



HOUSE OF COMMONS  
CHAMBRE DES COMMUNES  
CANADA

44th PARLIAMENT, 1st SESSION

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# Standing Committee on Government Operations and Estimates

EVIDENCE

**NUMBER 151**

Tuesday, November 5, 2024

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Chair: Mr. Kelly McCauley





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Tuesday, November 5, 2024

• (1100)

[English]

**The Chair (Mr. Kelly McCauley (Edmonton West, CPC)):** I call this meeting to order.

Welcome to meeting number 151 of the House of Commons Standing Committee on Government Operations and Estimates, widely known, of course, as the mighty OGGO.

Before we start, I'll give a gentle reminder to everyone to please keep your headphones away from your mics. Do not touch the mic handle, so we can protect the valued hearing of our even more valued interpreters.

We will start right off.

Welcome, Minister. I don't think I've seen you before in OGGO, so welcome to your first appearance. We'll turn the floor over to you for a five-minute opening statement.

**Hon. Mélanie Joly (Minister of Foreign Affairs):** Thank you.

[Translation]

Mr. Chair, as well as ladies and gentlemen of the committee, thank you for inviting me today. I am pleased to see you.

We are in the midst of an international security crisis. We are facing ever more complex modern challenges, such as climate change, artificial intelligence, acute political polarization, irregular migration and rising inequality.

Although our international institutions were never perfect, both they and their worldwide rules, forged in the ashes of World War II, represent the basis of global co-operation. Now more than ever, they are being tested.

In recent years, this worldwide system has been tested by the challenges we are now facing. Our world is marked by geopolitical turbulence, by unpredictability and by uncertainty, especially on an economic level. In this time of global crisis and deep uncertainty, Canada must redouble its efforts and make investments in order to protect Canadians' interests. At the heart of these interests is the relationship between Canada and the United States. This relationship exists on the level of geopolitics, security and economics.

[English]

That is what is at stake here. All of our allies and adversaries are making massive investments in their diplomatic presence around the world and in the U.S. Our Canadian presence abroad, and yes, including in New York City and the northeastern region of the U.S.,

is vital. Any suggestion to the contrary is extremely irresponsible and dangerous.

This area shares a border with Canada. It has a very high concentration of people, capital, institutions and other like-minded partners that are critical to Canada's interest both at home and abroad. Here, we can exert influence. Canadians expect us to be at the table.

The consulate general in New York is not only Canada's oldest consulate, it is one of our most important missions in the world. We're talking about access to a market worth more than \$6 trillion, \$200 billion in annual two-way trade in this region alone, and connecting Canadian exporters with international markets and providing essential market intelligence.

The consulate also directly supports Canadians particularly during crisis. You may recall a tour bus crash in upstate New York or the incident at the Rainbow Bridge last November.

We need a Canadian presence on the ground to liaise with U.S. authorities and relay accurate information. We cannot rely on Fox News, like Pierre Poilievre does, and end up calling the Rainbow Bridge incident a "terrorist attack".

• (1105)

[Translation]

At Global Affairs Canada, we have 182 missions in over 112 countries. Real property management is the responsibility of a team of qualified officials. I gave them clear instructions to ensure that the rules were always upheld and that Canadian taxpayers got the best possible value for their money. That is what I expect of them.

As the committee heard, Global Affairs Canada officials followed all the procedures when downsizing the New York official residence. Their decision was made to guarantee the best value for Canadian taxpayers' money, which is what I expect from my department. During the many meetings it held on the subject, the committee also heard that this was an operational decision, not a political one.

[English]

On a last note, Mr. Chair, I just want to say that I find it ironic that on the day of this historic and pivotal election in the United States, the opposition continues to argue that we should be reducing our presence in the United States. To be clear, I disagree.

American voters will make a choice today. Our government will respect that choice and work closely with the new administration.

I, for one, firmly believe that one of the most important ways to show respect for our neighbour, engage with them and build our relationship is face to face.

I will now take your questions.

**The Chair:** Thank you, Minister.

We'll start with Mr. Barrett for six minutes, please.

**Mr. Michael Barrett (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC):** New documents reported in Politico today reveal that Tom Clark lied during his appearance before this committee. We know that he personally complained that his taxpayer-funded residence wasn't up to his standards because it didn't have a luxury kitchen or the perfect floor plan. After Tom Clark complained, Justin Trudeau rewarded his friend and media pal with a new luxury condo at four times the cost to taxpayers.

To Canadians who are watching, Justin Trudeau and Tom Clark fleeced the taxpayers, and they tried to cover it up.

Minister, do you think it's appropriate for Justin Trudeau to have awarded his media pal Tom Clark with such a flagrant waste of tax dollars, especially during this cost of living crisis that we're facing?

**Hon. Mélanie Joly:** Before you interrupt me, because I know, Michael, that's a strategy you use, I really think there are three things.

First, I think Canadians are getting good value for money, because there will be \$7 million in Canadian taxpayer savings. Second, the process was respected at all times. Third, I profoundly believe that more than ever, as the American people are going through an important election today, we need to invest in our presence in the U.S.

I really hope, Michael, that you agree with me. I know that your riding is next to the U.S., and you have two bridges that permit fantastic workers to go through, truck drivers, exporting and importing in the millions of dollars every day between Canada and the U.S.

**Mr. Michael Barrett:** Okay. That was sufficient time for you to not answer the question, Minister.

**Hon. Mélanie Joly:** I have answered your question.

**Mr. Michael Barrett:** Is it common for your department to spend nearly \$10 million on luxury condos without you personally approving?

**Hon. Mélanie Joly:** First and foremost, to answer your question, this was not a political decision. It was an operational decision. You had numerous people, officials of mine, who came to see you and said that. These are the facts, and I really hope that you can—

**Mr. Michael Barrett:** When did you approve the \$9-million luxury condo—

**Hon. Mélanie Joly:** Mr. Chair, this is again the strategy that Michael uses, which is to interrupt me.

**Mr. Michael Barrett:** —for Consul General Tom Clark?

**Hon. Mélanie Joly:** Michael, can you just stop? I'll just finish. I promise it won't be long.

**Mr. Michael Barrett:** I have a point of order, Chair.

**Hon. Mélanie Joly:** I just want to finish my sentence.

**The Chair:** Mr. Barrett.

**Mr. Michael Barrett:** In spite of the minister's hostile response to my first question, she was afforded equal time to the amount of time I posed the question, even though she didn't answer it. I asked a second question, and she was afforded an equal amount of time to the length of the question. She was able to do with that what she wished. Now, if the minister wants to interrupt me, that, of course, is not in order at this committee.

Chair, could you please provide clarification to the minister that she will be afforded the same amount of time to respond as the amount of time that I posed the question?

• (1110)

**The Chair:** It has been a practice at this committee that it is the member's time. If you wish to take five minutes for a question and provide 30 seconds for a response, that is your decision, Mr. Barrett. It is the committee member's time.

Go ahead, sir.

**Mr. Michael Barrett:** When did you first learn about the \$9-million New York City condo on Billionaires' Row for Justin Trudeau's media buddy Tom Clark? What was the date?

**Hon. Mélanie Joly:** First and foremost, I must say that this was not a political decision, so I learned of it through the media. At the same time, I made sure that all rules were respected, and that's the case in this case.

**Mr. Michael Barrett:** Okay, we didn't get a date from the minister.

The story broke on July 12. I have an email from your former chief of staff dated June 17, which says:

Thank you for the briefing note of the issue.

The decision to sell and purchase a new residence seems the logical step to take in this instance.

Did you meet with your chief of staff between June 17 and July 12?

**Hon. Mélanie Joly:** I must say that of course the department informed my chief of staff once the decision was taken, because of course it was not a political decision.

**Mr. Michael Barrett:** How many times did you meet with your chief?

**Hon. Mélanie Joly:** It was many times per day, Michael. Do you know what? It's good news, because there are so many things happening—

**Mr. Michael Barrett:** This is flagrant malpractice—

**Hon. Mélanie Joly:** I'm sorry; I'm speaking.

**Mr. Michael Barrett:** Yes, and your time is up.

**Hon. Mélanie Joly:** No, no. I'm speaking—

**Mr. Michael Barrett:** This is flagrant malpractice for you as a minister—

**Hon. Mélanie Joly:** Kelly...

**Mr. Michael Barrett:** —to completely ignore—

**An hon. member:** [*Inaudible—Editor*]

**Hon. Mélanie Joly:** I'm sorry; I understand you're in the same party, folks, but at the same time—

**The Chair:** I'm going to interrupt everyone here. I have the floor.

There are a couple of things. It is a tradition in this committee that we use our last names, kind of as a sign of respect, but it is the member's time. You will have, I'm sure, an opportunity to perhaps get some of your points across to other questions, but it is the member's time.

We would ask that you allow Mr. Barrett to speak and provide answers.

**Mr. Michael Barrett:** How much time do I have left?

**The Chair:** We're at 3:44 p.m., so you have two minutes and 15 seconds, Mr. Barrett.

**Mr. Michael Barrett:** Minister, in the June 17 memo to your chief of staff, it says that Tom Clark approved the \$9-million condo, and it was instrumental in the purchase. With hindsight, do you wish that your chief of staff had gotten your personal sign-off on this, if you claim you did not, in fact, know about it?

**Hon. Mélanie Joly:** Michael, no. Why? Because you have already asked me the question, and I've already answered. This was a decision that, according to Treasury Board rules, had to go through the department and, therefore, there was no political involvement.

**Mr. Michael Barrett:** These are Treasury Board rules that your government changed. Of course, you raised the limit just in time to buy this luxury condo for Justin Trudeau's buddy Tom Clark.

**Hon. Mélanie Joly:** I'm sorry, but that's false. That was done in 2019.

**Mr. Michael Barrett:** Right. Your cabinet made the change, Minister. You're the one who made the change, just in time to be

able to make this purchase so that you could say that you didn't hear anything and you didn't say anything.

**Hon. Mélanie Joly:** No. That's also false.

**Mr. Michael Barrett:** How many heads of mission have been, quote, “instrumental” in purchasing luxury condos?

**Hon. Mélanie Joly:** This is a decision that is always taken by the department. I know you've been doing character assassinations against Tom Clark. That's really sad, because when you don't have your facts straight, usually what you do is resort to personal attacks.

**Mr. Michael Barrett:** What's really sad, Minister, is that Canadians are struggling just to get by, are lined up at food banks in record numbers, and you seem to have checked out on any accountability that you should be exercising in your role as minister. We see that, instead of helping Canadians, you're helping well-connected Liberal insiders.

I think I have just about a minute left, and I have to know. The claim from your officials was that this was going to be a great deal. Canadians were going to save all kinds of money, and they had sold the previous condo. We heard that this was the case.

Could you tell Canadians now how much the cheque was for that the Receiver General received for the sale of the former residence that justified the purchase of this \$9-million dollar condo? How much did you sell the previous residence for?

