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• (1100)

[English]

The Chair (Kelly McCauley (Edmonton West, CPC)): Good morning, everyone.

Welcome to meeting number 38 of the House of Commons Standing Committee on Government Operations and Estimates.

Before we start, I'd like to welcome two new members of OGGO.

Ms. Martin, welcome to OGGO.

Mr. Danko is apparently virtual. Welcome, Mr. Danko.

We were going to choose a vice-chair today, as Ms. Khalid has moved on to the justice committee, but we will delay that until next Tuesday.

We have a different set-up today, because we have three different sessions. We're going to start with the PCO. When we're done with them, we're going to suspend very briefly to bring in our final witness on the CER study. For that, we will have shorter turns: a five-minute opening statement, and then three five-minute interventions. Then we'll suspend briefly again to welcome our new PBO and go back to a regular rotation of six-, five- and five-minute turns.

Mr. Shea, welcome back.

The floor is yours for five minutes.

Matthew Shea (Chief Financial Officer, Privy Council Office): Thank you, Mr. Chair and members of the committee.

My name is Matthew Shea, and I'm the chief financial officer for the Privy Council Office.

I'm accompanied today by Louise Baird, vice-president at the Major Projects Office; Connie Rivet, our deputy chief financial officer; and Dante Fracassi, director general of human resources.

Thank you for inviting us to speak with you.

[Translation]

I'm pleased to be here today representing the PCO for the review of our main estimates.

[English]

PCO is committed to serving Canada and Canadians. We provide professional, non-partisan advice and support to the Prime Minister and ministers within his portfolio, as well as to the Clerk of the Privy Council, who is head of the public service of Canada.

In addition, we help to support the effective operation of cabinet on matters of national and international importance; the implementation of the government's agenda; the fostering of a high-performance and accountable public service; and the full spectrum of policy, communications, budget and legislative priorities for the Prime Minister, cabinet and cabinet committees.

Given the rapid changes happening in Canada and around the world, the Prime Minister and the clerk have asked the public service to respond with speed and efficiency. PCO continues to adapt to this environment. We pivot to new priorities when required, and we understand that how we do our work, as well as how we think about our work, need to be updated as situations evolve.

[Translation]

To give a brief overview of the 2026-27 main estimates, the PCO requested \$252.3 million in total to fulfill its core responsibility of serving the Prime Minister and cabinet and to support its internal services.

[English]

This is a decrease of \$25.9 million from the amount sought in the 2025-26 main estimates. There are several reasons for this decrease, including the sunset of time-limited funding for various initiatives, such as the candidate security services related to the 2025 general election; the ending of initiatives such as clean growth, public lands and housing at PCO, transitioning out of the department's funding portfolio; and implementing the permanent reductions for the current fiscal year under the comprehensive expenditure review.

This is partially offset by an increase in authorities to support the building of the Major Projects Office, MPO, which partially offsets our financial decreases. The MPO serves as the single federal point of leadership to coordinate the regulatory process and other key elements of major, nation-building projects that are referred to the office. This investment means that PCO can manage a portfolio of active projects, even as we work to lower the net spending profile across our internal and corporate service lines.

• (1105)

[*Translation*]

Mr. Chair and committee members, thank you for giving us the opportunity to provide this context. We look forward to answering your questions now.

[*English*]

The Chair: Thank you, Mr. Shea.

We'll start with Mrs. Block, for six minutes.

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

Thank you to our witnesses for joining us today.

I know we're here to talk about the main estimates, which include some interesting numbers. They're covering a lot of different departments.

[*Translation*]

Marie-Hélène Gaudreau (Laurentides—Labelle, BQ): Mr. Chair, I have a point of order. I can't hear the interpretation.

[*English*]

The Chair: We'll start from the beginning, Mrs. Block.

Kelly Block: Welcome here.

How many employees do you have assigned to marketing, communications and research? I'm just looking for a number.

Matthew Shea: I don't have that granular level of detail. Our total communications team has about 100 FTEs.

Kelly Block: Last year, how much did you spend on external contractors or services for marketing, communications or research?

Matthew Shea: I will see if we have that number. I know we have the number for professional services. I'll see if we have the exact number for research.

Kelly Block: Perhaps I could help you out. According to ATIP records, the amount spent on those services is approaching \$6 million, despite your having more than 300 employees doing that same work.

Do you have an issue with these numbers I've presented?

Matthew Shea: I can't refer to the specific ATIP request that you have referred to, but we spend money on government.... Are you talking about government advertising or market research right now?

Kelly Block: Marketing, communications and research.

Matthew Shea: We spend money on government advertising. Advertising enables the Government of Canada to communicate with Canadians about the government's priorities and policies and to provide them with information about what program services and important issues affect them.

As part of this, we, as the PCO, received funding last year of \$3 million in supplementary estimates (B) and \$4.5 million in supplementary estimates (C). These were related to the choose Canada advertising campaign, the Build Canada Homes campaign and the safer communities campaign, and an additional amount for choose Canada.

I don't know if that partially answers your question. I believe that probably aligns with the ATIP, depending on the timing of that particular access to information request.

Kelly Block: The access to information request I cited was obtained by the Canadian Taxpayers Federation, which raises concerns about spending practices within the Privy Council Office.

Why are you paying so much for external consultants when you have a huge workforce already doing this kind of work?

Matthew Shea: When we use external consultants for this type of work, it's to bring in capacity that we don't necessarily have and to give a level of independence.

If it's market research and polling of Canadians, as you can appreciate, we would not necessarily want government employees calling Canadians and seeking to do polls. We want to have a level of independence in the work that is done there, so we'd use external polling companies in that particular case.

Kelly Block: One specific example I want to question you about is a contract with EssenceMediacom that you spent \$4.8 million on. According to the contract you issued, you were seeking advice from an advertising agency related to our free trade agreements.

Why are you, as the Privy Council Office, paying a marketing agency for this kind of advice?

Matthew Shea: While I would like to respond to all questions from this committee, we may have to return on specific contracts for specific deliverables, as I don't have information on every single contract we've done at the PCO.

Kelly Block: What I would ask you to do then, please, is provide in writing to this committee the advice that was requested from the company and the service that was received.

I guess I should ask if you agree to do so.

Matthew Shea: We always agree to provide anything the committee asks of us.

Kelly Block: Thank you. You nodded, but I didn't hear a response.

Has the PCO ever paid external consultants for marketing advice that has been used by the government to communicate with Canadians?

• (1110)

Matthew Shea: Again, I don't work in the communications area, so I can't say exactly what it's used for. However, yes, I believe in general that if we get advice that comes in about how to communicate with Canadians, that would be built into the communications programs that are used by the Privy Council Office or other departments.

Kelly Block: Again, will you submit a table that includes the ads or communications you have used and a copy of the contract you had in place to obtain the advice?

Matthew Shea: I don't know if there's one specific contract. What I will commit to is endeavouring to provide something along those lines. I don't know if there's a specific table that tracks it to that granular level, but I will ask our communications colleagues whether one does.

Kelly Block: You may have mentioned this in your opening remarks, but I will admit I was reviewing some information in preparation for my questions. Did you describe the mandate of the Privy Council Office to this committee in your opening remarks?

Matthew Shea: I did, but I'm happy to say it again if you'd like me to.

Kelly Block: Sure.

Matthew Shea: Our mandate is to provide the effective operation of cabinet on issues of national importance. I apologize. Our mandate is professional, non-partisan advice to support the Prime Minister and ministers within his portfolio, as well as the Clerk of the Privy Council, who leads the public service.

Kelly Block: Thank you very much for that.

The Chair: Thank you, Mrs. Block.

Mr. Gasparro, you have six minutes.

Vince Gasparro (Eglinton—Lawrence, Lib.): Thank you, Chair.

Thank you all for being here and thank you for your service.

