



REPORT ON THE

Main Estimates for the year ending March 31, 2024

Standing Senate Committee on National Finance

SIXTEENTH REPORT

The Honourable Percy Mockler, Chair
The Honourable Éric Forest, Deputy Chair
The Honourable Clément Gignac, Member of the Steering Committee
The Honourable Larry Smith, Member of the Steering Committee

March 2024

MEMBERS OF THE COMMITTEE

The Honourable Percy Mockler, Chair

The Honourable Éric Forest, Deputy-Chair

The Honourable Rosa Galvez

The Honourable Clément Gignac, Member of the Steering Committee

The Honourable Joan Kingston

The Honourable Tony Loffreda

The Honourable Jane MacAdam

The Honourable Elizabeth Marshall

The Honourable Kim Pate

The Honourable Krista Ross

The Honourable Larry W. Smith, Member of the Steering Committee

Ex-officio members:

The Honourable Marc Gold, P.C. (or Patti Laboucane-Benson) and the Honourable Donald Plett (or Yonah Martin)

Other Senators who participated in the study:

The Honourable Peter Boehm

The Honourable Patricia Bovey

The Honourable Andrew Cardozo

The Honourable Jean-Guy Dagenais

The Honourable Marty Deacon

The Honourable Pat Duncan

The Honourable Yonah Martin

The Honourable Lucie Moncion

The Honourable Iris Petten

The late Honourable Ian Shuggart, P.C.

The Honourable Yuen Pau Woo

The Honourable Hassan Yussuff

Parliamentary Information and Research Service, Library of Parliament:

André Léonard, Analyst

Shaowei Pu, Analyst

Committees Directorate:

Mireille K. Aubé, Clerk of the Committee

Tracy Amendola, Administrative Assistant of the Committee

ORDER OF REFERENCE

Extract from the *Journals of the Senate* of Tuesday, March 7, 2023:

With leave of the Senate,

The Honourable Senator Gagné moved, seconded by the Honourable Senator LaBoucane-Benson:

That the Standing Senate Committee on National Finance be authorized to examine and report upon the expenditures set out in the Main Estimates for the fiscal year ending March 31, 2024.

The question being put on the motion, it was adopted.

Interim Clerk of the Senate

Gérald Lafrenière

INTRODUCTION

The Standing Senate Committee on National Finance (the committee) has an important role to play on behalf of Parliament and Canadians in examining the federal government's spending plans, as outlined in the main and supplementary estimates. The committee reviews and presents reports on the government's proposed spending in order to examine whether it is reasonable, takes into account value-for-money, will be effective in achieving the government's objectives and allows parliamentarians to follow the money.

The *Main Estimates 2023–24* were tabled in the Senate on February 16, 2023. They provide information to support the federal government's request for Parliament's approval of spending to deliver programs and services during the fiscal year 2023–24. The Main Estimates for the year ending March 31, 2024 were referred to the committee on March 7, 2023. Since their tabling, two related appropriation bills were adopted.

Voted budgetary expenditures of \$198.2 billion were requested in the *Main Estimates 2023–24*, in addition to \$234.8 billion in statutory forecasts, for a total of \$432.9 billion in budgetary expenditures, which is an increase of 8.9% from the previous year's main estimates.

In order to examine the Main Estimates, the committee held 18 meetings and questioned officials of 37 organizations that were requesting total voted appropriations of approximately \$184.9 billion, which represents 93% of the total voted amount (budgetary and non-budgetary) requested. The committee also heard from the President of the Treasury Board, the Honourable Mona Fortier, and the Parliamentary Budget Officer, Yves Giroux.

This report presents observations on the most interesting or concerning topics discussed during the examination of the main estimates.

Further information about the committee's hearings can be found in the meeting transcripts, which are available on the committee's website: <https://sencanada.ca/en/committees/nffn/44-1>.

OBSERVATIONS

1. During its examination of the *Main Estimates 2023–24*, the committee heard from officials of federal government departments and agencies, who generally gave satisfactory answers to the committee members' questions. However, on several occasions, witnesses requested to provide the committee with a written response, as they were unable to provide an answer on the spot. Some written responses were not provided to the committee, others were delayed, and still others were imprecise or incomplete.