**Hon. Mélanie Joly:** We are convinced we'll make sure that we have \$7 million back for Canadian taxpayers. I think it is a good value-for-money transaction. It is a transaction that is well-supported—

**Mr. Michael Barrett:** The answer, Minister, is—

**Hon. Mélanie Joly:** I'm sorry; I'm still speaking.

**Mr. Michael Barrett:** —you haven't received a cheque—

**Hon. Mélanie Joly:** You've spoken for a long time. It's not a question. It's a rant—

**Mr. Michael Barrett:** —you haven't received a cheque—

**The Chair:** I'm afraid we are out of time.

**Mr. Michael Barrett:** Canadians are out of pocket millions of dollars.

• (1115)

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

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

Thank you so much, Minister, for being here today. Welcome to the mighty OGGO committee.

This transaction saves Canadian taxpayers \$7.4 million. I want to repeat that. This transaction saves Canadian taxpayers \$7.4 million. The process that led us here is independent, and it is rigorous. There were 21 properties appraised. A 100-page analysis was written on this transaction, but I want to focus on the third point. This is an investment in the most important relationship for Canada, and that is the relationship with the United States.

In my community of Windsor—Tecumseh and Windsor—Essex, there's no more important relationship for cross-border communities like mine. We have the EV battery plant that's creating 2,500 permanent jobs for local workers. We have the largest greenhouse sector in all of North America. Our number one export destination is the United States, so you better believe that we pay very close attention to the U.S.-Canada relationship, and we are absolutely for strengthening that relationship.

Minister, in your role as the Minister of Foreign Affairs, can you talk to us about the importance of investing in that relationship between Canada and the United States?

**Hon. Mélanie Joly:** Thank you, Irek. I think it's a very relevant question.

I know that Canadians are all watching what's going on south of the border today, and I must say that not only is it the most important relationship we have with a country in the world but it's existential to us—and I mentioned it in my speech—geopolitically, economically, at the security level and in every single way. That relationship with the U.S. is my number one priority. As Minister of Foreign Affairs I am the steward of that relationship, of course, with the Prime Minister, and we decided to make a key investment because we know that all countries of the world are in the U.S., and particularly, in New York, so we wanted to make sure we were going through the right investments. I expect, of course, at all times, that my public servants follow the rules well, knowing that our priority is to make sure we invest in the relationship. I think that, when you believe in a relationship, you actually invest in it. That's why it is really important that we are well-represented in the U.S. at the consulate level.

I also mentioned in my speech that this is the oldest consulate we have in the world. It's the first one we opened at the time, more than 100 years ago. Also, it is one of the most important. We know there are so many jobs that are linked to it, definitely in Windsor—Tecumseh, which I had the chance to visit—and to see you, Irek. This is the case in Michael Barrett's riding also, and in all of our ridings because, at the end of the day, we know that it's a market that's \$6 trillion. If we're not there, well, others will be, and we'll lose either opportunities or the possibility of defending our jobs back home.

**Mr. Irek Kusmierczyk:** Thank you, Minister, for that.

There's a stark difference here. The Conservatives want to do foreign policy and foreign affairs on the cheap. My Conservative colleague, in one of the previous meetings, suggested that we should look at locating the consulate not in New York but in New Jersey. Can you respond to that?

**Hon. Mélanie Joly:** Well, you know, there are only two countries in New York that are not in Manhattan. It is either Afghanistan or Bangladesh. We think we should have an official residence in Manhattan.

Just to give you an idea, in 2019 the U.K. purchased an official residence, which cost \$20 million. New Zealand purchased one in 2015, and that's some time ago, worth \$11 million. It's worth more now. Even if you look at G7 countries, France, for example, purchased a \$19-million official residence in 2015. Italy recently purchased a \$35-million official residence in Manhattan; the EU, \$16

million; and, finally, Japan paid \$44.3 million for their official residence. We need to be there because our like-minded partners, the Five Eyes and also the G7, are there.

I'm not even giving you the numbers for other countries, including, of course, China, and countries that are trying to push for their interests in the U.S.

• (1120)

**Mr. Irek Kusmierczyk:** Minister, this Liberal government attracted \$50 billion of automotive investment in just the last three years alone. We beat out so many countries for that investment. How important is it that we locate in New York so that we can strengthen that relationship and we're able to compete against Japan, Italy, the U.K. and the European Union? As you mentioned, they paid \$44 million, \$19 million and \$16 million for their consulates. Canada paid \$9 million. That's pragmatic, and we're punching above our weight.

**Hon. Mélanie Joly:** It's very pragmatic.

**The Chair:** I'm afraid we're way past our time for a response.

**Hon. Mélanie Joly:** I'm sorry, Kelly. We were following you.

**The Chair:** It's okay. You're welcome to respond, but it's going to keep you here later than I think you had planned.

**Hon. Mélanie Joly:** Okay.

**The Chair:** We'll go to Mrs. Vignola.

[*Translation*]

**Ms. Julie Vignola (Beauport—Limoilou, BQ):** Thank you, Mr. Chair.

Ms. Joly, Ms. McCardell and Mr. Dubeau, thank you for being here with us today. I strongly suspect that global affairs keep you very busy.

The real property directory lists 2,300 properties. That is what we were told on August 21. I am wondering if there are properties not listed in the directory. If so, how many are there and why are they not listed?

**Hon. Mélanie Joly:** I will ask the officials with me to answer that question.

**Ms. Sandra McCardell (Associate Deputy Minister of Foreign Affairs, Department of Foreign Affairs, Trade and Development):** Thank you.

I will let the associate assistant deputy minister, who is responsible for real estate, answer your question.

[*English*]

**Mr. Robin Dubeau (Acting Associate Assistant Deputy Minister, Real Property and Infrastructure Solutions, Department of Foreign Affairs, Trade and Development):** Mr. Chair, I understand that all of the assets we have must be declared and registered in the directory.

[*Translation*]

**Mrs. Julie Vignola:** What was the cost of the space shared by the Consulate General and the Permanent Mission to the United States? It was purchased on Lexington Avenue in 2018.

**Hon. Mélanie Joly:** I will ask Mr. Dubeau to answer that question.

**Mr. Robin Dubeau:** Mr. Chair, I will have to answer you in writing after the meeting, since I don't have the numbers in front of me. However, that information exists and is easy to find.

**Mrs. Julie Vignola:** That question was put to you on August 21 and we received exactly the same answer.

Currently, there are no taxes to pay for the new residence thanks to the Vienna Convention on Diplomatic Relations. When was this convention implemented? Why did the tax exemption provided for in the convention not apply to the former residence, and why does it apply to the new one?

**Hon. Mélanie Joly:** Since the question is technical in nature, I will ask my colleagues to answer it.

**Mr. Robin Dubeau:** When it comes to the tax exemption, the Vienna Convention does not apply to co-operatives. Canada was therefore not tax exempt. In the case of a condominium, Canada can be exempted from taxes. For that reason, a transaction is more advantageous for the government when it is a condominium, rather than a co-operative.

**Mrs. Julie Vignola:** According to the Vienna Convention, a tax exemption can therefore not apply to co-operatives. Thank you.

Minister, I'm coming back to a question raised on August 21. When it was asked, we were told that it should be directed to you.

Why not inform the public of the transaction once it was done?

Is it the usual practice not to inform the public about a new transaction concluded by Global Affairs Canada?

**Hon. Mélanie Joly:** That is part of the department's daily operations. As you know, we have 182 missions throughout the world, spread out over 112 countries, with thousands of employees. The department makes real estate transactions every day or every week.

**Mrs. Julie Vignola:** There are so many transactions that the public is not informed about what is happening on a daily basis. That is what I understand from your answer.

● (1125)

**Hon. Mélanie Joly:** Yes. That is why real property asset management must be done well. Treasury Board manages the rules in place. That is why I expect the department to respect those rules: to ensure that its work is guided properly and that taxpayers in Quebec and Canada know they got value for their money.

**Mrs. Julie Vignola:** Is there somewhere a taxpayer could see transactions conducted by Global Affairs Canada?

In short, are they transparent?

**Hon. Mélanie Joly:** Of course, legislation regarding government transparency applies. There are processes as well, including when it comes to access to information requests and protecting privacy.

**Mrs. Julie Vignola:** So, an access to information request is required. There's no website offering a certain amount of transparency when it comes to Global Affairs Canada's transactions.

**Hon. Mélanie Joly:** That is my understanding. Perhaps Mr. Dubeau could add something?

**Mr. Robin Dubeau:** Since all assets acquired or sold by the government must be listed in the Directory of Federal Real Property, it could include that information.

**Mrs. Julie Vignola:** Thank you very much.

On August 20, 2024, during her testimony, Ms. Tattersall, the assistant comptroller general, said that real estate transactions in Canada had to be done "in a fair and open manner." In real terms, what is a fair and open transaction? It's fair towards whom or towards what? What does that mean, exactly?

[*English*]

**The Chair:** Give a short response, please.

[*Translation*]

**Hon. Mélanie Joly:** Of course, Canadian taxpayers must get value for their money. It must be done in a fully transparent way and in the interests of Canadians.

[*English*]

**The Chair:** Thank you very much, Mrs. Vignola.

We have Ms. Blaney, please, for six minutes.

**Ms. Rachel Blaney (North Island—Powell River, NDP):** Thank you very much to the chair.

I thank the witnesses for being here with us today.

I think this is a hard conversation. When you have so many Canadians across the country really struggling to afford basic necessities and you know how hard it is when you're thinking about if you can keep your house or you are going to have to sell it, and you actually have to pay more in rent than you do for your mortgage, it's hard to hear about big spending. I want to recognize that.

I also have a hard time listening to the Conservatives when I know back in October 2010, their investment in properties and diplomatic residences rose by 430%. It's a bit frustrating on both sides for me to listen to this when I know how hard it is for Canadians right now.

I do see the value in diplomacy. I do see the value, of course, in these opportunities, although I would love to see us do a little bit more work connecting rural and remote communities to some of these opportunities. I hope that you will continue to expand your knowledge and understanding of how to do that.

I do have a few questions, through the chair, for you, Minister.

I heard your response multiple times saying it wasn't a political decision, and I understand that as a person who understands the basic roles of operations versus the political influence in this place. However, there is a lot of concern that there was political interference. I'm wondering if you could please explain to the committee if there is a price threshold for property purchases within Global Affairs Canada. Are there limits? Through the chair, how are you as minister, and in your role, included? When are you talked to about it? Again, you said that you learned about it when you opened the news, and that seems a little concerning to me, so I'm wondering how that works.

I understand that you've delegated the role to staff. I understand that it's operational. However, how are you included to make sure that there's some wisdom in the political realm?

**Hon. Mélanie Joly:** There is wisdom. We made sure that all transactions below \$10 million would be done by the department, understanding that the real estate markets around the world are different sometimes from Canada's. There are many jurisdictions around the world where real estate is really expensive, including, of course, Manhattan. Nobody's surprised by it here. Based on that, the decision was taken by the department to invest, but also make sure there would be good value for money, that accessibility rules would be respected, etc.