Over the past year, Canadians have navigated a rapidly changing and fragmented global economic environment. The Canadian government is focused on trying to control areas of the economy where we can have greater impact. Part of that includes the Major Projects Office.

Can you explain to Canadians what function that organization will fill?

Louise Baird (Vice President, Major Projects Office, Privy Council Office): The Major Projects Office was created to help fast-track or accelerate significant major projects in the country that can have economic benefits for Canada and Canadians. The role we play is as a single window for project proponents, and we can coordinate with other departments and agencies across the federal system.

We're not a regulator ourselves, but we can coordinate with the regulators and help streamline project approvals or any outstanding authorizations or permits from those different departments. We can also help project proponents structure their financing. We can help them be more attractive for private sector investment and work with Crown corporations, if there are different types of financing support required.

A lot of our role is coordination, working directly with the proponents and then clearing the path where there are any kinds of barriers for those projects to be successful.

Vince Gasparro: That's great. Thank you for that.

As a former banker, I think the answer to this next question is pretty obvious. Can you briefly touch on how providing that certainty to investors is critical in attracting capital? You touched on it a bit, but if you could expand on it, I'd appreciate it.

Louise Baird: If potential investors and companies that want to set up in Canada see that there's a more certain investment climate, it helps spur that investment, that interest and that ability for companies to get set up and run in Canada. I think we've already seen some of that in the last several months.

When we can streamline that approval process, which I think in the past has been a disincentive for investment in Canada, that's where some of that benefit is happening in making Canada a more attractive investment climate.

Vince Gasparro: In my home constituency of Eglinton—Lawrence, many folks have mentioned to me, and I've seen myself, that it just takes too long to get things built here in Canada. At the same time, Canadians want to be confident that environmental protections and charter-protected indigenous rights are being upheld.

Could you walk the committee through how the Major Projects Office and, in particular, Bill C-5 aim to address these concerns?

• (1115)

Louise Baird: Yes, I'm happy to.

First of all, I would say there are five factors in the Building Canada Act, which you mentioned, that guide the work of the Major Projects Office. When we're assessing projects, we're looking at the extent to which the project can “strengthen Canada’s autonomy, resilience and security”, “provide economic...benefits”, “advance the interests of Indigenous peoples”—that's built right into those five criteria—and “contribute to clean growth and to meeting Canada’s objectives with respect to climate change.”

If a project is referred by the government to the Major Projects Office, it doesn't mean it's skipping any regulatory approvals. Those environmental assessments and any permitting under departments, like the Department of Fisheries and Oceans, still go ahead. Those requirements and any laws still have to be fulfilled by any project proponent. We just help to try to move that along more quickly.

There's also a requirement under the act, if a project is being considered for designation to be listed in the act, to consult indigenous peoples if the project may impact their rights. That's built right into the act as well.

Vince Gasparro: That's excellent.

For 2026-27, what role will the PCO play in advancing our government's ambitious agenda, given your central function?

Matthew Shea: I'm not sure what you're talking about specifically. Major projects is one of those.

The Privy Council Office tries to oversee all government priorities through the functioning of cabinet and the coordination of departments. On any government priority, whether it's related to major projects or something else, the Privy Council Office will work to ensure that cabinet discussions support this, that DM committees are put in place to support those priorities and that there's up-to-date tracking of progress on those priorities for the Prime Minister.

Vince Gasparro: That's excellent. Thank you.

The Chair: You'll have one more round after this.

Madame Gaudreau.

[*Translation*]

Marie-Hélène Gaudreau: Thank you, Mr. Chair.

I just want one clarification. My colleague, Mr. Garon, asked a question. Unfortunately, we didn't receive an answer.

The sovereign wealth fund amounts to \$25 million over three years. I work in business. Business people ask me whether we can find out the purpose of this fund. I'm thinking of the Dutch disease. Where do things stand? How can we attract investment? What are the fund's specific objectives?

[*English*]

Matthew Shea: With apologies, this is not part of our main estimates and I do not have anything to share with the committee on the goals of that. I can endeavour to give something to the committee, but I do not have anything that's been provided for me.

[*Translation*]

Marie-Hélène Gaudreau: Can you ask the appropriate people to provide them?

Matthew Shea: Sorry. Could you repeat your question one more time?

Marie-Hélène Gaudreau: Could you request this information?

It's important.

Matthew Shea: Yes. I can definitely do that.

Marie-Hélène Gaudreau: Good. I would like this done as soon as possible.

Let me tell you. Not a week goes by without people coming into my office and asking me about the budget for the Governor General. I think that you can see what I'm getting at. Some people don't know it, but the budget earmarks \$22 million for the office of the Governor General.

People say that, these days, we're talking about budget cuts. We're trying to find direct services for the public. Veterans Affairs Canada, for example, is facing cuts of 15%. At the same time, we're wondering about the purpose and work of the Governor General, who doesn't even speak French. How do we justify investing in the office of the Governor General?

[*English*]

Matthew Shea: With respect to the committee, I'm here to discuss the main estimates for the Privy Council Office, not for the office of the Governor General, so I can't comment on the budget or the requirements of the Governor General.

What I can say is the government is seeking to reduce expenditures through the comprehensive expenditure review. The Privy Council Office has been part of that, so I'm happy to discuss what we are doing at the Privy Council Office to reduce our expenditures, but I can't really comment on other departments.

• (1120)

[*Translation*]

Marie-Hélène Gaudreau: I understand that you don't have any comments to make. However, I need to know. People are suffering. People are facing major issues. We're penny-pinching. Yet here we're talking about \$22 million. I want to know who could tell us where things stand and how to make potential cuts. The \$22 million isn't justified. I don't understand.

I have another question about the consultants. My colleague spoke about them. Is the government strengthening or weakening its internal capacity with all the restructuring and streamlining? We'll ask a witness about this later. What's happening?

[*English*]

Matthew Shea: On contracting, I won't comment government-wide, but I'm happy to talk about the Privy Council Office. We absolutely use professional services when necessary. We have reduced our professional services over the last decade to try to use employees when possible so that we're safeguarding corporate memory.

We're not paying for people to build us IT projects if we can do something in-house. We've certainly made efforts in that regard. When we did some of the analysis of the contracting, for example, with the big five—

[*Translation*]

Marie-Hélène Gaudreau: What have been the efforts? I would like to know.

[*English*]

Matthew Shea: The efforts have been that, as we have contracts come up for renewal, we make efforts not to renew them if we can do it in a different way. For example, certainly when I arrived at the Privy Council Office, we would use contracted individuals for project management. It's very common to do that in both the private and the public sectors.

Given that we've had a number of IT projects, we felt that it made more sense to hire a full-time equivalent, an employee, to do that. The benefit is that it's cheaper over time, but also, you're keeping that corporate memory—

[Translation]

Marie-Hélène Gaudreau: The Minister of Finance was asked why his budget speech cost a hefty \$14,000 to write.

Now, some public servants will be leaving. They will either leave through attrition or we'll strongly encourage them to leave. A number of public servants say that they will be coming back because they can bill the government. As they say, they will charge a lot.

Many public servants with expertise are underused. What are the goals for building skills in house?

[English]

Matthew Shea: Again, I can only focus on the Privy Council Office, and I'm happy to do that. Within the Privy Council Office, we are absolutely looking for those who are impacted.... What I'm hearing in your question is the concern about people who have been impacted by the comprehensive expenditure review. Our head of HR is here, and that was one of the reasons he came with us: in case we had questions on the expenditure review.

We have put a lot of supports in place for our employees, whether it's giving them retraining or whether it's giving them opportunities to alternate with other employees and we are very much supporting that. Our goal is to place people. I'm pleased to say that at the Privy Council Office, through voluntary departures that we've had, we were able to cancel a number of our processes where people who might potentially lose their jobs wanted to stay. In many cases, we've been able to find volunteers who wish to leave and take advantage of the workforce adjustment provisions.