The committee wishes to remind government organizations that, when appearing before the committee, they should be represented by individuals who are best qualified to answer questions directly. If a response needs to be provided in writing, it should be complete, precise and provided by the deadline set by the committee chair. Without the necessary information, the committee cannot properly carry out its parliamentary function of scrutinizing government estimates, public accounts and reports of the Auditor General, and examining other matters relating to government finance.

2. In a context where federal organizations are asking parliamentarians to authorize increases in appropriations to operate programs, the committee expects to be able to determine the progress that has been made on achieving objectives related to the tangible results of these programs, measured with relevant indicators. However, on several occasions, officials were unable to adequately explain the progress made or to link the additional amounts requested to the achievement of measurable and specific objectives.

Federal organizations should systematically develop relevant performance indicators to make them more accountable to Parliament.

3. The committee believes that it can be very difficult to track the amounts spent on various budget measures, from the time they are announced in the federal budget to the time the amounts are requested in the estimates, then authorized in supply bills and reported in the public accounts. A striking example is the very substantial – albeit legitimate – amounts for Indigenous claims and the provision for contingent liabilities, which are not always broken down: it is difficult for parliamentarians to understand the details of the amounts requested and those reported in the public accounts.

Further efforts should be made to enable parliamentarians to better track budget spending. As well, the Public Accounts of Canada should be tabled more promptly, either by September 30 of each year, as described as an "advanced practice" by the International Monetary Fund¹, or by October 15, as recommended by the House of Commons Standing Committee on Public Accounts in 2022 "to align with the tabling date of some Canadian provinces and peers in the Organization for Economic Co-operation and Development."²

4. In the *Main Estimates 2023–24*, voted appropriations for budgetary items have increased by 8.9% over the previous year. Budgetary expenditures for statutory items are forecast to increase by 13.3%, including a 9.3% increase in the Canada Health Transfer. These increases are not related to COVID-19 pandemic spending, which was \$40 billion in 2021–2022 and \$7 billion in 2022–2023³. As well, the number of employees (full-time equivalents) rose from 368,165 in 2018–2019 to 431,698 in 2022–2023, an increase of 17.3% and an average annual growth rate of 4.3%⁴.

The committee understands the need for increased spending in certain areas such as health care and Indigenous claims. However, it is concerned about the significant overall increase in public spending and the size of the public service, especially in the current high-inflation environment. The federal government, together with its partners such as the provinces, territories and Indigenous communities, should put in place a long-term plan to ensure greater transparency regarding the outcomes of these investments. The same can be said regarding

¹ See International Monetary Fund, [Fiscal Transparency Handbook](#), April 16, 2018.

² House of Commons, Standing Committee on Public Accounts, [Public Accounts of Canada 2021](#), Twentieth Report, October 2022.

³ Government of Canada, "[Estimated Expenditures by COVID-19 Measure](#)," GC InfoBase, accessed February 13, 2024.

⁴ Government of Canada, "[Actual and Planned Full-Time Equivalents \(FTEs\) by Program : Government of Canada](#)," GC InfoBase, accessed February 13, 2024.

some existing expenditures whose effectiveness may warrant reviews in today's context, including tax benefits for the oil and gas industry.

5. Canada Mortgage and Housing Corporation (CMHC) officials were questioned about the lack of housing, especially affordable housing, and the resulting increase in housing prices.

This issue is of utmost concern to the committee. The committee expects greater efforts to be made to resolve this crisis as quickly and effectively as possible, in coordination with the provinces, territories and municipalities who play a leading role in determining affordable housing needs, financing social housing and urban planning. CMHC must also be consulted to a greater extent on all housing-related matters, including the determination of immigration targets.

6. Few details were provided on the \$15.4 billion spending review announced in the 2023 federal budget. The Parliamentary Budget Officer called on parliamentarians to provide advice and set criteria for the government so that it knows which benchmarks should guide it in its reviews.

The committee expects to be informed as decisions are considered so that it can provide its input. It also believes that such reviews should be carried out on an ongoing basis to optimize government spending.

7. The committee heard from Canada Revenue Agency (CRA) officials who, among other things, briefed on its audit work.

The committee supports the CRA in its efforts to recover amounts paid to ineligible COVID-19 program recipients; it also encourages the CRA to increase its efforts to combat tax evasion.