I can offer my officials, Sandra and Robin, to answer your questions regarding the different criteria, because I think it's really important—and that's my expectation, that they follow the criteria.

However, Rachel, we also do so based on what our like-minded partners do, and that's really important. What does the U.K. do? What does Australia do? What does New Zealand do? What do France, Italy, Germany and the EU do? How do they deal with their real estate? Of course, we're not alone in this diplomatic game. We are trying to defend our interests, sometimes in competition with others. So I—

• (1130)

**Ms. Rachel Blaney:** I appreciate that.

I'm sorry, Minister. I've not tried to interrupt, and I certainly don't want us to talk over each other. I know that's very hard for our interpreters.

I hear what you're saying, and I respect that, but there's a lot of concern as well about the role of the consul general. I'm wondering, in your view, if the consul general should be consulted about or involved in the purchase of an official residence, and if you could tell me why or why not.

**Hon. Mélanie Joly:** There is an entire branch within my department that is in charge of dealing with all the real estate we have. We have the expertise. It is important, because we're dealing with 182 different jurisdictions with thousands of people across the diplomatic network. Some of them, of course, as diplomats do live abroad in these different residences, or work every day in our consulates, embassies and high commissions.

Usually, what is being done, of course, is that branch of the department is in charge of the real estate. They take the decisions. Through this entire process you've heard that more than 20 different options were looked at, and there were—

**Ms. Rachel Blaney:** I appreciate that, but could we just come back to that?

**Hon. Mélanie Joly:** I'm getting there.

**Ms. Rachel Blaney:** What I want to know is this: Is it specific for each consul general that they're included, or is it a more general approach where you get an understanding of what is needed on a broad scope—

**Hon. Mélanie Joly:** Of course.

**Ms. Rachel Blaney:** —and then apply it?

There's a lot of insinuation here that there was a specific connection, and I think that's concerning for Canadians.

**Hon. Mélanie Joly:** Rachel, I was getting to that.

Of course, usually, high commissioners, ambassadors and consuls are informed, but they're not decision-makers, never.

**The Chair:** Thanks very much.

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

**Mr. Larry Brock (Brantford—Brant, CPC):** Minister, notwithstanding your opening comments about the importance of Canada's relationship with the United States, your appearance today is exclusively about the egregious abuse of taxpayer money.

Emily Nicholson, the chief of staff to your associate deputy minister of foreign affairs and the author of the infamous memo, was given information that Tom Clark was instrumental throughout the process and gave the green light for the purchase of the Billionaires' Row condo. She testified that she simply inserts information as it is provided to her.

Minister, you acknowledge that she wrote the original memo, circulated on June 17, to your former chief that states Clark was instrumental. Is that correct?

[*Translation*]

**Hon. Mélanie Joly:** I want to answer your question, Mr. Brock. It's good that you're putting your earpiece on.

My chief of staff was informed once the decision was made. That is what was said here, and that is the information I have is well. Those are the facts.

[*English*]

**Mr. Larry Brock:** On June 25, the day after this committee passed a motion ordering all documents from your department related to the purchase of the condo, the same Emily Nicholson, who says she simply inputs information provided to her, all of a sudden issued a major correction saying it was a mistake that Clark was instrumental and gave the green light.

Minister, do you find that suspicious in any way?



[Translation]

**Hon. Mélanie Joly:** No, absolutely not. As I said to our colleague Rachel Blaney a little earlier, information is always provided to ambassadors and consuls, but they have no decision-making authority.

In this case, Tom Clark had none.

• (1135)

[English]

**Mr. Larry Brock:** I find it highly suspicious, as do the millions of Canadians who are watching this on the live feed.

Now it's been confirmed that your staff, the ministry officials who've appeared here, and even Tom Clark himself, who is the buddy and the good friend of Justin Trudeau, were instrumental in starting the process of relocating Tom Clark to the Billionaires' Row condominium in Manhattan. It was simply unsuitable for him. It was important for him to have the full suite of Gaggenau appliances. It was important for him to have the \$5,000 coffee machine. It was important for him to have the golf simulator, and your office provided that for him.

Isn't that correct?

[Translation]

**Hon. Mélanie Joly:** No, that is false, Mr. Brock.

Do you know what Canadians are watching today? You say that millions of people are currently watching us. I think that's giving us a little too much importance. I think that, right now, millions of Canadians are watching what is happening in the United States and waiting for the election result.

Canadians expect to be well represented abroad and for us to invest in our relationship with the United States.

[English]

**Mr. Larry Brock:** Here's the problem, Minister. The memo created by Emily Nicholson was sent to your office and to your chief of staff. Your office got involved, and the story around Tom Clark mysteriously and suddenly changed.

Minister, did you personally become involved in the process of covering up for Justin Trudeau's close friend Tom Clark, yes or no?

[Translation]

**Hon. Mélanie Joly:** No, absolutely not.

I'd like to know one thing: Every time you say the Prime Minister's name, Justin Trudeau, does Pierre Poilievre give you points?

[English]

**Mr. Larry Brock:** Thank you. You answered the question.

Did your chief of staff assist Justin Trudeau in covering up for Tom Clark, yes or no?

[Translation]

**Hon. Mélanie Joly:** I already answered that question.

Every time you say Justin Trudeau's name, I will say Pierre Poilievre's name, because one thing is clear: Canadians—

[English]

**Mr. Larry Brock:** Thank you, Minister. You answered the question.

I'll ask again: Were you ever briefed on the condo purchase from June 17 when your top official, your chief of staff, became aware a government document identified Clark as being instrumental and gave the green light?

[Translation]

**Hon. Mélanie Joly:** Did Pierre Poilievre ask you to read the same question three times, thinking I would answer differently three times?

[English]

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

If that's your story, what else is your chief of staff keeping from you, and, by extension, what are you, Minister, keeping from Canadians?

[Translation]

**Hon. Mélanie Joly:** Canadians expect us to invest in our relationships, to get value for their money and to respect all the processes.

Canadians therefore basically agree with this approach.

[English]

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

I'm ceding my 30 seconds to my colleague Mr. Barrett.

**Mr. Michael Barrett:** Minister, Tom Clark is paying \$1,800 per month in rent. That's less than the national average for Canadians. Do you think it's fair that this is what he has to pay in rent for a \$9-million luxury condo when your government is responsible for doubling rent, doubling mortgage costs and requiring Canadians to have to save for 25 years just for a down payment?

That's your government's legacy, and you're giving this guy a \$9-million condo for \$1,800 a month. Do you think it's fair? Answer yes or no.

**Hon. Mélanie Joly:** How much is Pierre Poilievre paying to stay in his government-funded house right now?

**Mr. Michael Barrett:** Minister, I have great news for you. You're going to have lots of time to ask us questions when you're on the opposition side of the House. Today, though, you're supposed to be a minister who is responsible for your department, and you're demonstrating a failure at that.

**The Chair:** That is our time.

We will go to Mrs. Atwin. Perhaps she can continue the line of questioning.

Go ahead, Mrs. Atwin, please, for five minutes.

**Mr. Irek Kusmierczyk:** [Inaudible—Editor]

**Mr. Michael Barrett:** [Inaudible—Editor]

**The Chair:** Both sides, Mr. Kusmierczyk and Mr. Barrett, it's Mrs. Atwin's time. That's to both of you.

Ms. Blaney.

**Ms. Rachel Blaney:** I have a point of order, Mr. Chair.

I just want to remind people that the interpreters have a hard time hearing when people are speaking like that, so we should not only listen to the chair, as we all should, but also respect the people who work for us.

**The Chair:** Thank you, Ms. Blaney.

Mrs. Atwin has the floor.

Go ahead for five minutes, Mrs. Atwin.

**Mrs. Jenica Atwin (Fredericton, Lib.):** Thank you very much, Mr. Chair.

Thank you very much, Minister, for being with us.

Thanks to your officials for joining us again today.

I'll open by sending a message to my friends and family in the United States. It is a particularly important day. We've all been anxiously awaiting today, even though I know we may not have results as early as we'd like, but I wish everyone well. I hope everyone got out and voted, and exercised that critical right that we have to participate in democracy.

I'd also like to add to the context of what we're dealing with globally, with the challenges and difficulties right now and all of the different issues that have come your way as minister. I very much appreciate that you're spending this time with us today and speaking about the purchase of a property.

Minister, my Conservative colleagues have suggested that your office played a role in this transaction. As we've heard at this committee from Global Affairs Canada officials on multiple occasions, this transaction followed all guidelines and, in fact, was cost-saving for Canadians. Can you reconfirm that fact?

• (1140)

**Hon. Mélanie Joly:** Thank you, Jenica.

I'm reconfirming again.

**Mrs. Jenica Atwin:** Thank you very much.

You mentioned the context of other countries and their consulates, and the importance of them being located in Manhattan, for example. More generally, how does our diplomatic work in the United States contribute to our competitiveness on the world stage?

**Hon. Mélanie Joly:** If there's a country in the world that knows the U.S., it's Canada. Not only are we really proud of our diplomatic network and our consulates—we have one of the most important and biggest embassies in Washington—but I must say, throughout the entire year, I've been in contact with many foreign ministers around the world and many leaders, and they all come to see us to understand what's going on in the U.S.

That's important, because it gives also us a form of leverage and influence around the world. It is also important to Canadians because so many jobs are linked to it in every single one of our ridings, including, of course, in New Brunswick, in Fredericton and in Dean's riding in Niagara.

We're intrinsically linked, so we need to make sure that we are there to protect Canadian jobs and defend our interests, and that's

what we're doing. That's definitely what we're doing in New York and Manhattan.

**Mrs. Jenica Atwin:** Thank you very much.

What are the dangers, then, of cutting those investments and pulling back from those diplomatic engagements with our most important friend, ally and bilateral trading partner?

**Hon. Mélanie Joly:** The Conservatives, for a long time, had the vision of not investing in diplomacy and actually getting Canada out of the UN, which would have been catastrophic, to be frank. This is because we need to make sure that we defend our interests through the multilateral system since we're not a nuclear power. The best way for us to defend our interests is through having and defending strong rules and a rules-based order.

At the same time—and Rachel was referring to this earlier—in an article from October 2010, the Harper government of the time thought that by cutting much of its investment in real estate, it would actually be saving money. However, what we saw at the time was the cost soaring by 430%. Therefore, we decided to do things differently to make sure that we would invest, yes, a big amount of money, and at the same time sell to make sure that, ultimately, we would be able to get good value for the money being invested.

I think this is a pragmatic approach and a responsible approach, and we're acting as adults in the room.

**Mrs. Jenica Atwin:** Thank you very much

Do you have an update on the sale of the former residence on Park Avenue? Do we know where that is at?

**Hon. Mélanie Joly:** Robin, can you provide that?

**Mr. Robin Dubeau:** The property has been on the market for about 81 days as of yesterday. We know there has been a lot of movement on the file. The real estate agent has reported that he's received 38 different inquiries, and he has had eight showings to potential buyers. He's had, as well, many questions from other real estate agents who have gone there to visit it.

