governments generally—and this government in particular—wants committees to meet as infrequently as possible because they don't like the scrutiny and the accountability associated with it. Usually, on government-chaired committees, it takes a Standing Order 106(4) to get the committee to come, even in the face of an urgent, emergent situation, whereas, on opposition-chaired committees, we have very diligent opposition chairs who are prepared to call those meetings in response to emerging situations. It doesn't require the same kind of logistical work that is usually associated with putting together a Standing Order 106(4) meeting. The chair can simply call the meeting.

I think that it is worthwhile that chairs be able to use the power that they have within the rules to call meetings, and not just when someone's gone around and gathered signatures. Those meetings can be called efficiently and effectively in response to emerging events.

Look, we can use the time. We have a 10-week break over the summer, and we have a six-week break over Christmas. Most Canadians would not expect that we are completely tools-down for that period of time. Yes, we're going to spend time meeting with constituents and engaging with people in our ridings to hear what they're saying, but we can't be totally absent from the work of governance at the same time.

Part of our job is to engage our constituents, and part of our job is to be part of the work of this deliberative assembly that we call Parliament and its committees. I don't think Canadians would expect us to put that work on hold.

That's point nine.

I want to refer back to an earlier section that Mr. Nater amended. Section one says, "Any further meetings on Report 8, Canada Emergency Business Account, take place after January 27, 2025".

Mr. Nater, in his great wisdom and reasonableness, proposed an amendment that changes January 27 to January 6, as long as it wasn't scheduled on January 7. That would take us past the date when Christmas is celebrated in any of the various traditions according to various calendars. It would provide some degree of a buffer in between.

The purpose of this amendment is to underline that the review of the eighth report on the Canada emergency business account is extremely important. We've seen how, in general, particularly during the COVID-19 pandemic, the government was very imprecise in the way it connected what it said its programs were supposed to do with the eligibility of the people who got the money.

● (1245)

It's important that we insist on the idea of rule of law. If there are eligibility criteria, then those eligibility criteria should apply. On multiple levels, this government has been very imprecise. It's seen billions of dollars spent in ways that may not align with eligibility. Then it has come back and tried to make the excuse that there was a lot going on, that it was a busy time and that there were things it was trying to do and change quickly.

I mean, of course there was a lot going on, and of course it was a busy time. However, we're talking about real money that Canadians worked hard for and paid to the government through their taxes. We're also talking about money that was borrowed and that future generations will have to pay interest on and pay back.

Through the period in which the Prime Minister has been in office, the last nine years, the national debt has more than doubled. I think that a lot of that spending has demonstrated an imprecision and a lack of focus and attention to what it has said the criteria of these programs are, so I do very strongly think that the work of this committee around the Canada emergency business account is important.

Look, the clock is ticking towards the end of this Parliament. Our position is well known. We think that Canada should have a carbon tax election as soon as possible. We'll be voting non-confidence in the government later today. I encourage my colleagues to join us in doing the same. Let's use the time we have left—whatever time we have left—in this Parliament to maximize the value and the effectiveness of our work. This is why we have put forward this amendment to the first point in the motion.

With that in mind, Mr. Chair, I am going to propose a subamendment to clarify the timeline in the first point. I think we need to clarify that the work on the Canada emergency business account is so important that it needs to continue as soon as possible. It also needs to be able to continue after an election. I don't think we

would want, for instance, an election to prevent us from being able to dig into these reports, although we certainly do want to have an election as soon as possible.

I am proposing that, at the end of the first bullet point, we add the words "or a carbon tax election, whichever comes first". It would now read, "Any further meetings on Report 8, Canada Emergency Business Account, take place after January 6, 2025 or a carbon tax election, whichever comes first".

That's the subamendment. I don't have it in writing, but I think it's fairly clear.

Shall I continue, Mr. Chair?

● (1250)

The Chair: Hold on. I'm going to propose....

Mr. Drouin, do you have a point of order, or are you looking to speak?

Mr. Francis Drouin: Both.

The Chair: Then why don't you start with the point of order?

Mr. Francis Drouin: Go ahead. Perhaps you're going to answer my point of order. You were about to say something, Mr. Chair.