We still do have some employees who are impacted and we're trying to support. I can tell you that in my own branch I have I believe nine employees who are in that situation of wanting to find work. I'm meeting with each of them individually and talking about their skill sets and their interests and seeing if we can try to make calls on their behalf to other departments, if we can look at new opportunities for them to gain skills.

Employees who are impacted and choose to stay have a year to find another job, with our assistance. During that year, they have to be given what's called "meaningful work". They can't keep doing the same work they were doing. One of the things we are trying to do is talk to those employees about what they would like to be doing in terms of gaining new skill sets.

Again, this week, I met with a number of people and talked about working in HR or working in Finance and giving them those opportunities—

[Translation]

Marie-Hélène Gaudreau: Listen to the witness who will talk about what happened in Quebec.

Mr. Chair, I'm worried. I don't like to sound the alarm. However, this situation is exactly what seems to be happening here. It upsets me. I just wanted to let you know.

Thank you.

[English]

The Chair: Thank you.

Mr. Patzer is next.

Jeremy Patzer (Swift Current—Grasslands—Kindersley, CPC): Thank you very much.

Ms. Baird, I'm going to spend a quick couple of seconds with you. These are going to be rapid-fire questions. Please forgive me if I seem a bit abrupt.

How many employees do you have at the Major Projects Office?

• (1125)

Louise Baird: We currently we have about 99.

Jeremy Patzer: Are you still hiring employees there?

Louise Baird: We have a kind of fluid work structure, where people come and go. They're there for determinate periods of time. As projects ramp up, somebody might go back to their home department, for example, if they're in the public service. It moves around. We're at about that. It fluctuates.

Jeremy Patzer: Do you have a fixed timeline for which your office is supposed to approve projects?

Louise Baird: Our office actually doesn't approve projects. We help support projects advance through those different things I mentioned earlier—regulatory approvals, working with other departments, financing, structuring—and then any approvals they have to get through different federal government authorizations. Those continue to happen.

Jeremy Patzer: Why were projects that already had a final business decision and already had approvals referred to your office?

Louise Baird: Some had partial approvals or were partially through an assessment. We helped to get them over the finish line.

Jeremy Patzer: Some have been on the website ever since pretty much day one and the status hasn't changed. Why is that?

Louise Baird: I believe—I would have to check with our communications people—there was an update to some of the material on the website in March or early April. I would have to check that.

Jeremy Patzer: Okay. Thank you.

I'm going to switch back to PCO really quickly.

You mentioned that you guys deal with a bit of advertising and marketing. Is that correct?

Matthew Shea: We deal with coordination of government advertising, yes.

Jeremy Patzer: Are you aware of the Treasury Board guidelines on advertising?

Matthew Shea: I'm aware of them. I'm not the one responsible for it at PCO, but I guarantee that our communication experts are.

Jeremy Patzer: I'm just going to read it quickly.

Government of Canada communications are non-partisan, effectively managed, well coordinated, clear and responsive to the diverse information needs of the public and Government of Canada employees

You mentioned that you are a non-partisan group. Is that correct?

Matthew Shea: That is correct.

Jeremy Patzer: Are you aware that the Liberal campaign tag line “Canada Strong” has been used in Government of Canada communications?

Matthew Shea: I'm not personally involved in government communications, so I can't comment on individual government communications lines.

Jeremy Patzer: Okay.

If coordination goes through PCO, would somebody have not flagged that you cannot use partisan communications language in Government of Canada documents?

Matthew Shea: I can only comment on the fact that we have a communications group that gives advice on that. I can't speak to what their advice would have been in this particular case, but they would have given advice, absolutely.

Jeremy Patzer: Are we not concerned, though, that somebody is breaking Treasury Board guidance by allowing partisan campaign language to be used in government documents?

Vince Gasparro: I'm sorry. I have a point of order, Chair.

The Chair: We have a point of order. I'll stop the clock.

Go ahead.

Vince Gasparro: The term “Canada Strong” is not necessarily a partisan term. To just start making this characterization is definitely a stretch, Chair.

The Chair: It is debate.

I will note that it was the campaign slogan, and the Treasury Board—I think it's in 3.1—specifically states that campaign slogans cannot be used in government communications.

It is debate, but I will correct you on that. The Liberal campaign slogan is “Canada Strong”, and it literally violates the Treasury Board rules. It specifically states that you cannot use slogans. We brought this up with Treasury Board. You cannot use slogans in government communications or advertising.

Vince Gasparro: Okay. However, saying that it....

I know we're getting into debate, but—

The Chair: It is debate.

We'll go back to Mr. Patzer.

Jeremy Patzer: Thank you very much.

I can pull up the Liberal website that says, “Canada Strong” right on it. If you look at the budget document, it says, “Canada Strong”. If you look at the Speech from the Throne, it says, “Canada Strong”. There are several TV ads that have run all across this country using the tag line “Canada Strong”.

Again, if PCO is non-partisan.... I understand that you are not directly responsible for communications and marketing, but you have to tell me and this committee—you have to reassure Canadians—that there is somebody in your department making sure partisan language is not being used in government communications. It vio-

lates the trust of Canadians, let alone the standards set by the Treasury Board.

Pauline Rochefort (Nipissing—Timiskaming, Lib.): Mr. Chair, I have a point of order.

The Chair: We have a point of order.

Go ahead.

Pauline Rochefort: The witness has answered the question, so—

The Chair: This is debate. It's the member's time.

Go ahead, Mr. Patzer.

Jeremy Patzer: That was the point of my question. There has to be somebody.

Is there not a—for lack of a better term—quality control person in PCO to make sure the rules are being upheld?

Matthew Shea: I will reiterate that we are a non-partisan organization. We provide non-partisan advice. Our communications team would absolutely provide advice on that.

From what I've heard in this committee, I think there may be different interpretations of that particular issue. I'm more than happy to bring this back to our communications folks, if you would like to have something back to the committee.

• (1130)

Jeremy Patzer: Sure. If you could respond back to this committee with that, it would be greatly appreciated. You can follow up with that.

I'm just going to read it one more time for everybody at home. It's section 3.1.1 of the policy on communications and federal identity.

Government of Canada communications are non-partisan, effectively managed, well coordinated, clear and responsive to the diverse information needs of the public and Government of Canada employees

If they're “effectively managed” and supposed to be non-partisan, the fact that this is partisan shows me that there's a coordinated effort. It's “effectively managed” to be partisan. I strongly advise your department, if it's non-partisan, to make sure this does not happen, going forward.

Thank you.

John-Paul Danko (Hamilton West—Ancaster—Dundas, Lib.): On a point of order, Chair, it's extremely unprofessional and inappropriate for a member—

The Chair: Mr. Danko, that's not a point of order. Thank you.

John-Paul Danko: It is a point of order because it's badgering the witness.

The Chair: No, it's not a point of order, Mr. Danko.

We will now go to Ms. Rochefort.

Pauline Rochefort: Thank you, Mr. Chair.

Thank you for being here this morning.

I have two questions.

I was delighted to learn that you use a GBA+ lens in the work you do at PCO. As parliamentary secretary for rural development, I am interested in knowing whether you also apply a rural lens in your work.

Matthew Shea: I apologize to the committee. I am the chief financial officer, so I'm not involved in individual parts of the department like that. We have a GBA+ team that looks over every memorandum to cabinet and government policy. I can certainly ask them if there's a specific rural lens built into it.

Certainly, the goal of the Privy Council Office is to ensure that every product that goes to cabinet or the Prime Minister has that fulsome government advice, educated by all parts of the government. One of the beauties of our cabinet discussions is that they include all ministers. We have a minister responsible for rural matters. Therefore, I would surmise that this person would give advice, in addition to anything the Privy Council Office does as part of its analysis.