8. Fisheries and Oceans Canada officials indicated that funding may be available to respond to issues such as declining shrimp stocks in the Gulf of St. Lawrence.

The committee believes that Fisheries and Oceans Canada should consider providing seafood workers affected by the decline in shrimp stocks with transitional measures such as licence buybacks, or other measures such as a larger share of redfish quotas reserved for struggling shrimpers.

APPENDIX – WITNESSES WHO APPEARED BEFORE THE COMMITTEE

Agriculture and Agri-Food Canada:

Marie-Claude Guérard, Assistant Deputy Minister, Corporate Management Branch;
Shawn Audette, Director General, Finance and Resource Management Services;
Liz Foster, Assistant Deputy Minister, Programs Branch;
Steven Jurgutis, Director General, Policy, Planning and Integration Directorate.
(08-11-2023)

Canada Border Services Agency:

Jonathan Moor, Vice-President, Financial and Corporate Management Branch;
Bradley Bélanger, Director General, Transformation, Planning and Integration, Intelligence and Enforcement Branch.
(31-10-2023)

Canada Mortgage and Housing Corporation:

Paul Mason, Senior Vice-President, Client Solutions;
Andre Charbonneau, Deputy Chief Financial Officer.
(22-03-2023)

Lisa Williams, Senior Vice-President, Housing Programs;
Bob Dugan, Chief Economist;
Andre Charbonneau, Deputy Chief Financial Officer.
(26-09-2023)

Canadian Coast Guard:

Andy Smith, Deputy Commissioner, Shipbuilding and Materiel.
(08-11-2023)

Canadian Heritage:

David Dendooven, Assistant Deputy Minister, Strategic Policy, Planning and Corporate Affairs;
Éric Doiron, Chief Financial Officer;
Joëlle Montminy, Senior Assistant Deputy Minister, Cultural Affairs;
Terence Stechysin, Director, Trade Negotiations and Investments.
(25-04-2023)

Canadian Institute of Health Research:

Tammy Clifford, Acting President;
Jimmy Fecteau, Chief Financial Officer.
(07-11-2023)

Correctional Service Canada:

Tony Matson, Assistant Commissioner, Corporate Services;
France Gratton, Assistant Commissioner, Correctional Operations and Programs;
Jay Pyke, Acting Senior Deputy Commissioner.
(31-10-2023)

Crown-Indigenous Relations and Northern Affairs Canada:

Véronique Côté, Director General, Planning and Resource Management, Chief Finances, Results and Delivery Office Sector;

Eric Marion, Director General, Fiscal Branch, Treaties and Aboriginal Government;

Garima Dwivedi, Assistant Deputy Minister, Resolutions & Partnerships;

Bruno Steinke, Senior Director, Consultation and Accommodation Unit Directorate;

Wayne Walsh, Director General, Northern Strategic Policy Branch;

François Weldon, Director General, Indigenous and External Relations Branch, Policy and Strategic Direction.

(29-03-2023)

Darlene Bess, Chief Finances, Results and Delivery Officer;

Heather McLean, Assistant Deputy Minister, Implementation Sector;

Eric Marion, Director General, Treaties and Aboriginal Government;

Stefan Matiation, Director General, Resolution and Partnerships;

Kate Ledgerwood, Director General, Policy and Strategic Direction;

Joshua Rose, Director, Northern Affairs Organization.

(27-09-2023)

Department of National Defence and the Canadian Armed Forces:

Cheri Crosby, Assistant Deputy Minister (Finance) and Chief Financial Officer;

Troy Crosby, Assistant Deputy Minister (Materiel);

Major-General Blaise Frawley, Deputy Vice Chief of the Defence Staff;

Major-General Simon Bernard, Director General Military Personnel – Strategic.