The property is not sold yet. It's still on the market. There's movement. The real estate agent is quite happy with the way the file is unfolding. He asked me not to share too many details, and I don't want to interfere with his transaction. He said that we are still within our time frame for marketing this type of asset, which is between three and six months.

Thank you.

**Mrs. Jenica Atwin:** I hope we get top dollar for that sale and the best return on investment for Canadians.

Thank you very much.

**The Chair:** That was perfectly on five minutes.

Thank you very much.

Mrs. Vignola, go ahead for two and a half minutes, please.

[*Translation*]

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

Between 2016 and 2022, 44 transaction authorization requests were over the authorized limit, which was \$4 million.

Since 2022, meaning since the limit went up to \$10 million, how many authorization requests were made?

**Hon. Mélanie Joly:** No requests were directed to me.

**Mrs. Julie Vignola:** Did the Department of Foreign Affairs, Trade and Development request any authorizations from the Treasury Board Secretariat?

**Hon. Mélanie Joly:** Ms. Vignola, I want to make sure I understand your question correctly.

**Mrs. Julie Vignola:** Were there any transaction authorization requests over \$10 million?

**Hon. Mélanie Joly:** I received no requests.

• (1145)

**Mrs. Julie Vignola:** Did the Department of Foreign Affairs, Trade and Development ask the Treasury Board Secretariat to approve transaction authorization requests totalling over \$10 million since 2022?

**Ms. Sandra McCardell:** To my knowledge, no, but we will be able to verify it. We did in fact ask for our level to be increased to reflect the climate of inflation and high markets.

**Mrs. Julie Vignola:** Thank you.

The transaction limit went up by 150%. It was \$4 million, but it was increased to \$10 million in 2022. Was the decision to increase this limit due to the spike in real estate prices between 2019 and 2022? Did real estate prices—not just in New York, but elsewhere throughout the world—also go up by 150%?

**Hon. Mélanie Joly:** Yes, but I don't know if they went up by 150%. There was indeed significant demand. Under the circumstances, we decided to increase the limit to make sure we could react quickly and adjust to what other countries were doing.

**Mrs. Julie Vignola:** Very well.

Often, when individuals without a huge pile of money want to buy a new house, they sell the one they already have before buying the next one. It is even possible to specify a delayed possession date in the bill of sale that lines up with the date they enter the new residence.

Why didn't it happen that way for the Park Avenue residence?

**Hon. Mélanie Joly:** I will ask Ms. McCardell or Mr. Dubeau to answer your question, Mrs. Vignola.

**Ms. Sandra McCardell:** Before deciding whether one is going to sell the house before buying another one, one must assess certain risks.

We analyzed the situation based on the consulate's responsibilities, as well as a financial analysis. On a business continuity level, we finally realized it was extremely important to have every possible lever available to us for our relations with the United States dur-

ing the months preceding the election. It was obvious we wanted a residence that would allow us to come as close as possible to achieving our objectives.

Then, we took into account fees for the consul general's short-term rental and storing his personal effects. Finally, the financial analysis helped us determine that it was more advantageous to buy a new residence and wait for a potential sale a few months down the line.

[*English*]

**The Chair:** Thanks very much.

Ms. Blaney, go ahead, please.

**Ms. Rachel Blaney:** Thank you, Chair.

Thank you to the minister, through the chair.

One thing that I found very concerning, especially as a New Democrat who cares a lot about unions and about workers, is that I understand that the building we've bought into was built entirely with non-union labour and that the contractor was charged with stealing wages from workers.

According to the Manhattan district attorney, the company, Parkside Construction, and its affiliates stole more than \$1.7 million in wages over three years from about 520 workers. The company also hid about \$42 million in wages from the state insurance officials to avoid paying millions in workers' compensation premiums, which is pretty concerning.

In the work we do as a country in purchasing, there are many different departments that are included in that process. Is there ever a discussion about checking what happened to the people who built that investment we're putting money into and what the impact will be? I think it's really important, as the country of Canada, to do some of that research. I'm wondering whether there were any discussions about that or whether that's something that, at a cabinet level, will be looked at in the future.

**Hon. Mélanie Joly:** When it comes to supporting good union jobs in Canada, definitely that's what we're doing, and we're attracting investments from around the world. Canada's now the third jurisdiction in the world in being able to attract the most investments. We've seen it particularly in the auto sector, the EV sector. These are all good union jobs, and these are actually investments that are being discussed at our embassies and official residences around the world.

I hear you. I'm very supportive of labour workers as well, Rachel, as our government is. In this case, of course, we wanted to make sure that we had good value for money. In the circumstances, in a market that is extremely expensive that I think none of us around the table is able to pay for, to be frank, I think we were able to get a good deal, bearing in mind that we had a good asset also to sell that would make sure that we would be able to bring back—

• (1150)

**Ms. Rachel Blaney:** So there was no discussion about workers in terms of what we purchased, in terms of investment.

**Hon. Mélanie Joly:** We're in 182 countries around the world. Union workers are not organized the same way. But I take your point. I think it's a fair point, and I'll follow up on that.

**The Chair:** Thanks very much. We'll go to Mrs. Kusie and then Mr. Sousa to finish off.

[*Translation*]

**Mrs. Stephanie Kusie (Calgary Midnapore, CPC):** Good afternoon, Minister.

[*English*]

You said in your opening statement today that it was in the media that you learned about the \$9-million condo purchase. How is it that you didn't know about this purchase before you yourself admitted to just learning about it from the media?

**Hon. Mélanie Joly:** Thank you, Stephanie. I'm happy to see you.

I know that you come from the diplomatic network of Canada, being the former consul in Dallas, and I know you trust Foreign Affairs to deal with important assets, which you had the chance to work in, in Argentina and Dallas. You know that the rules are always, under my watch at least, respected, and that was the case. We follow Treasury Board rules, as you did when you were former consul in Dallas.

**Mrs. Stephanie Kusie:** Thank you for that response, Minister.

I still find it very shocking, as I think Canadians do, that you were made aware of this purchase through the media. Minister, how did you not know that the deputy chief of protocol in Global Affairs attended a Russian embassy party? How did you not know that?

**Hon. Mélanie Joly:** That's a fair point, and I was not happy about my team not informing me. I think I've said what I needed to say about that.

Since then, this is my question for you: Why would the Conservatives not support Ukraine in this decisive moment in the world while Ukrainians are fighting for their freedom, but also ours? I know as a diplomat you would know what that means.

**Mrs. Stephanie Kusie:** I appreciate your bringing up Ukraine, because my next question for you, Mélanie, is: How did you not know that Canada accepted an invitation to send a patrol ship to Cuba while the Russian navy was present? I think your point about Ukraine is a very good lead-in to this question. How did you not know that?

**Hon. Mélanie Joly:** This is a question you should ask the defence department and my dear colleague, who's doing a great job, Bill Blair. He's the minister who will see the doubling and nearly tripling of the defence budget under his watch and under our watch as government, while the Conservatives cut the defence department's budget five years in a row, and that's unfortunate.

**Mrs. Stephanie Kusie:** My point, Madam Minister, Mélanie, is that you have just indicated now three things that you did not know. You did not know that we had purchased a \$9-million condo at a time when Canadians are suffering as a result of your government. You did not know that the deputy chief of protocol for Global Affairs Canada attended a Russian embassy party. You did not know that Canada accepted an invitation to send a patrol ship to Cuba

while the Russian navy was present, despite your comments about Ukraine.

Minister Mélanie, I'm very concerned about your not knowing what is going on. Why are you so uninformed as to what goes on in your own department? Why do you not know?

**Hon. Mélanie Joly:** These were not the answers I gave you, so of course, Stephanie, you can't say and use the prewritten questions you had.

**Mrs. Stephanie Kusie:** Minister, you said that you do not know.

**Hon. Mélanie Joly:** What I can tell you, what I know, is the investment in the U.S. is fundamental. You would agree because you used to work as a diplomat in the U.S., as a trade commissioner. I really thank you for your service to the country because I think it was important.

**Mrs. Stephanie Kusie:** Thank you, Minister, but I maintain the position that you did not know those three things.

How did you find out about the Russian invasion of Ukraine? Did you know that?

**Hon. Mélanie Joly:** Not only did I know that, but we were ready.

**Mrs. Stephanie Kusie:** How did you find out about October 7? How were you made aware of that? Did you know that?

It's apparent—

**Ms. Rachel Blaney:** I have a point of order.

**Hon. Mélanie Joly:** I think you know.

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

**Ms. Rachel Blaney:** Mr. Chair, I'm sure the member just doesn't notice, but she is yelling. Again, I just want to bring up concern for the interpreters.

**The Chair:** We've had this issue brought up before. If there are worries about the interpreters, they will contact the clerk to address it, so we don't need to do points of order on those.

Go ahead, Mrs. Kusie. The time is yours for one minute and 10 seconds.

**Mrs. Stephanie Kusie:** Thank you, Mr. Chair.

Fortunately, it is apparent that you do know there is an election in the United States today as you indicated that in your opening statement. You spoke in your opening statement about how security is at a pivotal moment in the history of Canada and in the history of the world. Yet there is so much that you don't know.

I'm here to tell you today that Canadians expect you to know. If you hope to one day be the leader of the official opposition, Canadians will expect you to know, Madam Minister, Mélanie.

• (1155)

**Mr. Irek Kusmierczyk:** I have a point of order, Mr. Chair.

**Mrs. Stephanie Kusie:** Mr. Chair, with my remaining time, I'd like to—

**Hon. Mélanie Joly:** I would like to answer—

**The Chair:** I'm sorry. There is a point of order.

Go ahead, Mr. Kusmierczyk.

**Mr. Irek Kusmierczyk:** On that principle of needing to know, I would encourage the Leader of the Opposition to get his security clearance. That's important.

**The Chair:** That's not a point of order, Mr. Kusmierczyk.

Please, let's stick to real points of order.

You have 30 seconds, Mrs. Kusie.

**Mrs. Stephanie Kusie:** Thank you.

With my remaining time, Mr. Chair, I would like to move a motion, given the evidence that we have received here today.

I have submitted it to the clerk in both official languages. I will now read it into the record:

Given that, newly released access to information documents reveal that two months after the appointment of Canada's Consul General to New York, Tom Clark notified Global Affairs that the previous official residence was "not suitable" and expressed concerns over completing renovations; and

Given that this information contradicts his previous testimony before this committee on September 12, 2024, when he stated, "I had no role whatsoever in either deciding to sell the former residence or buying the new one";

The committee call Tom Clark to testify for two hours within 21 days of this motion being adopted.

Thank you very much, Mr. Chair.

**The Chair:** Thank you.

I'll start a speaking order, but we only have Mr. Sousa left.

If you're fine, we will release the witnesses.

**Mr. Charles Sousa (Mississauga—Lakeshore, Lib.):** I'd rather ask a question.

**The Chair:** We'll have to get to the motion first, then, Mr. Sousa.

I tried, Minister.