The Chair: I'm inclined—I'm looking around the room on this—to go through the list that I have and not start another list. People have been waiting, including Madame Sinclair-Desgagné. I am happy to start a third list, if you prefer.

Mr. Drouin, go ahead on your point of order.

Mr. Francis Drouin: Unless Mr. Genuis is amending the amendment of Mr. Nater... I don't have it in writing, so I don't know if he's doing that.

The Chair: He's amending the amendment.

Mr. Francis Drouin: I just want to clarify. If he wants a carbon tax election, then he doesn't want to meet in January, obviously.

The Chair: Thank you.

I'm going to proceed with the list I have.

Mr. Genuis, do you have anything else to say to this?

Mr. Garnett Genuis: I do have a number of other things to say.

The Chair: Of course, you do.

Mr. Genuis, you have the floor again.

Just to recap, it's Madame Sinclair-Desgagné, Mr. Vis, Mr. McCauley, Mr. Cannings and then Mr. Drouin.

Mr. Kelly McCauley: To clarify—

Mr. Francis Drouin: Axe the tax, fix the budget—

Mr. Kelly McCauley: I'm sorry, Mr. Drouin.

The Chair: Order.

Mr. Kelly McCauley: Give me a second.

We're going to take the previous speaking order for the first amendment and transpose it onto the second amendment.

The Chair: Yes.

Mr. Genuis, you still have the floor, and then after you, it's Madame Sinclair-Desgagné.

Mr. Garnett Genuis: Thank you, Chair.

I'm sorry. You said the first amendment and the second amendment, and I thought we were in a—

The Chair: We're now on your amendment to the amendment, which is the carbon tax election.

Mr. Garnett Genuis: It's the subamendment.

All right, it's on the carbon tax election amendment. I was concerned that Mr. Drouin was not accurately citing the Conservative priorities. He had them out of order. Just to clarify, for his benefit, they are axe the tax, build the homes, fix the budget and stop the crime.

He wasn't really listening.

Mr. Drouin, they are axe the tax, build the homes, fix the budget and stop the crime. I think he has those now.

● (1255)

Mr. Francis Drouin: That's a one-pager campaign plan.

Some hon. members: Oh, oh!

Mr. Garnett Genuis: Those proposals are resonating so much because, in the last nine years, we have a government that has failed to axe the tax—

An hon. member: Build the homes.

Ms. Iqra Khalid: I have a point of order on relevance, Chair.

Mr. Garnett Genuis: —fix the budget and stop the crime.

The Chair: Mr. Genuis has the floor.

Mr. Garnett Genuis: Mr. Drouin is getting it. He's getting it well.

I think there was some discussion about the timing around hearings and a possible election, so I think it's important to clarify that. This subamendment adds a proviso at the end of the first point.

Here's our position very clearly: Conservatives believe that, in the context where rent is up and crime is up, time is up. Time is up for this government. Canadians want a carbon tax election where they can vote for a new government that will axe the tax everywhere—and for good.

Liberals have been desperately resisting putting their proposals to the people of this country. We've seen, in fact, over the fall, from not just the Liberals, by the way, but the NDP. The NDP, with great fanfare in August, said they were ripping up their coalition agreement. I think it came out later that they had recorded that video about six weeks earlier, and they were getting ready to deploy it when they thought it was in their political interest to do it. Of course, they were desperate to deceive people in a Winnipeg by-election, so they claimed that they were tearing up their coalition agreement with the Liberals. After that by-election, they eagerly

taped the coalition agreement back together, and we found ourselves in a situation where, despite promising the end of the relationship, they secretly moved back in together and were voting together in lockstep on every significant matter.

It's because they want to avoid a carbon tax election, an election that clearly Canadians want, an election that would allow the people of Canada to express their priorities around axing the tax, building homes, fixing the budget and stopping crime. In the absence of a carbon tax election, Conservatives have continued to do our work in Parliament, but we've also continued to push to have that carbon tax election as soon as possible.

We had my Christmas open house at my constituency office on the weekend, and I went to the Santa Claus parade in Fort Saskatchewan the day before, the Friday night. The question I kept hearing from people is this: When is the election going to come? I think there's a sense in my constituency and across the country that people are fed up with this government. They want to have that election, and they're asking me when it is finally going to come.