(19-04-2023)

Employment and Social Development Canada:

Karen Robertson, Chief Financial Officer and Senior Assistant Deputy Minister;

Brian Leonard, Acting Director General, Corporate Financial Planning and Deputy Financial Officer;

Annik Casey, Director General, Employment Insurance Benefits Processing, Benefits and Integrated Services Branch;

Catherine Demers, Associate Assistant Deputy Minister, Skills and Employment Branch;

Catherine Adam, Senior Assistant Deputy Minister, Strategic and Service Policy Branch;

Christine McDowell, Assistant Deputy Minister, Citizen Service Branch (by videoconference);

Nisa Tummon, Assistant Deputy Minister, Program Operations Branch;

Karen Hall, Associate Assistant Deputy Minister, Income Security and Social Development Branch;

Atiq Rahman, Assistant Deputy Minister, Learning Branch;

Elisha Ram, Senior Assistant Deputy Minister, Income Security and Social Development Branch;

Mary Crescenzi, Assistant Deputy Minister, Integrity Services Branch (by videoconference);

Michael MacPhee, Assistant Deputy Minister, Temporary Foreign Workers Program;

Helen Smiley, Director General, Strategy Partnerships, Skills and Employment Branch.

(21-03-2023)

Environment and Climate Change Canada:

Linda Drainville, Assistant Deputy Minister and Chief Financial Officer, Corporate Services and Finance Branch;

John Moffet, Assistant Deputy Minister, Environmental Protection Branch;

Tara Shannon, Assistant Deputy Minister, Canadian Wildlife Service;

Sandra McCardell, Assistant Deputy Minister, International Affairs Branch;
Jesse Fleming, Director General, Programs Directorate, Climate Change Branch.
(01-11-2023)

Fisheries and Oceans Canada:

Richard Goodyear, Assistant Deputy Minister and Chief Financial Officer;
Kate Ladell, Director General, Ecosystems Management;
Adam Burns, Assistant Deputy Minister, Programs Sector.
(08-11-2023)

Global Affairs Canada:

Anick Ouellette, Assistant Deputy Minister and Chief Financial Officer;
Annie Boyer, Director General, Financial Planning and Management and Deputy Chief Financial Officer;
Kati Csaba, Executive Director, Ukraine Bureau;
Weldon Epp, Assistant Deputy Minister, Indo-Pacific;
Andrew Smith, Director General, International Assistance Policy;
Glen Linder, Director General, North America;
Geneviève Brown, Executive Director, Climate Finance.
(28-03-2023)

Health Canada:

Serena Francis, Chief Financial Officer;
Jocelyne Voisin, Assistant Deputy Minister, Strategic Policy Branch;
Jennifer Saxe, Associate Assistant Deputy Minister, Cannabis and Controlled Substances Branch;
Brigitte Lucke, Director General, Policy, Planning and Integration Directorate, Healthy Environments and Consumer Safety Branch;
Daniel MacDonald, Director General, Drugs for Rare Diseases, Strategic Policy Branch;
Lindy Van Amburg, Director General, Policy and Programs, Oral Health Branch;
Ed Morgan, Director General, Policy, Planning and International Affairs Directorate, Health Products and Food Branch.
(25-10-2023)

Immigration, Refugees and Citizenship Canada:

Nathalie Manseau, Assistant Deputy Minister and Chief Financial Officer;
Soyoung Park, Assistant Deputy Minister, Asylum and Refugee Resettlement.
(31-10-2023)

Indigenous Services Canada:

Philippe Thompson, Chief Finances, Results and Delivery Officer;
Keith Conn, Assistant Deputy Minister, First Nations and Inuit Health Branch;
Kelley Blanchette, Assistant Deputy Minister, Lands and Economic Development;
Sylvain Souigny, Acting Assistant Deputy Minister, Regional Operations;
Ian Kenney, Acting Assistant Deputy Minister, Education and Social Development Programs and Partnership Sector;
Lisa Legault, Senior Director, Children and Families Directorate.
(29-03-2023)

Philippe Thompson, Chief Financial, Results and Delivery Officer;
 Paula Hadden-Jokiel, Associate Assistant Deputy Minister, Regional Operations Sector;
 Danielle White, Assistant Deputy Minister, Strategic Policy and Partnerships Sector;
 Marc Sanderson, Assistant Deputy Minister, Education and Social Development Programs and Partnerships;
 Lisa Legault, Director General, First Nations Children and Families Program and Partnership Branch;
 Valerie Gideon, Associate Deputy Minister;
 Jessica Sultan, Director General, Economic Policy Development (by videoconference).
(27-09-2023)