Yes, go ahead, Mr. Jowhari.

**Mr. Majid Jowhari (Richmond Hill, Lib.):** Can we suspend the intervention on the motion, let Mr. Sousa ask the question, release the minister and then continue with the motion at hand?

**The Chair:** Are we fine with that, colleagues?

**Some hon. members:** Agreed.

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

**Mr. Charles Sousa:** Thank you, Mr. Chair.

Minister, thank you for being here.

It's interesting and hypocritical that we're accusing individuals who are temporary in their positions. The consul general is not going to be there forever. Here we have individuals opposite who are benefiting from subsidized rents. They're not paying rent. Pierre Poilievre lives in a historic mansion, Stornoway, rent-free. We have to keep this in perspective in terms of the motivation behind the purchase and sale of assets.

From my previous experience in my previous life provincially, I know that the provinces benefit greatly from the representation in New York City. I attended the former residence on many occasions with the consul general and other officials, selling Ontario and selling Canada. The negotiations and the discussions we had were with U.S. officials, U.S. businesses and U.S. institutions benefiting and greatly looking for Canada to do business. That's not possible without representation in New York City to do so.

Interestingly enough, when we talk about creating investments, about creating jobs and about the economic benefits that come from those discussions, other officials from other countries are paying attention and recognizing it, too. They're not going to go to New Jersey. They're not going to go anywhere else to have those discussions. They have them in Manhattan because there are multiple discussions being had concurrently in the city.

Interestingly enough, the Conservative consul general at the time—I had the opportunity of being with both parties throughout that process—complained about the status of the residence, about the maintenance, about the engagement and about the requirement for upkeep to maintain the same level of engagement with the other competitors from other countries.

I have two questions. One is on the timing. Have there been ongoing discussions about the maintenance, the upgrading and the modernization of the residence over time? Is this something that just happened suddenly, or is this something that's been ongoing for a while?

**Hon. Mélanie Joly:** Thank you, Charles, for this. I think it's a very important point.

To raise the issue of personalizing whether it's Justin Trudeau's diplomatic network or a public servant, I think it's a very slippery road. Why? I think that, throughout 150 years and more as a country, we've built very strong institutions, including our diplomatic network around the world, which is non-partisan and should not become partisan.

When the Conservatives do that, the question I have in mind is, what's next: our judicial system or our police forces? That's a real question, and we're seeing what can happen when that's the case.

You have mentioned the fact that it was important when you were the minister of finance in Ontario and how much you valued being able to have conversations and meetings in New York to attract investments to your province. We know that Scott Moe, the Premier of Saskatchewan, was at the official residence.

I met Scott by fluke in India. He uses a lot of our embassies, high commissions and official residences, and he should. I think we agree on that. Vic Fideli hosted meetings in New York. So did Erin O'Toole when he was leader of the opposition. Dennis King did as well.

While I can understand why the opposition is trying to make this an issue, at the end of the day, what is common sense, very pragmatic and very responsible is what we're doing. I think that Canadians see through all of this haze, and they trust that we're taking a good decision.

In terms of timing and maintenance, I will just ask Robin to answer. He has more information than I do on this issue.

• (1200)

**Mr. Robin Dubeau:** The issues with the residence were raised a long time ago. It started in 2014, so for 10 years we were tracking. In 2017, we did a building condition report that indicated several issues. In 2021, we approved a renovation project. There had been long-standing issues with that residence that we knew about.

**Mr. Charles Sousa:** It's evident there's a net benefit to Canadians with having representation in New York City and the transaction that's taking place. There's asset value regardless.

**The Chair:** Mr. Sousa, we're past time. If you want to finish with a yes-or-no question, go ahead.

**Mr. Charles Sousa:** Thank you for coming, guys.

**The Chair:** Minister, thanks for joining us.

Ms. McCardell and Mr. Dubeau, thanks for joining us.

**Hon. Mélanie Joly:** Thank you, Mr. Chair.

Thank you, all. It was a pleasure to be with you. I'm looking forward to working as team Canada developing strong relationships throughout the U.S.

**The Chair:** We will dismiss our witnesses.

We will start a speaking list on the motion.

I have Mr. Jowhari.

**Mr. Majid Jowhari:** Mr. Chair, I would ask for a five-minute suspension to have a conversation with our team, because this motion came in the last minute.

**The Chair:** Sure. We'll have a five-minute stop, please.

• (1200)

(Pause)

• (1205)

**The Chair:** We are back.

Thank you for your patience.

I have a speaking order. We have Mr. Jowhari, Mrs. Kusie and Mr. Brock.

Go ahead, Mr. Jowhari, please.

**Mr. Majid Jowhari:** Thank you, Mr. Chair.

As usual, we always appreciate it when we receive a notice of the motion ahead of time so that we can ensure we also have time

to put our responses into proper perspective and to review the documents that we need to review. However, unfortunately, we are not there.

Having had the chance to look at the motion, and also reflecting on where we've been on this journey, what we have clearly demonstrated to date is that there is value for money. As we just heard from the officials, we may be very close to disposing of the old residence with a significant profit. The value that we are going to receive as a result of the reduced maintenance and the upkeep costs is in the area of \$7 million. There is a 50% saving, on an ongoing basis, on the maintenance.

We heard that we are avoiding spending about \$2.5 million Canadian on repairing a residence that will not be able to, ultimately, meet the needs. We addressed it, and we heard testimony from a lot of witnesses about where other missions situated themselves. We heard that Afghanistan and Bangladesh are the only ones that positioned themselves outside of the Manhattan jurisdiction. We also heard that other embassies, especially those of the Five Eyes and the ones that we rely on very closely, have situated themselves in the same area that we have. From a political...and from the optics we are in the right position. From a business case—value for money—we are there.

We also heard that all the processes were followed. We looked at whether there was interference or influence, etc. We saw that there was no influence. Sharing a point of view does not necessarily translate into influence and decision-making. The decision-making was done by the department and by the people who were responsible for it rather than by the political staff. When you look at interference, there was no interference. We covered the whole gamut and all the aspects of this thing, despite the rhetoric, despite the image the opposition is trying to portray and despite the fact that the opposition is trying to build this conspiracy theory, linking many different officials, ministers and the Prime Minister to this. This has been proven false.

Having said all of that, and the fact that we also had Mr. Tom Clark here and will have the officials come in on Thursday morning to further discuss this, we don't see any need for Mr. Clark to come back to answer the same questions: Was there there value for money? Yes. Did you have an influence on this conversation? No. Was this a process that started some 10 years ago? Yes. Did you have an opportunity to go see the residence? Yes. Did you like the residence? Well, it really doesn't matter whether he liked it or not when we look at the value for money. He moved in.

The fact that there is a simulator somewhere in the basement of that apartment building, which all the residents have access to, is irrelevant to this study. What's relevant to this study, and we repeated it, is that the mission is responsible for over \$6 trillion. That's twice the GDP of Canada. It is responsible for over \$200 billion. The motion is trying to call in, within 21 days, the head of a mission right after an election, when we are trying to make sure that we have all our ducks and all our key people lined up to deal with the outcome of that election, one way or another.

• (1210)

I would repeat the same things that we have already heard, in trying to further build on this conspiracy theory that hasn't gone anywhere, to be honest with you guys, despite all of the social media and everything else that is going on. Then the media comes in trying to figure out something else to talk about. This is completely irrelevant to the day-to-day life of Canadians. It's not something that's worth investing the time of this committee on. Therefore, I am opposing this motion.

As I said, the value for money is there. The importance of the mission is there. All of our allies are there. All of the processes were followed. There was no influence.

For what purpose are we trying to prolong this? I really don't understand. Whether they're ministers or officials from the department, there is no value in bringing them here, insulting them and calling them names.

None of the stuff that we say is ever going to go into a report. What will go into the report is there was value for money and no influence, and we followed the process. Everybody else has said there was no influence. That's what will go into the report.

Thank you, Mr. Chair.

• (1215)

**The Chair:** Thanks, Mr. Jowhari.

I have Mrs. Kusie next and then Mr. Brock.

**Mrs. Stephanie Kusie:** Thank you very much, Mr. Chair.

The crux of the motion is that this new information, as determined by Politico and which Politico obtained, shows a direct contradiction between Mr. Clark's testimony to this committee and information he communicated to the department.

I will quote the article, which says that he “notified Global Affairs” that the official residence “was 'not suitable'”—these are his words—“for hosting, or for living and 'required immediate replacement’”—those are also his words—“documents show.”

If I were to go home to my husband this weekend and say, “Honey, our home is not suitable for our family and it requires immediate replacement,” I could only expect and understand that my husband would take it as a signal and a communication that we need a new home. There can be no other interpretation of these words that Mr. Clark communicated to Global Affairs Canada. Saying something is “not suitable” and saying that it “required immediate replacement” indicates Mr. Clark saw the necessity of a new location, and not only that but a better one, as indicated by the words “not suitable”.

He “expressed concerns regarding the completion...of the kitchen and refurbishment project and indicated the unit was not suitable to be the...accommodations and it does not have an ideal floor plan for...representational activities.” These things all indicate, first of all, his input into the process; second, his asking for an immediate action; and, third, his wanting some type of improvement. I believe that's what “not suitable” indicates.

If he would like to come here and argue there were other more reasonable requirements, such as it not being accessible or his aspirations relative to his mandate with large monthly gatherings and his desire to make Canada shine, he can come here and he can argue those things. He can do that if he likes, but it is evident from the article and from the information as obtained by Politico that he communicated he had input into this decision, which is contrary to what he shared with this committee.

Any time we have found a contradiction in testimony—and, unfortunately, with this government we have found contradiction in testimony several times over in several situations; I won't repeat them or belabour them once again, but this is not the first time—it has been our practice, with new information, to call a witness back to this committee not only to give them the opportunity to correct the record, because this is the fair and right thing to do, but also to justify their actions and their words to Canadians. Whether something was misinterpreted or whether the new information was in a different context, we have always provided this space and this opportunity, when there have been contradictions, for witnesses to come back.

I believe, given this new information from Politico today and given the clear contradiction between the testimony of Mr. Clark and what we have found out today, it behooves us, as a committee, not only for the purpose of finding out why this contradiction exists but also for the transparency of information to and for Canadians, to invite Mr. Clark back.

I believe that, in supporting this motion, we are supporting transparency. We are recognizing that a contradiction exists and are giving Mr. Clark the opportunity to come back and provide an explanation and transparency to Canadians as to why \$9 million of their hard-earned money was spent when there's a record two million Canadians lining up at food banks—a 28% increase in my own city of Calgary.

• (1220)

I think these are all justifiable reasons to support this motion and to call Mr. Clark back, Mr. Chair.

Thank you very much.

**The Chair:** Thank you.

We'll go to Mr. Brock and then to Mr. Sousa.