Pauline Rochefort: It's good to know that there would be data and metrics involved in gauging the support for rural Canada.

I have another question related to rural Canada. It's an issue in northern Ontario. I want to frame the question more about how the information from within Canada flows through to the PCO. This question is also for the Major Projects Office, if I may.

In the north, Highways 11 and 17 not only are important to northern Ontario communities, but also are critical components of the trans-Canada network that supports national supply chains, economic growth and the development of critical minerals.

Recently, in Ontario, an NDP motion was unanimously supported by all government parties and was passed. It claimed that Highways 11 and 17 were critical to our national corridors. How would such information from various legislatures within Canada flow through to the PCO?

This also has significance from a national project perspective. How would it flow through to the Major Projects Office?

Matthew Shea: In general, we pull together information from across government departments. Many of them have direct relationships with individual provinces and territories, and even with municipalities in some cases. Within the Privy Council Office, we have an intergovernmental affairs team that works closely with all of the provinces and territories. I can say with confidence, because I'm in some of those meetings, that the people responsible for that would give updates on the legislation that's being passed in individual provinces and territories and the implications it may have on government policy. That lens is certainly there.

We also have regional development agencies that support the needs of individual parts of the country. When combined with, as I mentioned, robust cabinet discussions, where you have ministers from across the country, that helps to ensure that we have that lens.

My colleague may want to add a bit from an MPO perspective. She also benefits from having worked in the intergovernmental affairs world.

Pauline Rochefort: Thank you.

Louise Baird: Projects come to us, from wherever in the country, through the project proponents. We have an application spot on our website, where people can submit their applications. They are sometimes from the project proponents. Sometimes they're from indigenous groups or indigenous proponents who have an interest in the project. We certainly have conversations with our colleagues in Intergovernmental Affairs. Provinces sometimes provide their priorities, when it comes to projects, and part of our work does include engagement with provinces and territories. We get that different representation and input from those different places.

• (1135)

Pauline Rochefort: Thank you very much. I appreciate that.

Thank you.

The Chair: Thanks, Ms. Rochefort.

We'll go to Madame Gaudreau for two and a half minutes.

[*Translation*]

Marie-Hélène Gaudreau: I'll be quick.

First, Mr. Chair, I would like to remind you that we asked the deputy minister to give us the rules that define a government slogan versus a slogan used in an election campaign. We received a response two or three weeks later, and I checked. Seriously, let's face it. Changing a comma or a word after "Canada strong" is a stretch. I suspect that the communications team was instructed to use this as a template and to come up with a convoluted way to comply with the rules. That's what happened during the election campaign. I think that this is the message that sticks in people's minds. Just ask a neurolinguistic programming expert or marketing professionals. The rule should be reassessed because the message was clear. There was an onslaught of messages that could influence future voters to think "Canada strong". I'm absolutely flabbergasted.

I would like to talk about major projects. We've asked many questions and we haven't received any answers. I want to know who will sit on the board of directors and about the decision-making process. As a person responsible for the second opposition party, I want to ensure that the process is ethical and thorough. I'm worried that one project will be arbitrarily chosen over another. We've often seen Quebec get sidelined. So please give me all the reassurance that I need, because I'm really worried.

[*English*]

Louise Baird: Any project referred to us is referred from the government. We look at the applications we receive through the website that I mentioned. There's some assessment against the five factors in the act to see if they would be suitable, if they're at the right stage or if they would benefit from the services that MPO provides. Then we would provide a recommendation to the government. It's the government's decision whether or not to refer a project to the Major Projects Office.

[Translation]

Marie-Hélène Gaudreau: A summary assessment takes place first. However, the government still has the final say.

Louise Baird: Yes.

Marie-Hélène Gaudreau: Thank you, Mr. Chair.

[English]

The Chair: Thank you very much.

We'll say thank you to Mr. Shea and his team for being with us. Hopefully, it won't be two years before we see you back, although I'm sure you wish it were longer.

We will suspend for a few minutes.

• (1135) _____ (Pause) _____

• (1140)

The Chair: Welcome back, and thank you for your patience.

We welcome Professor Côté to OGGO.

I understand you have a five-minute opening statement.

The floor is yours. Please go ahead.

[Translation]

Louis Côté (Professor, As an Individual): I would like to say a few words to clarify the nature of my remarks.

I'm a professor at the École nationale d'administration publique. I've been interested in the evolution of state governance and administrative reforms for over 40 years. I've been monitoring developments in Quebec and carrying out empirical research on the topic. I've also done this abroad. I ran a centre for monitoring and comparative analysis at the international level. I have taught or consulted in around 30 member countries of the Organisation internationale de la Francophonie.

If you ask a politician to say a few hard-hitting lines in 30 seconds, they'll manage quite well. I believe that it's their job. However, if you ask a professor to explain a somewhat complex issue in five minutes, it goes against their nature. I'll try anyway.

I'll start by pointing out that the issue under consideration right now has been around for half a century. It didn't start yesterday. Specifically, it has existed since the mid-1970s, when governments were faced with a major structural economic crisis. Some neoliberals advocated for the withdrawal of the state. They believed that limiting government intervention would solve the crisis. We saw this in the United States and Great Britain, under Margaret Thatcher.

The plan was to deregulate the financial markets and labour market, privatize, increase subcontracting, cut social programs, and, of course, lower taxes to ensure that the government wouldn't recover those funds and start spending again. However, against the backdrop of globalization, this affected nearly all industrialized countries. These countries faced deindustrialization, falling real wages, increasingly precarious employment, diminished social protections, rising inequality, deteriorating infrastructure and the decline of public services.

However, the Anglo-American model wasn't adopted everywhere. In the Nordic countries, for example, governments have continued to support the development of the national economy and to provide a high level of social protection. Today, the Scandinavian countries continue to lead the pack in terms of gross domestic product per capita, quality of life, health, education and even happiness. There are now happiness indexes. So it seems that this approach can work.

At the international level, the neoliberal discourse has also done a great deal of damage in developing countries. They were advised to withdraw the state and to let the markets run wild. They were told that everything would work itself out. We saw that the major—or even minor—emerging countries, the tigers and dragons, didn't take off that way at first. On the contrary, these countries' economies took off as a result of government intervention by a strategic rather than a reactive government.

The fact remains that, for the past 50 years, all countries have been grappling with financial and budgetary challenges. That much is clear. It's also clear that people's expectations are much higher and that many more challenges and collective players are involved both at home and abroad. So governments are grappling with all this. They have tried to cope with the measures proposed by the new public management, which is useful and which has led to gains. However—as you can see in the document that I prepared—challenges and risks remain.

I'll give you a few examples of the challenges. We can decentralize the central government and create agencies that provide services and take action on an operational level. The risk—and it exists—lies in the separation of policy and program development from practice. The practice no longer provides input, so we end up with ill-suited policies and programs.

We could give a host of other examples. The infamous public-private partnerships in particular pose more than just a risk. They seemed like a good idea and some people took the plunge. These partnerships made it possible to draw on the private sector's expertise and money in order to give the public sector the ability to tackle a number of collective challenges. However, we've seen the results in some cases, particularly in Quebec, but also in other places. They have led to a loss of expertise in public services and to government dependence on the market. Unfortunately, they have also led to higher costs—obviously—along with shenanigans and abuse.

• (1145)

This brings me to my final point. The reforms inspired by the new public management approach have failed to reduce deficits or halt the debt process. On the one hand, successful reform requires us to keep adding funds, not cutting them. Reforms can't succeed without new resources. On the other hand, remember that successive economic and financial crises have forced governments to make major investments in order to stabilize financial markets and support strategic sectors, for example.