Infrastructure Canada:

Michelle Baron, Acting Assistant Deputy Minister and Chief Financial Officer, Corporate Services;
 Glenn Campbell, Senior Assistant Deputy Minister, Investment, Partnerships and Innovation;
 Janet Goulding, Assistant Deputy Minister, Community Policy and Programs Branch;
 Gerard Peets, Assistant Deputy Minister, Policy and Results;
 Alison O'Leary, Senior Assistant Deputy Minister, Communities and Infrastructure Programs Branch.
(22-03-2023)

Michelle Baron, Assistant Deputy Minister and Chief Financial Officer, Corporate Services;
 Alison O'Leary, Senior Assistant Deputy Minister, Communities and Infrastructure Programs Branch;
 Janet Goulding, Senior Assistant Deputy Minister, Community Policy and Programs Branch;
 Marco Presutti, Assistant Deputy Minister, Investment, Partnerships and Innovation;
 Gerard Peets, Assistant Deputy Minister, Policy and Results.
(27-09-2023)

Innovation, Science and Economic Development Canada:

Douglas McConnachie, Assistant Deputy Minister and Chief Financial Officer, Corporate Management Sector;
 Mark Schaan, Senior Assistant Deputy Minister, Strategic and Innovation Policy Sector;
 John Fox, Director General, Strategic Innovation Fund;
 Vien Huynh-Lee, Director, Strategic Program Management, Strategic Innovation Fund.
(22-03-2023)

James Burns, Senior Director, Policy and Outreach, Investment Review Division;
 Jean-Philippe Lapointe, Director General, Business Development and Strategy, Strategic Innovation Fund.
(25-04-2023)

National Capital Commission:

Véronique de Passillé, Vice-President, Public, Legal and Corporate Affairs;
 Tania Kingsberry, Vice-President of Corporate Services and Chief Financial Officer;
 James Yang, Director, Strategic Planning;
 Alain LeQuéré, Chief, Financial Management.
(08-11-2023)

National Research Council Canada:

Dale MacMillan, Vice-President, Corporate Services and Chief Financial Officer;
 Marcel Turcot, Director General, Policy, Strategy and Performance.
(07-11-2023)

Natural Resources Canada:

Glenn Hargrove, Assistant Deputy Minister, Canadian Forest Service;
 Erin O'Brien, Assistant Deputy Minister, Fuels Sector;
 Drew Leyburne, Assistant Deputy Minister, Energy Efficiency and Technology Sector;
 Kimberley Zinck, Acting Assistant Deputy Minister, Nòkwewashk;
 Christina Paradiso, Director General, Energy Policy Branch;
 Grace Chennette, Deputy Chief Financial Officer, Corporate Management and Services Sector.
(01-11-2023)

Natural Sciences and Engineering Research Council of Canada:

Manal Bahubeshi, Vice-President, Research Partnerships;
 Marc Fortin, Vice-President, Research Grants and Scholarships;
 Dominique Osterrath, Chief Financial Officer and Vice-President, Common Administrative
 Services Directorate.
(07-11-2023)

Office of the Parliamentary Budget Officer:

Yves Giroux, Parliamentary Budget Officer;
 Robert Behrend, Director, Fiscal Analysis;
 Kaitlyn Vanderwees, Analyst.
(18-04-2023)

Parks Canada:

Catherine Blanchard, Vice-President Finance;
 Jewel Cunningham, Vice-President Strategic Policy and Planning;
 Andrew Campbell, Senior Vice-President, Operations;
 David Millar, Vice-President Real Property and Assets.
(01-11-2023)

Public Safety Canada:

Patrick Amyot, Assistant Deputy Minister, Chief Financial Officer and Chief Security Officer;
 Sebastien Aubertin-Giguere, Assistant Deputy Minister, National and Cyber Security Branch;
 John McKinley, Comptroller and Deputy Chief Financial Officer;
 Robert Burley, Executive Director, Canada Centre for Community Engagement & Prevention of
 Violence;
 Greg Kenney, Assistant Deputy Minister, Firearms Program;
 Doug May, Senior Director, Programs, Emergency Management and Programs Branch;
 Craig Oldham, Director General, Program Development and Intergovernmental Affairs
 Directorate;
 Chris Moran, Assistant Deputy Minister, Indigenous Secretariat.
(19-04-2023)