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

One thing that I remember vividly from Mr. Clark's previous testimony at the mighty OGGO was just how adamant he was, to the point of literally raising his voice and turning red in colour in face, that from start to finish he had no influence whatsoever in the acquisition of the condominium on Billionaires' Row.

I'm going to be speaking on behalf of Mrs. Kusie, Mr. Barrett and myself. I believe Mrs. Block was also in attendance. All four of us didn't believe one word that he was saying. This was well before we received any evidence from Politico. All of us accused him of lying, to which he took great offence.

Here we are some several months removed and the political instincts of the Conservative members here in OGGO were 100% validated. Notwithstanding that the old condominium on Park Avenue was quite suitable for over 20 consuls general, two months within the mandate of Tom Clark, which just happens to coincide with records that this committee has received and with a cozy meeting that Tom Clark had with Justin Trudeau in Manhattan, where both of them were boasting, smiling and laughing in the back of a limousine driving down one of the major thoroughfares of Manhattan, we learn now that Tom Clark is a confirmed liar.

I know, Mr. Sousa, you find it rather remarkable to hear me now saying that, but it's interesting that when this story broke, which I believe was yesterday, from Politico, there was such an eerie silence from the Liberal government. There was nothing by way of any sort of clarifying statement from the PMO. There was no clarifying statement from Justin Trudeau and nothing from Tom Clark. There was just eerie silence, as if it was a child getting caught with his hand in the cookie jar.

That's what I equate this to because now we know that within two months of Tom Clark's arrival in New York, he notified Global Affairs. We don't know how that notification took place, whether it was a phone call, an email, or if it was relayed via Justin Trudeau. Who knows? We'll eventually find all of that out, but it certainly requires a deeper examination.

He notified that it was "not suitable" for hosting or for living, and required immediate replacement because obviously, a multi-decades-old condominium didn't suit the particular lavish lifestyle of Tom Clark. To feed that hubris element of Tom Clark, whose ego is as large as all the oceans combined—

• (1225)

**Mr. Charles Sousa:** [*Inaudible—Editor*]

**Mr. Larry Brock:** Thank you for that, Mr. Sousa. I'll take that as a compliment.

**The Chair:** Mr. Brock has the floor, please.

**Mr. Larry Brock:** He wanted to live like a king.

Interestingly, how this story broke to Canadians is through the American media. The American media caught up with the acquisition, this purchase on Billionaires' Row, and it was listed in the name of His Majesty the King.

That sparked interest. That sparked curiosity. It was only then that Global Affairs confirmed, "No, no, no. It's not King Charles who is looking for an alternate residence, a secondary or a tertiary residence. No, no, no. It's for the consul general." Then the story started to break, and we started to learn about all of these impressive amenities: the Venetian marble, the full suite of Gaggenau appliances.

I did some research on Gaggenau. Gaggenau is the most expensive appliance manufacturer in the world. Kings, I'm sure, have Gaggenau appliances. Shahs and sheikhs have Gaggenau appliances. The coffee maker alone is \$5,000. If memory serves me correctly, the refrigerator alone is \$19,000.

There are three bedrooms, because it's important that Tom Clark and his wife have access to extra bedrooms. You never know when

Justin will want to go down to Manhattan. Perhaps they have an extra room for him to sleep in.

In addition to that, we have all of the other amenities available to occupants of Billionaires' Row. We have the golf simulator. We have the full-length swimming lanes. We have the paddle courts.

Yes, Tom Clark is living the life of luxury and is living the life of a king. There are news articles basically profiling that.

It really concerns me, as a lawyer and a former participant in the justice system, in terms of when people come to committees. I always say that, depending on the nature of the issue and the witness, although there is no formal requirement to swear or to affirm to tell the truth, by its very nature, a committee is set up so that individuals are expected to tell the truth. When they don't tell the truth, and it's confirmed that witnesses have not told the truth, there is a process in Parliament that these individuals can receive their just consequences.

A case in point is Kristian Firth. All members of this committee remember Kristian Firth, who ultimately had to face the wrath of appearing at the bar of the House of Commons to answer to his deliberate lies.

I take lying at committee very, very seriously, but it wasn't just Tom Clark, although the motion is centred around Tom Clark. This is one of the questions I posed to the minister today. We've heard from a litany of government officials who, in essence, confirmed 100% the lie that Tom Clark shared with this committee during his last appearance, that he had no involvement.

If it was said once, it must have been said a hundred times repeatedly over the course of several months, since we started this study in the late spring or early summer.

We're not asking that those officials be recalled, although I think there are political grounds to do that. This particular motion is centred very squarely on Tom Clark.

I know that Mr. Jowhari, in his statement at the outset, claims that this is a useless exercise, that the report is a *fait accompli*, that there's going to be no evidence of any political connection whatsoever.

• (1230)

With all due respect to Mr. Jowhari, the fact that I'm now referencing everything that I have in relation to the political story—

**Mr. Majid Jowhari:** Mr. Chair, I have a point of order.

**Mr. Larry Brock:** —and in relation to the previous testimony—

**The Chair:** I have a point of order, Mr. Brock. Excuse me.

Go ahead, Mr. Jowhari.

**Mr. Majid Jowhari:** I'd like to say that the conclusion that MP Larry Brock drew from my comments is not appropriate.

Thank you.

**The Chair:** Continue, Mr. Brock.

**Mr. Larry Brock:** What we're trying to do, ultimately, and I would expect that every parliamentarian in this House of Commons would want this, is to get to the truth.



The fact is that Mr. Jowhari has already telegraphed his opposition to this motion. I wouldn't be surprised, because they all follow suit, of course, that Ms. Atwin, Mr. Kusmierczyk, Mr. Sousa will all do the same because they don't believe in accountability, Mr. Chair. They don't believe in transparency. Wherever there's been a hint of a scandal or a cover-up, you know the good Liberal members of the OGGO bench will carry the water of Justin Trudeau because they don't want to make this political. Ultimately, we may draw the connection. We may join the dots and show a direct political influence with—

**Mr. Majid Jowhari:** I have a point of order, Mr. Chair.

**Mr. Larry Brock:** —the acquisition of this condominium.

**The Chair:** Excuse me, Mr. Brock.

Go ahead, Mr. Jowhari.

**Mr. Majid Jowhari:** I would gladly carry Prime Minister Justin Trudeau's water any day rather than carrying Mr. Pierre Poilievre's water, which you guys are doing. The divisiveness—

**The Chair:** I will decide on the point of order.

Mr. Jowhari, that's not a point of order.

Mr. Brock, continue.

**Mr. Larry Brock:** Mr. Kusmierczyk calls it a leaky bucket, so it probably is leaky. The number of buckets that those members have had to carry for Justin Trudeau over nine years must be rather enormous.

We'll see what happens in the next election, Mr. Jowhari.

**Mrs. Jenica Atwin:** I have a point of order.

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

**Mrs. Jenica Atwin:** I think it's Standing Order 18—

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

**The Chair:** Colleagues, colleagues, please.

Mr. Jowhari, your colleague has the floor, not you.

**Mrs. Jenica Atwin:** Mr. Chair, if I'm not mistaken, Standing Order 18 says to not insult other members, nor to speak disparagingly. I'm taking some of the things a little personally now.

I don't think I have insulted—

**The Chair:** Okay, all of you, all of you.

**Mrs. Jenica Atwin:** —you personally at all, Mr. Brock.

**The Chair:** Mr. Brock and Mrs. Atwin.

Mr. Brock, continue.

We just ask if people have valid points of order, please bring them up.

**Mr. Larry Brock:** How sensitive the Liberal members are today.

**Mrs. Jenica Atwin:** I have a point of order, again.

He continues to insult us on a personal level, and it's unacceptable, Mr. Chair.

**The Chair:** Mr. Brock, continue.

**Mr. Larry Brock:** To make a fine point on my last point that I wish to make, Mr. Chair, every member, regardless of political stripe, should be standing for the truth, should be standing for accountability and transparency. To my colleague, Ms. Kusie's point, which was an excellent point, the tradition at this particular committee, and all the other committees I have been privileged to speak to and participate in is that wherever there is a suspicion, let alone some conclusive evidence, of misleading committee or contradictory evidence, it is always incumbent upon a committee to seek out clarification.

Maybe Mr. Clark has an honest, reasonable explanation for this story. Let's give him that chance. Let's give him that chance at committee where his explanation can be tested in cross-examination.

Thank you, Mr. Chair.

**The Chair:** Thanks.

We'll go to Mr. Sousa and then Mr. Bachrach.

**Mr. Charles Sousa:** Thank you, Mr. Chair.

To those who may be watching, it is a sad situation when I look at the degree of mis-characterization, character assassination and certainly the insults that are being thrown around. Interestingly enough, some of those who are actually providing the insults are too thin-skinned to receive correction on their own part. Talk about red face and ego.

It seems there are members who are only considering their performance on a YouTube or a social media hit. Talk about being red face. I don't recall how you say that in French, but obviously some members opposite do not understand the ability for Canadians to utilize both languages officially in our country.

We talk about transparency and accountability. The Leader of the Opposition, who himself—

• (1235)

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

**The Chair:** I'm sorry, Mr. Sousa.

Go ahead, Mr. Brock.

**Mr. Larry Brock:** Mr. Chair, I've been rather patient with Mr. Sousa and listened to about a minute and a half of non-relevant material. Can you ask the member to be relevant in his comments, please?

Thank you.

**The Chair:** Thank you.

**Mr. Charles Sousa:** There you go folks.

**The Chair:** He does have a point. If you could just stick to the motion—

**Mr. Charles Sousa:** He absolutely has a point, Mr. Chair. I acknowledge his point.

I acknowledge again for those watching how thin-skinned he is.

I'll go back to the Leader of the Opposition, who lives in a mansion of sorts. We talk about transparency and accountability and the ability to come down to the truth. Mr. Chair, the member opposite is doing his *Perry Mason* reboot: The truth must be known. Yet, the leader of his own party will not get a security clearance to get to the truth, or at least be made aware of exactly what has taken place.

Now I'll go to the motion at hand. Here we have allegations being made by the Conservatives that this decision was done in quick order.

It wasn't, Mr. Chair. We already know from previous testimonies by the officials that this has been ongoing for over 10 years. The Conservative members, their Conservative appointees, the ones who were there prior to the Liberal appointments, they themselves said that the residence was not up to snuff, that it didn't have the specifications required. They already acknowledged that the residence was in need of repair and, for that matter, a new residence....

This is not new. There's no revelation here. There's the notion that somehow the consul general, on a temporary appointment in New York, is going to make the decision. We often hear people's opinions. My goodness, we're hearing lots of opinions right now from the opposite side, and they're free to express them. However, that doesn't make them the decision-maker. The consul general is not the decision-maker of this transaction.

If anybody wants to make opinions, and certainly the Conservatives have had many opinions about that residence prior to Tom Clark.... This is nothing new.

The fact of the matter is that the decision to make that transaction is \$7 million less.... They're moving the residence to a property at \$7 million less than what it is now, and we still hold the asset value. We still have the asset appreciation of the former residence in hand, and they're making it for the net benefit of Canadians.