I'll take the last 30 seconds to remind you that public administration is a government's first tool. As a result, we shouldn't consider it a black box that we expect to deliver the maximum while we allocate the minimum. Today, we can and must draw on the lessons learned in the past 50 years. For example, we must stop making cuts that result in the government losing or undermining its ability to defend its sovereignty, to support the country's socio-economic development and to provide quality public services to both people and businesses.

I'll stop here.

[*English*]

The Chair: Thank you, Professor Côté. I can understand how difficult it is to try to get all of that in in a few minutes. I certainly appreciate the start of that discussion.

We'll start with Mr. Berthold for five minutes.

Welcome back to OGGO, sir.

[*Translation*]

Luc Berthold (Mégantic—L'Érable—Lotbinière, CPC): Thank you.

I'm pleased to be back with you all.

Good morning, Mr. Côté.

As I said, I found out that you were here when I arrived at the meeting. I really wanted to ask you a few questions. The summary of your paper is quite concise. Indeed, we can't cover an issue of this nature in five minutes.

In general, I don't agree with your findings. I think that you know this.

However, you raised some issues. How far should the government go into debt? How many services should be added? Where do we draw the line? Sooner or later, when we have a credit card with no spending limit, we keep racking up the charges. At some point, this produces the exact opposite effect of what you're saying. We'll just have a government and we won't have a country anymore. Where do we draw the line? When I listen to you, I'm honestly afraid that some politicians will decide to give everything to the people so that they just need to wait for the government to do everything for them.

Louis Côté: There are obvious limits. One of them is that you need to invest, and not just spend money on groceries, as people say. If you don't invest in education, your society will grow poorer. That's straightforward. If you don't invest in health, it will cost you a fortune in the long run. If you don't give yourself the tools to support the development of your national economy, you won't develop it.

In the long run, how do we generate more wealth? It isn't by running a country like an accountant. It's by investing intelligently. I agree that we shouldn't spend unnecessarily and that the budget isn't unlimited. That's obvious.

• (1150)

Luc Berthold: This is important. People might resonate with what you're saying.

You spoke about education. I think that everyone here agrees that we need to look after our young people and education. We also need to make sure that Canada performs well and trains the best researchers and all that. I think that we agree on this.

In terms of health care, we all agree that we need to do more, especially when it comes to mental health. This cause is close to my heart, Mr. Côté.

You spoke about economic development. There are two schools of thought on this. One school of thought says that, when the government gets too involved, things go wrong. We could give you a whole list of examples of this, but we don't have time for that either. I'm thinking of some bad government decisions—made with public money—that wound up being costly. There have been some recent examples in Quebec. However, I don't need to list them, since everyone knows about them.

That said, you haven't really answered my question. Where's the line between a government that manages everybody's business and a government that becomes everybody's mother? At what point do we disrupt that line?

Louis Côté: As far as I'm concerned, I think the welfare state is an important concept that has been established in many countries over the past 75 years. It's not a state that sees itself as a father or mother; it's a welfare state, in my view. So, I would tend to describe it that way.

As for public services, remember the mid-1990s, when the Canadian federal government decided it needed to balance the budget. How did it do that? It balanced the budget by cutting transfers to the provinces. What was the result? It led to problems in education and health care, among other areas. Of course, it is not the federal government itself that manages health care and education. You say we all agree. Perhaps everyone would have said the same thing in the 1990s, that education is important. However, the decisions that were made resulted in cuts to education.

It's not rocket science. You can't make significant cuts without there being consequences.

Luc Berthold: Obviously—

Louis Côté: However, I agree with you that we shouldn't go overboard either. Look at the Scandinavian countries compared to France.

Luc Berthold: I understand.

I just have one last question, and it's an important one. I'd appreciate it if you could answer it quickly.

Do you agree with me that there seems to be a disconnect between the political world, on the one hand, and public servants and government bureaucracy, on the other?

It seems that politicians have less and less confidence in the solutions. We're increasingly turning to outside experts. How do you explain that?

Louis Côté: I think it depends first and foremost on the states. There are some states where this is less pronounced.

Luc Berthold: We are talking about here.

Louis Côté: At certain points in the history of Canadian public administration as I know it, government officials saw themselves as possessing their own legitimacy. I think that may have played a role.

On the other hand, I remember hearing politicians say that if we operated like the United States, everything would be fine. Look at how that turned out. When you centralize all authority and bring your cronies into all the top levels of the government, we know how that turns out.

I think we need to strike a balance. It's up to elected officials to make decisions. However, they shouldn't interfere in day-to-day management, or else things will clearly go off the rails.

[*English*]

The Chair: Thank you, Professor Côté.

Mr. Danko, we'll go to you for five minutes.

Welcome to OGGO, Mr. Danko.

John-Paul Danko: Thank you so much, Chair.

Mr. Côté, I apologize that my questions are going to be in English. I'm not going to make you suffer through my terrible French. If I am speaking too quickly and the interpretation is not keeping up, please let me know, so I can slow down.

I'm not a politician. I'm an engineer who is currently in a political role. Before I was elected in the city of Hamilton, I was a consulting engineer for 20 years. From that perspective, I see the value that external consultants bring in specialty expertise. I worked mainly on public sector jobs that were very specialized. It wouldn't have been cost-effective, or effective in any way, to have that particular expertise in-house.

When I was elected to the public sector as a representative for Hamilton, I got to see first-hand the amazing work that the public service does on a daily basis. I am absolutely a big supporter of bringing in expertise in-house, where it makes sense, to build up that capacity in the public service, but it also has to be balanced with those specialty areas where you do need an external consultant. In the spring economic statement, we are proposing to reduce spending on external management and other consulting services by about 20% over the next five years.

How do we find the balance of when to use external experts versus when to build capacity in-house?

• (1155)

[*Translation*]

Louis Côté: It is indeed a challenge.

In a past life, I remember working on the relationship between in-house consultants and external consultants. I think we need to find a balance between the two. If you eliminate one of them, you're going to run into trouble. If there are no consultants, what I call internal consultants, whose status may be more or less clear, then there are no people whose expertise enables the government to avoid dependence on the private sector.

In the past, for example in Quebec, the issue came down to infrastructure and transportation. The ministry of transportation was

stripped of its engineers. I can tell you that the private sector took full advantage of this, and it led to some serious missteps. It's not a good idea.

That said, I'm not as knowledgeable—you can tell by the colour of my hair—about what comes next, but I can tell you one thing: with everything we're doing right now with digitization and all that it entails, can we really afford not to have any strong in-house expertise in this area?

Let's look at what's happening in Quebec right now, what happened with the Société de l'assurance automobile du Québec, and everything that seems to be happening in the health care sector. We're dealing with multinational corporations that are calling the shots. How can we control that? I think there's room for both, and we need to combine the two areas of expertise.

[*English*]

John-Paul Danko: Thank you.

You had a really interesting point, I thought, in your earlier answer about the difference between investments and spending. On a personal basis, if you think about your RRSPs, or investing in your home, your education or a business, you understand that these are investments because you have confidence that you're going to make a return on those investments. It's not seen as spending.

You also mentioned the need to have tools to develop a national economy. I think, a lot of the time, the difference between what we consider an investment and what we consider spending when it comes to public funding is perhaps more of an ideological outlook than a question of whether it is really an investment or spending. When we're talking about investing in major infrastructure projects, investing in building up the skilled trades or investing in Canadian businesses and developing the Canadian economy, we genuinely see that as an investment, leveraging new private investment and building the economy.

My question, through you, Chair—

The Chair: Mr. Danko, I'm afraid you're out of time. Can we get to the question really briefly? Maybe we can get a brief answer from Mr. Côté.

John-Paul Danko: I'm sorry. I wasn't keeping track of my time well. How do we better allow the public to understand what investment is?

The Chair: I apologize, Professor Côté. Can you offer a very brief response or perhaps respond in writing?

[*Translation*]

Louis Côté: I missed part of the question.