In that light, we have, in fact, today, a confidence motion, a motion that takes the words of the NDP leader from that infamous video where he allegedly tore up the coalition agreement. It takes his own words and gives the House of Commons an opportunity to vote non-confidence in the government simply through the application of his own words, yet the NDP leader and his team have sold out again. They've said that they will not vote in favour of the Conservative non-confidence motion.

We will continue to push for a carbon tax election, but it seems that, in light of the sentiments of Canadians at the moment, it's hard to get a group of turkeys to vote for Christmas, as they say. The Liberals and the New Democrats want to avoid a carbon tax election because they are fairly certain what the verdict of the Canadian people would be, so they are trying to put it off as long as they can.

This is why I think that the timeline here needs to specify that, when it comes to determining when the work of this committee could resume, it would be either after January 6 or after a carbon tax election.

Obviously, the committee cannot meet, wouldn't meet, in the middle of an election because the nature of our processes is that, when an election takes place, Parliament dissolves. We are formally no longer members of Parliament during the period of the election. We are candidates for election again, and the Parliament doesn't exist. The government continues to exist. The executive continues to be responsible for matters that may come up from time to time, but the Parliament doesn't exist.

● (1300)

I suspect that, on some of these very serious matters, such as the very devastating “Report 8: Canada Emergency Business Account”, they are the sorts of things where, whatever the shape of the next Parliament, there would be value in our coming back to them at that time. This is why I am proposing this subamendment, which kind of develops on the very good work proposed in the amendment by my colleague.

Chair, I think we need to have a carbon tax election. Canadians need to be able to decide, and the work of the committee should be able to continue.

With that, I'll cede the floor and maybe you can add me to the list again. There are a few more things I want to say, but I do see it's one o'clock now, so I think we're maybe close to time.

Thanks.

The Chair: Thank you, Mr. Genuis.

The committee is relieved that you do not suggest we meet after December 26, and you graciously allowed us to wait until the new year.

[*Translation*]

Ms. Sinclair-Desgagné, you have the floor.

Ms. Nathalie Sinclair-Desgagné (Terrebonne, BQ): First of all, Mr. Chair, I'd like you to tell me how much time is left in this committee meeting, since we're already past the scheduled time for the end of the meeting.

The Chair: The delays have cost us time, so let's say there's 20 to 30 minutes left.

Ms. Nathalie Sinclair-Desgagné: All right. I—

The Chair: Ms. Sinclair-Desgagné, we have a long list of people who wish to speak after you, including Mr. Vis and Mr. Cannings. You can speak if you really have something to say, otherwise we can come back to you later.

Ms. Nathalie Sinclair-Desgagné: First of all, I'm really disappointed that motions are preventing us from moving forward on the committee's agenda. This is the second time that because of proposed motions, we can't really do our work. The last time, it was the Conservatives; this time, it's the Liberals. In fact, today, I didn't even get a single turn to ask questions of the witnesses present. Last time, we were unable to hear the testimony of Mr. Doug McConnachie. Yet he is a key witness in the SDTC matter.

I still find this motion contains some relevant elements, including the fact that the wishes of the Subcommittee on Program and Procedure must be respected. The subcommittee discussed prioritizing the review of the report on the Canada Emergency Business Account, yes, but it had been agreed to finish the studies first...

The Chair: May I remind you that subcommittee decisions are private in nature.

Thank you.

Ms. Nathalie Sinclair-Desgagné: That's true. Even if these discussions were held in camera, it would be relevant to discuss them again in committee. That would allow all the other committee members to discuss them as well.

The fact remains that the purpose of this motion is to conclude the SDTC and ArriveCan studies. The sub-amendment we're supposed to be talking about is neither interesting nor relevant in this meeting, but it still seems very important to us to mention this desire to finish these studies in the company of the witnesses who had been mentioned.

That said, I'd like to remind you that it's very contradictory of the Conservatives to unnecessarily prolong the debate on this issue, especially since they want to hold other meetings to replace those we've had to cancel due to systematic obstruction. It's all very ironic. What will come of all this? We'll be sitting for weeks when we're supposed to be with our constituents. I don't think that's really necessary, unless it's an emergency. In any case, in the event of an emergency, we can resort to the procedure provided for in Standing Order 106(4), of course. I say this in good faith; the proposal contained in point 9 of the motion could have been reworded, so as to clarify things and avoid meetings being called unnecessarily during the weeks when we're not sitting and we're supposed to be with our fellow citizens.