We already know that it's ultimately going to save taxpayers up to \$7 million. We already know, by testimony and by the rigorous procedures in place over many years from the various agencies, that it was independent, rigorous, and that it followed the rules. The essence of who's residing there and the people involved who utilize those residences, including many Conservatives, I may add, didn't come to be part of that decision. They did not follow through in that transaction. That was done by the experts and the officials within government. That's already acknowledged and understood.

Lastly, the relationship with the United States is critical. One of Canada's most important residences in the United States is the one in Manhattan. It is critical to its well-being. The ones in L.A. and Washington are important. The ability for Canada to be well represented on the international stage is critical.

When you look at who else is residing around the system, ours does not come anywhere close to the same degree of value as some other residences. What is really important is the ability for Canadians to transact, to have meetings, to enable us to co-operate with the U.S. and other international states within that residence for the benefit of all Canadians. It leads to economic growth. It leads to job creation. It leads to economic well-being for Canada. It has proven to be so.

Other levels of government use it too—other Conservative levels of government. The allegation, the notion, that this consul general somehow had a role in making a decision, regardless if the decision isn't his.... That's understood. The timing wasn't short.

All that to say, Mr. Chair, we do not need to fill time. We'll let you guys talk and fill your egos all you wish.

• (1240)

**The Chair:** Thank you.

We'll go to Mr. Bachrach, please.

**Mr. Taylor Bachrach (Skeena—Bulkley Valley, NDP):** Thank you, Mr. Chair. It's good to be back at OGGO dealing with a familiar topic.

This morning, I'm in British Columbia, and I woke up very early for some commitments on eastern time. I rolled over and, at the risk of giving them free promotion, I read Politico's email newsletter. This story jumped out at me because I remember very distinctly the testimony, the vehement testimony, of Mr. Clark before this committee. I read the revelations in that newsletter about the role Mr. Clark played, which has now become public through freedom of information. I was struck by the stark contrast between what he told this committee and the role that he played.

Maybe I have a different perspective on this than some other members around the table. I listened to all the testimony from officials about the old residence and the new residence, and I don't know based on all that testimony if the old residence isn't suitable.

The one thing that stood out to me was the concern around accessibility and the fact that a person using a wheelchair would have a very difficult time accessing the old residence. I think that's a concern that should be taken very seriously. Obviously, there were enough people who had voiced concerns about the suitability of the residence, and I'm not going to deny that those concerns were valid. I also don't know whether the new residence was a good deal or whether it's more suitable and rectifies the shortcomings of the old residence.

I don't think that's germane to the debate that we're having today, despite that being the focus of my Liberal colleagues' interventions.

I'll also speak briefly to the opulence of either residence. I think, if you visited the residence of any of our peer nations, they would be equally opulent. I think it's a feature of these sorts of properties that are used to entertain and used in a diplomatic way, and that just is what it is. I don't think anyone is suggesting that the consul general's residence should be in the suburbs in a modest, three-bedroom home. I don't think that's what's being asserted.

What really irks me is the fact that the consul general was so clear in response to repeated questioning at committee. I didn't have a lot of time to prepare for this, but I pulled up some of the evidence from that meeting and read his words, which are quite clear. I'll read a couple of passages to, I suppose, restate just how clear it was. Mr. Clark stated:

As you have already heard in testimony from Global Affairs officials, I had no role whatsoever in either deciding to sell the former residence or buying the new one. That was completely undertaken by the property bureau in Ottawa. I was not involved in the selection of the new property, its amenities, or its location. As you have heard, this project will return millions

Moving on, he said:

I was not involved in any way, shape or form in the decision to buy this new residence or sell the old residence.

Then Mr. Jowhari asked:

Did you at any time talk to anyone regarding a desire for relocation?

Mr. Clark said:

Never.

It was a one-word answer, "never." You can't get more unequivocal than that.

Turning back to the reporting that came out this morning, it's very clear that he was extremely involved in expressing concerns about the suitability of the old residence. "The current [consul general in New York, head of mission] expressed concerns regarding the completion of the kitchen and refurbishment project and indicated the unit was not suitable to be the [consul general's] accommodations," and that it "does not have an ideal floor plan for...representational activities."

That very well may be true. That may be a very valid thing, and it may be a valid thing for the consul general to express because, after all, he is tasked with doing a job. What he is essentially saying is that the tools that he's been given to do this job are, in his view, inadequate.

• (1245)

Is that an appropriate role for the consul general? I'm not sure, but that's what he said.

The real problem here is that he then came to committee and said that he had absolutely no role and that he had never expressed concerns about the old residence. I think it's a pretty stark and troubling revelation that someone of his stature and with his experience both as a journalist and as a diplomat would come before the committee and misrepresent and seemingly mislead the committee with regard to his role. I think that's something all Canadians should be concerned about. That's why I'll be supporting the Conservatives' motion to bring Mr. Clark back to committee to answer for the stark contrast between his remarks and the revelations contained in the documents that are now public.

I hope we can get to a vote on this before too long.

With that, Mr. Chair, I'll turn it back to you.

Thank you.

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

We'll go to Mrs. Block. Then we will have Mrs. Kusie, Mr. Brock and Mrs. Vignola.

**Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC):** Thank you very much, Chair.

I do want to follow up on Mr. Bachrach's comments and observations. I think they are spot on in that what is at issue here is the testimony of Mr. Clark and what Mr. Bachrach described as his "vehement" testimony. He's read the comments that were made by Mr. Clark when he attended this committee.

Then there's the testimony of Emily Nicholson. We can all remember her vehement testimony that the first email and the second email were not.... She was not backing off from her first email, but she was actually trying to insist that Mr. Clark had no part to play whatsoever and that he wasn't instrumental. Now we know, after seeing the information that was released through an ATIP, that in fact Tom Clark had notified Global Affairs that the previous official residence was not suitable and had expressed concerns over completing renovations.

We know that this information, which was received through an ATIP, contradicts what he told us on September 12. Again, I would have to echo my colleague's comments about vehement testimony.

In fact, if you will recall, my colleague, Mr. Brock, during his questioning, made a point of asking whether Mr. Clark had made any comments at all when he toured the new residence. We were led to believe or left with the impression that neither he nor the real estate agent said anything at all during that tour, which further speaks to the fact that we were misled by Mr. Clark and departmental officials in the testimony that they provided to this committee.

I want to encourage all members to see that this is what the issue is. Committee has been misled by witnesses on the facts around the decision to purchase this apartment and on what Mr. Clark's involvement was.

I want to encourage all members to stay focused on what this motion is actually calling for. I know you'd like to take us all back into the weeds of the history around the purchasing of this apartment, but what we are here discussing today is the fact that Mr. Clark misled this committee.

Thank you.

**The Chair:** Thank you.

I have Mr. Brock.

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

I intend on keeping my second intervention rather focused and brief.

I thank Mr. Bachrach and my colleague Mrs. Block for their comments. I will heartily agree with everything that was said.

In response to one of the Liberal members—I'm not sure exactly where this came from; it could have been Mr. Jowhari or Mr. Sousa—I want to remind members of several months ago when we had the selling and, I believe, the listing real estate agents from Manhattan who testified via Zoom. I was able to pull, through a very simple Google search, the actual listing of 550 Park Avenue, Unit 12E.

I want to read this into the record and I'll make some brief commentary. It says under the word "Description":

High Floor Golden Age Masterpiece

Introducing Unit 12E at 550 Park Avenue, a high-floor residence in one of Lenox Hill's premier pre-war co-ops. More images coming soon!

A perfect example of the grand Golden Age apartments of the 1920s, this J.E.R. Carpenter masterpiece is full of volume, scale, and ideal circulation. A great room with 11' ceilings and large windows that frame exposures to the north and east invite you into the heart of the home, while the adjacent dining room could comfortably host down a dinner of 18. Designed for hospitality, a commercial kitchen and butler's pantry are further complimented by direct access to a separate staff office and storage room, as well as the in-unit laundry. A den/library just off the entrance gallery, as well as a powder room, complete the northern wing. Along the southern corridor, four bedrooms, all with en-suite bathrooms and walk-in closets, and two with corner exposures offer privacy and comfort. With its high ceilings, large windows, herringbone walnut floors, and ample storage throughout, this residence offers the perfect framework for generation living and is truly a space to behold.

It's 3,800 square feet, 12 rooms, five bedrooms and four and a half bathrooms.

Now, according to Tom Clark, within two months of his post, this example I have just provided committee members wasn't suitable for hosting, let alone living.

I asked the listing agent whether or not, in his opinion, this description constituted a fixer-upper, because the government will have you believe that this unit required over \$2 million in renovations. No one has given us an itemized list of what needed to be renovated. No one has given us a cost projection. No one has given us any information, other than a GAC official who confirmed that it wasn't compliant in terms of wheelchair access to a bathroom. The entranceway needed to be widened. That is the only evidence this committee has heard of any so-called two million dollars' worth of renovations.

I wish to put that on the record, because clearly, there are more questions than there are answers, and the only way we can get to the bottom of Tom Clark's involvement, his true involvement, is to recall him with a full cross-examination.

Thank you, Chair.

• (1250)

**The Chair:** Thank you.

I have Mrs. Vignola and then Mr. Kusmierczyk.

[*Translation*]

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

We already had Mr. Clark before the committee for a few hours. It is indeed worrisome that he omitted information, lied or spread misinformation, regardless of the way we want to put it.

When it comes to the residence at 12E, 550 Park Avenue, keep in mind it wasn't simply a matter of widening the bathroom doorway to let a wheelchair or walker through. The water heater and electrical system, among other things, were also causing problems in that building, which was in fact built in 1917. So, the \$2.6 million in renovations went beyond simply widening doorways. Furthermore, in this area, the water heater often serves as a central heating system, because those residences are heated with hot water radiators. At least, that was the case at the time, and I suppose it still is. Of course, \$2.6 million is a lot of money.

Furthermore, I do not believe the consul was the only one to flag issues with the residence, given that the idea of renovating came up in 2014, when the apartment was 97 years old. It is now 107 years old, if I know how to count. So, I am not sure it is necessary to hold a two-hour meeting for us to simply be told they forgot to mention that the roof leaked, that the heating wasn't working, or that the electricity worked half the time and they were always afraid it might short out, for instance. I therefore suggest my colleagues cut down the length of the appearance to one hour or two rounds of questions. That would be more than enough, in my humble opinion, to determine if we were lied to and to obtain complementary information on the renovations deemed necessary in the apartment.

It's impressive when we read that the ceilings were 11 or 12 feet high. Before the Palace of Versailles was repaired, it was decrepit. Now, it is magnificent, because it has infinite ceilings. Some of the descriptions may seem unbelievable to us, because they make things seem inaccessible. In any case, I don't have the opportunity to live with 11, 12 or 13 foot ceilings and marble floors. I have a house from 1908 that needs so many repairs they would cost as much as the mortgage. That's not going to happen tomorrow.