[*English*]

The Chair: Try the question again, Mr. Danko.

[*Translation*]

Louis Côté: What was the end of the question?

• (1200)

[English]

John-Paul Danko: How does the public understand what investment is when we're talking about public funding?

The Chair: I'm sorry. Be as brief as you can, if possible.

[Translation]

Louis Côté: Okay.

This was true not only of the industrialized countries that have performed well over the past 50 years, but also of the emerging economies we were discussing earlier. They gave themselves the necessary financial tools.

We could go on and on about Quebec. Let me remind you that in 1960, we were one of the most backward western societies in many respects because of our history, but let's not dwell on that. Today, we're doing well. We face the same challenges as everyone else, but we have our share of successes too.

What has been significant from an economic standpoint are the tools we've developed—particularly in the financial sector—such as Investissement Québec and the major union funds. That's quite something, unions creating an investment fund. I don't know of many examples of that in the world today. We've managed to build a whole ecosystem that secures investment, particularly from private banks. We need to equip ourselves with the right tools. If we don't have the tools to do this, it's all just wishful thinking. When we put tools like these in place—

[English]

The Chair: I apologize, Professor; I have to cut you off.

If there are any documents or research papers you want to provide that can answer that a bit better, please send them in.

Madame Gaudreau, go ahead, please.

[Translation]

Marie-Hélène Gaudreau: Thank you very much, Mr. Chair.

Mr. Côté, I feel like we're reliving the pandemic days when we were calling for an economic stabilizer, when we needed to help our struggling community. That's when the wage subsidies came in to effect. From our perspective, we saw just how beneficial they were, and we're still calling for them, not because we are still in a pandemic, but because we are in a geopolitical crisis.

Regarding everything you mentioned, on the one hand, I, too, am realizing that when we talk about the state as a strategist and the state as a firefighter—it's a bit of a downer this morning—democracy has its limits. Ultimately, they tell themselves that it's perfect, that they're helping taxpayers make ends meet by giving them handouts. Yes, it helps.

Earlier, we were talking about the slogans, which, seriously, are practically the same as during the campaign. We were also talking about the board of directors, and the fact that it was going to make its recommendations, but that ultimately, it's the government that will decide, since it has veto power.

Unfortunately, and I am the only one here who can say this because of my position within a political party that is not seeking to retain or seize power, I get the impression that this obstacle we face will mean that, on the eve of the election, people won't even want to look at the failures Quebec has experienced. You had a front-row seat to it.

I'd like to hear your thoughts on this. Where are we going with this right now?

Louis Côté: I'm going to use a few examples of what happened in Quebec.

We must remember that, in the mid-1990s, federal transfers were partially cut. The Quebec government had developed the practice of a fairly consensual approach with all social stakeholders. It was working well. People agreed that cutbacks were inevitable, except that the government was in a hurry. To reduce the payroll, it offered a voluntary departure program, saying that it was an open-door policy and that anyone who wanted to leave was free to do so.

The lessons we learned were that those who left were the ones we wanted to keep, and those we wanted to let go stayed. We lost out, we drained our expertise.

We have to remember what happened in the health care sector in Quebec, namely that we still have problems with nurses and doctors who date back to that era. We have to be careful about the mechanisms we put in place.

We want to support the public, but is it a good idea to lower taxes? Raising taxes is the hardest thing in the world to do. So if you lower taxes, you're shooting yourself in the foot, in my opinion. That doesn't mean we shouldn't help those in the most dire straits. However, we can't apply blanket measures for everyone, thinking that will solve the problem. It's not constructive.

We need to temporarily help those who are the most in need, and, as we said earlier, we need to invest in more constructive things. Otherwise, we'll revert to a government that's more reactive than strategic.

• (1205)

Marie-Hélène Gaudreau: Of course, it depends on where one comes from and what one's perspectives are.

What shocks me the most is that, as an entrepreneur, I manage my own funds and assets—that's private money—but here we're talking about public funds. Will there come a point where we tell ourselves to be careful and ask what our mechanisms are? I'd like to know where we're headed in the short and medium term.

That's a big question for a one-minute response.

Louis Côté: I don't have a crystal ball, but I think—

Marie-Hélène Gaudreau: I'm at four minutes and 30 seconds. You have a minute and a half left.

Louis Côté: If you have the resources that the United States has, with a currency recognized everywhere, as well as its power and strength, you can still impose yourself for a while without taking the right measures. However, for all the other countries, it's necessary to establish the right mechanisms and resources. It's not easy.

It also means standing up to the public sometimes. I used France as an example. Everybody there wants to have their cake and eat it too. They have some of the best public services, but they're the most indebted. They are juggling that, and no one can seem to get out of it. It's a completely crazy political debate.

So we need to get our finances in order and be able to conduct the political debate, I think, properly—that's what was noted earlier—but at the same time, we mustn't take populist measures that deprive the government of its means to act over the medium and long term.

Marie-Hélène Gaudreau: That's necessary, if one doesn't have a medium and long-term perspective. I can say this myself, because my goal is to be here for as short a time as possible. All the streamlining we've done hurts, as you said regarding the situation in the 1990s. It's gotten to the point where even other provinces, not just Quebec, are all saying that these “fractures” in health care are, in fact, major “fractures”. Honestly, we can't escape it.

I'm out of time, but seriously, I would really like you to give us the key points for the coming months and years, based on your expertise.

Thank you very much.

[English]

The Chair: We're past our time. Can you provide it really quickly? Fix all of our problems in 30 seconds.

[Translation]

Louis Côté: I'm a Canadian citizen like everyone else. I'm trying to follow what's going on and understand it. I think that there are some fundamental decisions being made right now. That doesn't mean it solves everything, but I think there are things that seem desirable to me.

At the same time, I'm thinking of the fund we were talking about earlier. The devil is in the details, as they say. We need to determine how it will be managed, how it will be structured, and so on. This idea of setting up a fund, if we don't do it, I think we're refusing to give ourselves the right tools to ensure the country's development. Now, we have to determine how it will be managed, how it will be done.

I will close by saying that Hydro-Québec has been a driving force for Quebec for 75 years because it has been well managed. I know Crown corporations like Hydro-Québec. For example, I've seen plenty in sub-Saharan Africa that were white elephants and never succeeded, neither in generating revenue for the state nor in providing a decent electricity service to the people.

It's not enough to have public institutions; they have to be sound and well managed.

[English]

The Chair: Professor Côté, thank you very much. It was very interesting. I wish we had some more time, but perhaps in a future study we can bring you back, just to chat.

We're going to suspend for a couple of moments to bring in our new witnesses.

Again, Professor Côté, thank you very much. I appreciate your patience and flexibility in being able to meet with us.

We're suspended.

• (1205) _____ (Pause) _____

• (1210)

The Chair: Thank you. We're back in session. I appreciate everyone's patience.

We welcome our new PBO, Ms. Ryan. Welcome to OGGO.

Of course, welcome back, Mr. Jacques and Mr. Mahabir. Thank you to the two of you for holding down the fort until Ms. Ryan joined us.

Ms. Ryan, we have time for you to give a five-minute opening statement.

We are running a tiny bit late today, colleagues. I know it's mostly my fault. We have a habit of going over our allotted time for our questions, but please watch the clock so that we can try to get out at a decent hour.

Ms. Ryan, the floor is yours.

• (1215)

[Translation]

Annette Ryan (Parliamentary Budget Officer, Office of the Parliamentary Budget Officer): Mr. Chair, Madam Vice-Chair and members of the committee, thank you for inviting me to appear before you today.

I'm very pleased to be here to discuss the spring economic update and the 2026-27 main estimates in my new role as Parliamentary Budget Officer, an independent officer of Parliament.