On that note, I'll wait until we finish the debate on this sub-amendment, which is really irrelevant, I repeat. It's just an attempt to buy time, and it's completely absurd, given that we could be working precisely during the hours that are allocated to this committee.

● (1305)

The Chair: Thank you.

[*English*]

Mr. Vis, you have the floor. After that...

Go ahead, please.

Mr. Brad Vis (Mission—Matsqui—Fraser Canyon, CPC): Thank you, Mr. Chair.

As a point of clarification, I think you said in French that we have about 20 or 30 minutes remaining.

The Chair: We have a little less than that. I don't generally like to....

I have a long list, though. If you'd like to make your points, we can always come back to it.

Mr. Brad Vis: The subamendment we're debating today is really whether or not Canada is going to be given sufficient time to study the damning report from the Auditor General.

In question period last week, I asked the Minister of Small Business why they would allow a company like Accenture, which was verified by the Auditor General, to write its own contracts, set its own terms and conditions and pay itself whatever it felt was acceptable. I asked the Minister of Small Business how in the world she finds it acceptable that \$3.5 billion of taxpayer money could be misused, or in the words of the Auditor General, how we could have one of the largest social programs in the history of Canada show no value for money. I've asked the Minister of Small Business and officials here about the conflict of interest between Accenture and Export Development Canada.

I state all this because these are serious questions and we're in a time in Canada when people are divided. They're divided between the extremism of the Liberal Party, which is tearing new divides in Canadian society.... Violence against women is up. Extortion in my community in the Fraser Valley is up over 300%. The RCMP has had to devote hundreds of new officers to deal with major issues related to crime. I mention that because it gets down to the core of what many people are thinking, which is, "What the heck is the Government of Canada doing?"

We had the Auditor General come forward. She presented a bombshell report. We, as parliamentarians, have an opportunity to either investigate, get to the bottom of why some bad decisions were made, understand what the consequences were and hold the relevant officials accountable, or continue down the path of divisiveness that's been made by the NDP-Liberals, who are doing everything in their power to avoid possible corruption...but also, absolutely, accountability for the operationalization of government programs. It's because of this that Canadians are divided, Canadians are losing trust in the democratic process and they feel like their voices aren't heard.

All of us here, especially at public accounts—and I'm not a normal member of this committee.... The purpose of this committee is to do the hard work and examine why decisions were made. We look at the line-by-line spending of government departments to look back at why decisions were made, how they were made and the context in which they were made. What we have here today is the NDP-Liberals trying to avoid that accountability.

Let's recap some of the main findings that the Auditor General wants us to discuss and questions that I wanted to ask Auditor General Hogan and the officials from Finance Canada today.

One of the main findings is that although 91% of loan recipients met eligibility requirements under the CEBA program, the Office of the Auditor General found that the remaining 9% were ineligible recipients, amounting to \$3.5 billion in loans. That's a fact. It's a fact that we're not studying.

The non-deferrable expenses stream was intended "to help small businesses cover a variety of expenses that could not be deferred during the pandemic, such as payroll, rent, insurance, and utilities." When introducing this stream, Export Development Canada "introduced more pre-payment controls, which required additional processes to determine eligibility, including assessing the validity of expense documents submitted by applicants." However, the Office of the Auditor General "found some issues with their implementation" and "found that about 19% should not have been deemed eligible based on the criteria of the program at that time and should be investigated further." This represents "approximately 26,000 loans or about \$1.5 billion." That's 26,000 loans.

I'm the critic for small business. One of the biggest complaints I receive from small businesses in our country is that, when they get a question from the Canada Revenue Agency or they're contacted by the Government of Canada, they basically have to stop what they're doing.

• (1310)

It might be a minor discrepancy, but it's at the discretion of an individual auditor to review how they're conducting their business. In some cases, this can mean major losses for a small business, but these are absolutely major inconveniences without any consequences for the auditors at CRA, even if they are found to have been completely in the clear.