So, obviously, it's impressive. But beyond a certain impressive description, there are bread-and-butter money issues too. We have to determine if it was in fact a piece of real estate that was problematic for receptions. Do we need two hours, or five or six rounds of questions, to determine that? If I may, I seriously doubt it.

I therefore suggest an amendment to the motion, so that Mr. Clark can attend for two rounds of questions rather than two hours.

• (1255)

[*English*]

**The Chair:** Just to clarify, the amendment would change it to one hour with two rounds, which is three interventions. Okay. The amendment would change it to one hour, similar to what we had this morning with the minister.

I'll start a speaking order on the amendment.

Mr. Brock.

**Mr. Larry Brock:** I'm in favour.

**The Chair:** This is the speaking order.

Does anyone wish to speak to it, or can we go right to a vote on the amendment? I'm seeing nods.

(Amendment agreed to)

**The Chair:** We're now back to the amended motion, which is basically the same, but changed to one hour.

I have Mr. Kusmierczyk, Mrs. Kusie and then Mr. Sousa.

**Mr. Irek Kusmierczyk:** Thank you, Mr. Chair.

Obviously, today is a big election day for our American friends and neighbours, so I think it's appropriate to quote former president Harry Truman, who addressed the Canadian Parliament in Ottawa on June 11, 1947. He said:

Canadian-American relations for many years did not develop spontaneously. The example of accord provided by our two countries did not come about merely through the happy circumstance of geography. It is compounded of one part proximity and nine parts good will and common sense.

The common sense has gone out of the Conservative Party when I look at the discussions we've had here around the table. This transaction is saving Canadian taxpayers \$7.4 million. Every year, the cost of the new residence will save Canadian taxpayers \$115,000 per month. Also, because we knew the old residence required major renovations, moving to the new residence saves taxpayers about \$2.6 million in renovations. Again, the new residence is smaller, is less expensive and saves taxpayers \$7.4 million.

In addition to that, the residence of the consul general, on average, hosts about 50 important meetings every two years. Not only is this new residence cheaper, saving taxpayers \$7.4 million, but it's more effective for hosting meetings, round tables, discussions and events. Furthermore, it is more accessible to more people.

In addition to saving taxpayers \$7.4 million, we've heard, from the very beginning, that the process was independent and rigorous. There were 21 properties appraised, and the residence that was selected was pretty much the least costly of all 21 properties that had been examined. A roughly 100-page analysis was conducted on the property by officials independent of any political elected officials.

The third and most important point, which goes back to President Truman's quote and the testimony we heard from Minister Joly today, is that this is an investment that strengthens the most important bilateral relationship Canada has, and that is the relationship with our friends and neighbours in the United States. That consular office nurtures and grows \$200 billion worth of trade between our two countries, including five U.S. states.

That's the impact it has. I mean, that is a huge number, but it's important to break it down, because that trade and that relationship impacts all of our communities. All the communities we represent around this table are impacted.

I look at my community in Windsor—Essex, and I look at the fact that we landed an EV battery plant that has already created 2,000 jobs for local Canadian workers who are building the plant and that will create 2,500 full-time, unionized, local jobs for local Canadian workers. Hundreds have already been hired and are being trained, as we speak, to build batteries. The first battery came off the line just two weeks ago. For the majority of those batteries, the destination will be factories in the United States.

• (1300)

We have, in Windsor—Essex, the largest tool and die sector cluster in all of North America. Again, where does 90% of what we manufacture go? It goes to the United States. It's our number one client and destination. Those are jobs that we're talking about. They are real people who rely upon us to strengthen relationships with our American partners.

What we're hearing from the Conservatives is that they want to do that relationship on the cheap and to underinvest in our relationship with the United States, which is exactly what they did, over and over, when they gutted the defence department. Five years of consecutive cuts—

• (1305)

**Mrs. Kelly Block:** I have a point of order.

**The Chair:** Excuse me, Mr. Kusmierczyk.

Mrs. Block, go ahead.

**Mrs. Kelly Block:** Mr. Chair, I would like to call relevance on Mr. Kusmierczyk's intervention. I believe we're to be discussing the amended motion at hand. I would just call relevance.

**The Chair:** Thanks.

Perhaps you could get to the motion at hand.

**Mr. Irek Kusmierczyk:** This is a pattern. What we've heard around this table is a pattern of the Conservatives underinvesting in the most important relationship that Canada has, and that's the relationship with the United States.

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

**The Chair:** Mr. Brock, go ahead.

**Mr. Larry Brock:** It's completely irrelevant to the motion at hand

**The Chair:** Come back to the motion.

**Mr. Irek Kusmierczyk:** The discussion that we've had around this table for weeks now on this issue, and which I've heard time and time again, is about the Conservatives wanting to underinvest—

**Mrs. Kelly Block:** I have a point of order, Chair.

**The Chair:** Mrs. Block, go ahead.

**Mrs. Kelly Block:** Again, it's on relevance. What does that have to do with the amended motion at hand?

**The Chair:** We always allow wide latitude, but please, Mr. Kusmierczyk, get to the motion.

**Mr. Irek Kusmierczyk:** We are talking about the purchase of a consulate residence in New York that is saving taxpayers \$7.4 million, a process that was independent and rigorous, and a consulate and a residence that is—as we heard from testimony after testimony—absolutely essential to the strengthening of the Canada-U.S. relationship. That is the relevance. That relationship may not be relevant to you, but it is certainly relevant to the residents in border communities like mine.

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

**The Chair:** Mr. Brock, go ahead.

**Mr. Larry Brock:** No one from the Conservative side and, in fact, anyone in this committee is challenging the importance of a relationship between Canada and the United States. It goes without saying.

It's not relevant, what my friend is saying now because he's not speaking at all about the necessity of recalling Tom Clark in light of contradictory evidence.

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

**Mr. Larry Brock:** That's why we need to hear from him.

**The Chair:** Mr. Kusmierczyk, I have to insist that you actually get to discussing the motion; otherwise, there are other people on the list, including Mr. Sousa, who, I'm sure, can.

**Mr. Irek Kusmierczyk:** Again, the importance is about an investment in consulate operations. That's the relevance. We're talking about investments in consulate operations that are vital to the U.S.-Canada relationship. That may not be relevant to my Conservative colleagues, but it sure as hell is to residents in my community, in Windsor—Essex, and border communities in Canada that rely on a strong U.S.-Canada relationship.

As I mentioned, 90% of what tool and die shops in my community manufacture goes to the United States.

**Mrs. Kelly Block:** I have a point of order, Chair.

**The Chair:** Mrs. Block, go ahead.

**Mrs. Kelly Block:** How long do we need to listen to a member who is not getting to the point with an amended motion on the table? How many times do members have to call relevance before he gets to the point?

**The Chair:** There are rules around this. I think it is three, but Mr. Kusmierczyk, I have to insist that you get to the motion. It's a very straightforward one. There are other people from your party, I'm sure, who can take up the baton if you're not able to address the motion, but if you could, please get to the specific motion.

• (1310)

**Mr. Irek Kusmierczyk:** My point is that we've had copious meetings on this issue.

The relevance of this is that the Conservatives are calling for additional extended meetings on this issue. The point that I'm trying to make is that the facts are abundantly clear. This transaction is saving Canadians \$7.4 million. The process is independent and rigorous, and it is strengthening investment in the consulate, strengthening U.S.-Canada relationships.

The reason I'm talking about my Conservative colleagues wanting to do foreign policy on the cheap, just like they wanted to do defence spending on the cheap with five years of defence cuts, is that we heard around this table from my Conservative colleagues that we should be locating our consulate in New Jersey.

**Mrs. Kelly Block:** I have a point of order.

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

**Mrs. Kelly Block:** The motion is about recalling a witness who misled this committee. I would ask that the member either get back

to that motion or, as you've suggested, hand it over to someone else. I'm calling relevance.

**The Chair:** Yes, thanks.

I think we've reached the point where you haven't got to that, so we will move to the next speaker, Mrs. Kusie, and then Mr. Sousa.

**Mr. Irek Kusmierczyk:** Mr. Chair, that is patently unfair. There have been—

**The Chair:** I can refer the issue to the clerk, who will rule on it. I understand we do—

**Mr. Taylor Bachrach:** Mr. Chair—

**The Chair:** —give wide latitude but we do reach a point where.... It's a very specific motion. Again, we do give wide latitude, but it's such a very specific motion that you haven't addressed, and I have five interventions.

**Mr. Taylor Bachrach:** Mr. Chair, on that point of order—

**The Chair:** Yes, Mr. Bachrach.

**Mr. Taylor Bachrach:** Could I just speak to the point of order and offer my brief thoughts?

**The Chair:** Yes.

**Mr. Taylor Bachrach:** My sense is that the argument my colleague Mr. Kusmierczyk is making is that the ends justify the means. I would suggest that it's relevant, if that is indeed the argument he's making.

The means, in this case, include misleading the committee, and that's the issue I have with how things have transpired. He's restating the importance of diplomatic relations and the importance of a new residence. He's basically saying that, no matter how we got here, it doesn't really matter because this is so important.

I would support allowing him to continue to speak, if that is indeed the argument he's making.

**The Chair:** Thanks.

We've reached a point where I've asked five times. I can ask the clerk to weigh in as well on the rules.

We'll allow you back on the speaking slot, but I've asked specifically five times.

We'll go to Mrs. Kusie and then to Mr. Sousa.

**Mrs. Stephanie Kusie:** I believe my Conservative colleagues covered my points, so I'll cede my time.

Thank you very much, Mr. Chair.

**The Chair:** Go ahead, Mr. Sousa, and then we have Mr. Bachrach.

**Mr. Charles Sousa:** Thank you, Mr. Chair.

There are a lot of deliberations being made over motivations of this transaction and the engagement of an individual who does not make the decision. That individual has made it clear that he was not involved in the transaction nor in the decision-making of this process.

Members opposite are making allegations that somehow, within a two-month period, that individual became consul general and was able to make a transaction that he said he didn't involve himself in. It's nothing that is new, given the testimony that this has been ongoing for decades now and that the property needed to be revamped or relocated. Consequently, a savings of \$7.4 million is being had in moving to a new residence at a lesser cost and providing more efficiencies.

Again, people can have opinions, but that doesn't make them decision-makers, and that's evident here. The consul general also confirmed that the decision is made by the experts and that they rely on the relative agencies and individuals involved in the respective agencies to fulfill their mandate to locate the proper properties and go through the transactions as necessary.

The saving on the property is paramount. It's critical, to the tune of \$7.4 million and \$2.6 million in renovations that do not have to be made as a result. The valuation of the property continues, because they still have the asset. The opposition is somehow conflating the issue that they need cash in hand, but the asset value exists, and the potential sale is going to net benefit Canadians in a big way.

The independence of this transaction has also been made clear. Many properties were reviewed. I believe over 21 properties were considered—

**The Chair:** Mr. Sousa, I have to interrupt you. I do apologize, but that is it for our resources.

The meeting is adjourned.

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