[English]

First, I cannot say enough how impressed I have been with the very warm welcome that I have received from the dedicated and highly professional team at the parliamentary budget office. I am particularly pleased to be able to rely on the expertise of Jason Jacques, director general of economic and fiscal analysis. We had the pleasure of working together previously at the Privy Council Office and at the Treasury Board Secretariat, and I am very glad indeed to have the opportunity to do so again.

[Translation]

I'm also grateful to be working alongside Mark Mahabir, director general, costing and budgetary analysis, and general counsel, as well as the directors who led our analysis of the spring economic update and the main estimates. As you know, the office's mandate is to provide independent, non-partisan analysis to support Parliament in its review of public spending and the country's financial situation. I am fully committed to delivering on this mandate with rigour, transparency and objectivity.

[English]

I also commit to bring PBO attention to how government proposals are executed as they flow through to main and supplementary estimates and into public accounts. This is core to parliamentary business and to the practical question of what return Canadians get on their tax dollars.

I was appointed last Wednesday and began work at PBO that morning. From day one, my focus has been on getting Parliament the reports that have been delayed by the vacancy of the PBO position and getting ready to provide analysis on the spring update.

Of note, PBO will publish a series of assessments early next week that will assess the spring update in respect of budget 2025, which was tabled last November. We intend to keep systematic and ongoing watch going forward on key budgetary issues. These include the economic and fiscal track. How is the economy developing? What does that mean for revenues and fiscal choices of the government?

We will watch fiscal anchors and fiscal sustainability very closely. Can we afford the government's plans now and through time? What trade-offs are involved? Have we reserved enough buffer space to deal with recessions, pandemics or wars?

We will watch progress on major stated government priorities. What horizontal, general objectives has the government used to seek funds from Parliament? Who is responsible for results if not a specific minister?

We will watch departmental spending and other initiatives. What funds are specific ministers seeking from Parliament year over year? What does that tangibly mean for Canadians?

I will speak briefly to the spring update.

[Translation]

First, on a positive note, it is worth emphasizing that the government's economic and budgetary forecasts have remained solid overall, despite ongoing trade frictions and new oil and gas shocks.

[English]

Second and importantly, fiscal sustainability and the transparency and trajectory of overall spending remain a priority concern for the parliamentary budget office. While the government has met its first fiscal anchor of achieving a declining deficit-to-GDP track in the spring update, it has yet to define its second fiscal anchor beyond a general commitment to balance operating spending with revenues.

Let me put our first assessments in concrete terms. Based on the spring update, PBO estimates that federal debt per Canadian will rise from \$33,592 this year to \$38,295 five years from now. Per the spring update, federal debt charges per Canadian per year, the interest cost of that debt, will rise from \$1,409 to \$1,901.

Separate from the sustainability question, I'll turn to the government priorities. In its own update, it speaks to key themes raised in November 2025 in the budget, productivity, housing, defence and major projects. The spring update provides some metrics on progress but few critical paths, mentions of risks or specific objectives. The update instead introduced a range of new and rather undefined priorities, strategies and general objectives that, similarly, would benefit from greater accountability, details on governance and other aspects of planning that would inform Parliament as to what results the government is targeting for that spending. The Canada Strong fund is a leading example from that list.

● (1220)

[Translation]

Over the next few days, I will be reaching out to parliamentarians, including the chairs of designated committees, to gather their views on how the office can best continue to support their work—both in terms of what is already working well and areas that could be improved—to ensure greater government accountability.

Thank you again for the opportunity to appear today. I look forward to your questions.

[English]

The Chair: Thank you very much.

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

Philip Lawrence (Northumberland—Clarke, CPC): Thank you.

I would just like to start by thanking Mr. Jacques for his work as interim PBO. I think all parliamentarians thought it was excellent.

Of course, I want to congratulate you, Ms. Ryan, on taking on this position. We appreciate your commitment to your country for doing so.

I want to start off with some of your comments.

You stated that the current national debt per Canadian is set to rise in the next five years from \$33,000 to \$38,000. That is based on the government's projections. We haven't had a global recession in going on five years. It's very unlikely that it will go another five years without having a recession. What would happen to those numbers if in fact there was a global recession?

Annette Ryan: It is an important question. I think it speaks to the core of that question of fiscal sustainability. That is a question that can be answered by looking at different scenarios, different tracks of key elements of the economy that generate revenues and drive costs to government.

In the spring economic update, the government did present a number of scenarios of what that might look like. I could turn to Jason if you want to hear more detail on the specifics of that.

Do you want to handle that one, Jason, on the scenarios and downside risks?

Jason Jacques (Director General, Economic and Fiscal Analysis, Office of the Parliamentary Budget Officer): To your point, the Government of Canada in the spring economic update, as well as the International Monetary Fund about two weeks ago, presented scenarios. I'll quote the Governor of the Bank of Canada in his press conference yesterday with the MPR. He said that, given the incredibly high level of uncertainty that the Canadian economy and the global economy face at this point, there is considerable downside risk. I think that's a quote from the title of chart 26 in the spring economic update.

That's why scenarios were presented. In those scenarios with prolonged geopolitical uncertainty and potentially prolonged supply shocks on the oil side, that feeds into potentially lower growth in the Canadian economy and higher prices for Canadians and in turn higher interest costs and higher interest rates.

Philip Lawrence: There is at least a reasonable probability of higher interest rates and potentially slower growth. If either, or both, of those events were to happen—I know what-ifs are difficult, but that's kind of your job a little bit—would you have any concern about the sustainability of Canada's finances?

Annette Ryan: The short answer, Mr. Lawrence, is yes.

In time, as we settle in and clear off some of the backlog in getting reports to parliamentarians and so on, we could talk about what it would look like to put some of those risks in a more concrete path. Maybe we could test some of these scenarios of just what the government's debt path would look like under different scenarios of interest rates. You can't negotiate away the charges on debt.

That's a really concrete set of the calculations that we could run for the committee. We would be happy to present something like that.

• (1225)

Philip Lawrence: I very much look forward to those reports.

I want to thank you. After a week's worth of work, to be able to answer that concretely is very much appreciated. I'm sure it's a tribute to the many hours you've already put in.

Thank you for validating some of the concerns I share that if the Canadian economy does experience internal or external shocks, perhaps the government spending rate will not be sustainable.

I'll move from fiscal sustainability to one of the government's claims during the election that said that they were going to spend less and invest more. From your review of the spring economic update, could you assess the validity of that claim?

Annette Ryan: On the question of whether the government will spend less, the spring economic update did mention the government's comprehensive expenditure reduction strategy. It was fairly limited in terms of the detail it provided. Of note, it did not provide estimates of savings in year one of its plan by department or by estimated reductions in full-time equivalents for federal employment.

We should keep in mind that currently, we're in year one, so the reductions this year are meant to be 7.5%, rising to 15% over three years. Absent that information by department, we will do our best to look at the main estimates that have already been tabled this year versus last, in terms of where might we see some of that spending less. We'll be coming back to you with that analysis. It's partial and limited. With the spending more, there's a lot more detail on that.

Philip Lawrence: Through 11 years of this Liberal government, I'm used to a lack of detail on spending reductions or so-called spending restrictions.

You said that the amount of debt interest will go from \$1,409 to \$1,901 per Canadian. That's under current interest rates or the assumptions within the spring economic update. Is that correct?

That could go up dramatically as compound interest, as referred to by Einstein, is the most powerful force in the world. Is that right?

Annette Ryan: I'm going to say yes.

The Chair: Thank you very much.

Welcome to OGGO, Ms. Martin. It's a day of welcoming new folks. The floor is yours for six minutes.

[*Translation*]

Danielle Martin (University—Rosedale, Lib.): Thank you, Mr. Chair.

I would also like to congratulate and welcome Ms. Ryan.

I'm very pleased to be here to participate in a meeting of this committee for the first time.