I want to apply that same type of pressure on the decision-makers in government because, when 26,000 loans are deemed ineligible to the tune of \$1.5 billion, that's a big concern. That's a big concern for the small businesses paying taxes that have felt the wrath of CRA upon them numerous times in their business careers.

According to the Office of the Auditor General, 90% of the errors "were due to loans being wrongly assessed as eligible based on the documentation provided by the small businesses."

The OAG further found that "EDC approved loans based on the assessments performed by its vendor even though documentation clearly indicated ineligibility or basic information was missing. For example, documents were accepted without a business name or for expenses outside of the eligible period of the program." In other words, Accenture wasn't doing its job with the sweetheart contract it got with EDC.

The Auditor General wrote that "EDC conducted no post-payment verification" for the non-deferrable expenses stream, and "therefore did not discover the extent of [its own] errors."

The Auditor General concluded that too much control given by EDC to a third party vendor to administer CEBA contracts had grave consequences. She found that "EDC decided to make extensive use of external contractors to minimize the impact and separate the CEBA program from its own core operations" because, according to EDC, "it did not have the capacity to embed CEBA in its regular operations".

This resulted in \$230 million in administrative spending going to contracts with third parties, of which 91% was awarded to a single vendor. That is Accenture.

Today we had Finance Canada officials before us. My line of questioning was going to be focused on how these decisions were made, how EDC was first given authority to run this government program and how EDC made the decisions to sole-source most of it to a global multinational firm. These are important questions and we're not getting to them.

EDC was dependent on Accenture to deliver the CEBA program. In total, EDC awarded 19 non-competitive contracts to Accenture out of 48 CEBA-related contracts, “representing approximately 92% of the total \$342 million awarded in contracts to support the delivery of the CEBA program.”

EDC, DFC and GAC—that's the Department of Finance and Global Affairs Canada—“identified the reputational and financial risks—

• (1315)

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

I appreciate Mr. Vis's intervention as it is, but I don't see how it speaks to anything in this motion. I've been hearing, for the past however long he's been speaking, about things that are not being discussed in this motion at all.

The Chair: I think he's referring to the study on CEBA.

Ms. Iqra Khalid: The point is, Chair, that we are on a sub-amendment. We are on an amendment to an amendment and what Mr. Vis is saying is not in the scope of that.

The Chair: Very good. I was allowing a little latitude as it's his first time speaking, but...all right.

Mr. Vis, can you focus on the subamendment to the amendment with respect to having a carbon tax election and why, in the words of the subamendment, that's necessary?

Mr. Brad Vis: Well, I would—

Ms. Iqra Khalid: Keep it short, buddy.

The Chair: Order, please, all around.

Mr. Vis, you have the floor.

Mr. Brad Vis: Thank you, Mr. Chair.

The purpose of my outlining the key findings of the Auditor General speaks to the need for the public accounts committee to address the very important findings of the Auditor General. If they don't want to discuss these issues, then, indeed, we can go to a carbon tax election. I think we're coming to that, Mr. Chair. Canadians, per my previous points, do not have trust in the government to manage public finances in an efficient way. That is why one of the core tenets of the Conservative Party right now is to fix the budget. Underpinning our commitment and our desire to have a carbon tax election is fixing the federal budget.

What I'm experiencing here today, as a non-regular member of the public accounts committee, is that what we're doing is in the best interests of Canadians, because the Liberal and NDP members and their coalition want to avoid accountability. They are obfuscating the parliamentary process to review and approve taxpayer money to the point that the average Canadian would say that our governmental system is corrupt.

If we can't examine, in detail, how \$3.5 billion was given to ineligible businesses, what can we do as a country? We are a G7 nation, but we don't act like one, primarily because we can't get to the bottom of how public money is used. There are so many layers of decision-making that are not being exposed to the public, even though, at this time, as we reflect on hope during the second week of Advent, many Canadians are without hope.

Food bank usage is through the roof. Violence against women is through the roof. Extortion is through the roof. Child poverty is rising at alarming rates. Why? It's because we're not properly accounting for how money is being used.

Our men and women in uniform serving in the Baltic states right now are having to resort to buying their own equipment, because the government can't get its accounts in order. The Government of Canada is not operationalizing its responsibilities in a way that is acceptable to the average Canadian citizen.