Public Services and Procurement Canada:

Wojciech (Wojo) Zielonka, Assistant Deputy Minister and Chief Financial Officer;
 Alain Lagacé, Director General, Budget, Cost and Investment Management.
(04-10-2023)

Royal Canadian Mounted Police:

Samantha Hazen, Chief Financial Officer;
 Bryan Larkin, Deputy Commissioner, Specialized Policing Services.
(19-04-2023)

Shared Services Canada:

Scott Jones, President;
 Scott Davis, Assistant Deputy Minister and Chief Financial Officer.
(08-11-2023)

Social Sciences and Humanities Research Council of Canada:

Ted Hewitt, President (by videoconference);
 Dominique Osterrath, Chief Financial Officer and Vice-President, Common Administrative Services Directorate;
 Valérie La Traverse, Vice-President, Corporate Affairs.
(07-11-2023)

Statistics Canada:

Kathleen Mitchell, Assistant Chief Statistician and Chief Financial Officer, Corporate Strategy and Management;
 Martin Chapman, Acting Director General, Finance, Planning and Procurement.
(31-10-2023)

Transport Canada:

Ryan Pilgrim, Chief Financial Officer and Assistant Deputy Minister, Corporate Services;
 Stephanie Hebert, Assistant Deputy Minister, Programs;
 Serge Bijimine, Assistant Deputy Minister, Policy;
 Lisa Setlakwe, Assistant Deputy Minister, Safety and Security;
 Martin McKay, Acting Director General, Centre of Excellence on Strategic Investments.
(21-03-2023)

Treasury Board of Canada Secretariat:

Annie Boudreau, Assistant Secretary, Expenditure Management Sector;
 Karen Cahill, Assistant Secretary and Chief Financial Officer (by videoconference);
 Monia Lahaie, Assistant Comptroller General, Financial Management Sector;
 Samantha Tattersall, Assistant Comptroller General, Acquired Services and Assets Sector;
 Paul Wagner, Assistant Deputy Minister, Strategy and Transformation;
 Jean-François Fleury, Assistant Deputy Minister, Research, Planning and Renewal;
 Mireille Laroche, Assistant Deputy Minister, People and Culture, Office of the Chief Human Resources Officer;
 Rod Greenough, Executive Director, Expenditure Strategies and Estimates.
(21-03-2023)

The Honourable Mona Fortier, P.C., M.P., President of the Treasury Board;
 Annie Boudreau, Assistant Secretary, Expenditure Management Sector;
 Karen Cahill, Assistant Secretary and Chief Financial Officer;
 Samantha Tattersall, Assistant Comptroller General, Acquired Services and Assets Sector;
 Mania Lahaie, Assistant Comptroller General, Financial Management Sector;
 Stephen Burt, Chief Data Officer of Canada;
 Jean-François Fleury, Assistant Deputy Minister, Research, Planning and Renewal;
 Mireille Laroche, Assistant Deputy Minister, People and Culture, Office of the Chief Human
 Resources Officer;
 Rod Greenough, Executive Director, Expenditure Strategies and Estimates.

(03-05-2023)

Rod Greenough, Executive Director, Expenditure Strategies and Estimates;
 Jean-François Fleury, Senior Assistant Deputy Minister, Strategic Directions and Digital
 Solutions.

(04-10-2023)

Veterans Affairs Canada:

Steven Harris, Assistant Deputy Minister, Service Delivery Branch;
 Jonathan Adams, Acting Director General and Acting Chief Financial Officer, Finance

(28-03-2023)

VIA High Frequency Rail Inc.:

Marc-Olivier Ranger, Corporate Secretary and interim Chief Executive Officer;
 Tom Roberts, Chief Financial Officer.

(25-04-2023)

VIA Rail Canada:

Marie-Claude Cardin, Chief Financial Officer;
 Danielle Boisvert, Vice President and Corporate Controller;
 Philippe Cannon, Senior Director, Public Affairs and Government Relations.

(25-04-2023)