I will continue. EDC, the Department of Finance and GAC—

The Chair: Could I ask—this is a plea from the chair—you to yield your time? We are running out of time. I would like to hear from Mr. Cannings just to get the flavour of the room. I try to govern this committee with consent. I will come back to you—

Mr. Kelly McCauley: On a point of order, Chair, it's inappropriate to cut off another member.

The Chair: It's a request, Mr. McCauley, and I can make it. He can certainly decline, and if he does, that's within his rights. However, I would like to hear from Mr. Cannings, if it's possible.

Mr. Vis, you can certainly decline, but I would appreciate it, as the chair, if you would yield the floor. I will certainly put you back on again to pick up exactly where you left off.

Mr. Brad Vis: Just on a point of clarification, if I yield the floor to Mr. Cannings, will you return to me after Mr. Cannings has finished speaking?

The Chair: Yes, I will.

Mr. Brad Vis: Thank you, Mr. Chair. I'll yield the floor.

The Chair: Mr. Cannings, you have the floor. I'm eager to hear your thoughts on this amendment to the motion, please. It's over to you.

• (1320)

Mr. Richard Cannings: I will try to be as brief as possible to give Mr. Vis back his chance to go on and on about things.

Let me just say off the top that I think this whole discussion we've been having over the last two meetings would have been completely avoided if we'd had a discussion about the report of the subcommittee when it was handed out. I can't comment on the contents or what went on at subcommittee, because it was in camera, but I was surprised, certainly, at the report. I thought it was incomplete. It didn't really cover all the issues that were discussed and all the conclusions. We could have come up with a plan of work that I think everybody would have been happy with, or at least I thought we had accomplished that in the subcommittee meeting. Obviously, that wasn't the case.

I'll just start with that. Again, I'm new on this committee, but normally when we have a subcommittee meeting, or when we do at other committees, that's the first thing on the agenda when we come back. The subcommittee met, and let's have a short in camera meeting about our work plan or whatever the subcommittee met about.

I'll just say that, to me, this was completely avoidable. I find this whole back-and-forth, with witnesses having to stand down, just really bad management. I think what we're seeing here are motions that try to fix this, yet we're just going in circles.

What I meant to do in my short time speaking here was just to put forward an amendment to the motion to fix all this, to make everybody happy, but I'm assuming that I don't have that opportunity now.

The Chair: No.

Mr. Richard Cannings: We're talking about a subamendment. Again, Mr. Genuis comes on and puts forward a totally ridiculous subamendment that was clearly designed to stop me or other members from making substantive amendments.

That's all I'll say here. I think we could fix this fairly easily by changing the motion—I can send on the subamendment that I had prepared, if you like—to make it clear that, where it says “no more meetings”, we add in language that says the exception is meetings that flow from a Standing Order 106(4), just to show that we're not trying to guillotine debate on a subject. If something important or new came up, as Mr. Nater said, we could say, yes, we should be talking about this. We could be talking about it during the break if it were so important.

I will try to be short here. I won't go into trying to use stronger language, but I just find this extraordinarily frustrating. I'm hoping

that we can fix this. We could have fixed this quickly if we'd had a chat about the subcommittee meeting. We could have fixed this quickly if we'd had some co-operative amendments so that everybody would be happy and we knew we could come back if necessary.

However, we have gone down a rabbit hole. I'm not going to blame people and name names, but it's just really disappointing what I've been seeing in the last two meetings. That's all I'll say.

The Chair: Thank you.

Mr. Richard Cannings: If I have an opportunity at some other time to put forward that amendment, I will, but it looks like it's not going to happen today.

The Chair: Thank you. We're literally out of time.

Mr. Vis, I'm not going to give you the floor back, because we're out of time.

We will pick this up again. We are going to try for line by line.

Mr. Cannings, I will reference your comments about the subcommittee, as it had been my intention to bring that up at the end of our previous meeting to avoid disrupting witnesses. This has now happened twice, which I, like you, am not very pleased about. It is extremely rare for this committee to turn away deputy ministers and the Auditor General, and we've now done that twice.

We'll see you Wednesday.

Thank you. This meeting is now adjourned.

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