[*English*]

It's an honour and a pleasure.

I want to come back to the estimate in the spring economic update that shows a reduction in the projected deficit for this year of roughly \$11 billion less than projected through a combination of lower liabilities, increased revenues and generally a stronger economic performance than anticipated, which is great news for Canada.

We know, and you alluded to this in your remarks, that we live in a time of tremendous volatility, and there are many things that can't be predicted.

I'm wondering if you could reflect a bit on whether you see the possibility for continued decreases in the deficit over time, whether it's through commodity prices changing or other factors, either outside or within our control.

I hate to dwell on upside risk, but there is always some, alongside the downside risk. I'm wondering if you could speak a bit to that.

Annette Ryan: Certainly.

Let me start off by saying that good news is good news. What we did see in the spring economic update was that, on balance, many of the economic indicators that are critical for government finances came in stronger than had been forecast. There's an important distinction there to say that the economy remains tenuous, there's a lot of headwind and so on.

To the extent that those estimates came in better than had been forecast in the November 2025 budget, that is good news. In a sense, it's secondary good news because it indicates that the government had built a certain amount of prudence into those forecasts that it presented in November 2025.

In terms of upside risks, I think it's also fair to say that the government has presented its strategy of spending less to invest more as essentially a growth agenda that would grow GDP so that the debt that's incurred would be over a larger denominator—a bigger pot. To that extent, if that strategy plays out as expected, then there's certainly upside risk built into the strategy, additional to upside risk that maybe the world turns out to be not so bad.

I think that answers your question.

● (1230)

Danielle Martin: It does. Thank you.

Building on that, under this broad theme of trying to work within what we can control—understanding that there are so many factors we can't control that will affect our economy—I'm thinking about the tremendous work that's under way to try to build a single Canadian economy by breaking down interprovincial trade barriers and doing what we can within our borders to grow the economy within our sphere of influence and impact.

I'm wondering if you could help us understand a little about what might the impacts be—if we should be successful, as I hope we will be—of breaking down those interprovincial trade barriers on future economic projections.

Annette Ryan: I see your question, at its core, as this: What would it look like if interprovincial trade were more fluid at higher volumes and with less regulatory friction?

I think it would allow Canada's more innovative entrepreneurs, those who are more careful about their costs and so on, to get those markets internally. In that way, it would have this effect of competition bringing productivity and better choice for consumers. It would essentially give better integration of the economy overall.

As for what that would look like in terms of economic variables so that we could track progress, I think that's something we could certainly do separately, or the government could establish metrics that it could commit to follow in terms of how it plans to target that aspect of what success looks like in interprovincial trade. Whether that's the government bringing that forward through its economic budget, updates, departmental plans and departmental results or whether that's the committee asking the parliamentary budget office to do that within our work plan, it's the type of thing you can put numbers to.

Danielle Martin: That's helpful. Thank you.

I think we all know, of course, that economies are built on infrastructure and investment, etc., but fundamentally they're built by people. One of the things I am very pleased about in the spring economic update, both for the people in my riding and for people across the country, is the very significant investment in the recruitment, hiring, training and retention of new skilled trades workers. In order to build all the things we want to build, we're going to need people to do the building. We know that one of the best protections against economic volatility is a skilled, trained and educated workforce that can help to build the economy.

I'm wondering if you might have—

The Chair: I apologize, but I have to interrupt. There's no time for an answer. We're actually past your six minutes, but perhaps you'll have a chance in the next round.

Thank you.

Madame Gaudreau.

[*Translation*]

Marie-Hélène Gaudreau: Thank you, Mr. Chair.

First of all, Ms. Ryan, congratulations on your appointment. I look forward to meeting you. I have many report proposals to present to you, of course.

I also want to thank Mr. Jacques for the effective work he has done in such a short time.

First, I'll speak briefly about the appointment process. As you surely know, here at the Standing Committee on Government Operations and Estimates, we had established a monitoring group made up of three members from different parties to make the role of the Parliamentary Budget Officer as impartial as possible. The idea was to follow a hiring process before making a recommendation. As you surely know, not only did that not happen, but there was no consultation at all, at least not with us. Perhaps the Conservatives will say otherwise.

There are two fundamental positions here in this arena: the Auditor General and the Parliamentary Budget Officer. I have concerns about impartiality.

Ms. Ryan, do you feel that you have the independence you need to analyze the budget freely? I'm truly concerned.

• (1235)

Annette Ryan: Thank you, Ms. Gaudreau.

Before I begin, I want to say that I'm also very happy to see you here today. Your question touches on a number of things, including the process by which I was hired and the necessity or relevance of changing the process to better involve the parliamentarians I serve. Third, you asked me whether I was independent enough to carry out my mandate.

I'll start with the last question first, because I believe it's the most important one.

I see my position as independent from the government. I have my mandate, and I have legislative safeguards that allow me to conduct independent and thorough analyses, among other things. I have a budget that allows me to hire highly qualified, talented and experienced analysts. So to that extent, I think the broad strokes are heading in the right direction.

I have brought notes regarding the entire process followed for my candidacy—

Marie-Hélène Gaudreau: If we want to ensure impartiality, there has to be consultation and unanimous consent, and that certainly wasn't done. So I'm concerned. We cherish the hand that feeds us. This has nothing to do with you personally. You were appointed.

In fact, it was the former acting parliamentary budget officer who proposed a process, and it was ultimately ignored. That worries me, because we put a lot of mechanisms, systems and consultations in place and, at the end of the day, a veto was applied. I could even ask various ministers this question. They should have many more opportunities in the sandboxes to make decisions, but in the end, one person decides.

Annette Ryan: On the subject of consultation, I think you should put that question to the government instead, because I wasn't involved in that.

As to whether the process can be improved, I think the answer is yes. Historically, the office has relied heavily on—

Marie-Hélène Gaudreau: All right. I don't have a lot of time. We'll see what happens when you come to pass judgment on government investments or other matters. We wish you all the best in your work.

I have a couple of questions about Cúram. In chapter 2 of the economic update, on page 124, there is mention of a \$451-million measure over five years, after deducting amounts already allocated, but it's not broken down by department. It's therefore hard to tell how much the Canada Revenue Agency will receive and how much Employment and Social Development Canada, or ESDC, will receive to administer old age security benefits.

Have you received any information about the amounts announced by the government and ESDC for the new old age security platform, which is based on the Cúram software? Are you aware of this?

Annette Ryan: Mr. Jacques, are you aware of that?

Jason Jacques: We don't have that information yet. We're in the process of preparing an inquiry, which should be sent out in a few hours.

• (1240)

Marie-Hélène Gaudreau: I look forward to it.

[English]

The Chair: Thank you, Madame Gaudreau.

Mr. Gill, go ahead for five minutes, please.

Harb Gill (Windsor West, CPC): Thank you, Mr. Chair.

Ms. Ryan, congratulations on your appointment.

Mr. Jacques, thank you for your continued service.

Ms. Ryan, just so we are clear, your job is to work for Parliament and for Canadians, not the Prime Minister's Office or the government of the day.

A lot of Canadians are frustrated right now. They see committees getting stacked, filibusters shutting down debate and this government's refusal to provide answers. Having said that, on March 23 at the finance committee, you used the phrase “spend less to invest more” several times. That's not just any phrase: That's a government talking point. Your job, as the PBO, is not to repeat government slogans or validate their talking points. Your job is to test whether the numbers behind those slogans actually make sense. How are you going to make sure Canadians see you as fully independent, credible and someone with integrity, and not someone who simply repeats government talking points?

Annette Ryan: Let me say that I work for parliamentarians. I do not take direction from PMO.

In the testimony, repeating the government's key statement of what it intends to do, to me, is important to understanding what they say their objectives are so that, as Parliamentary Budget Officer, I can work with the teams and say, “How can we track if the government is actually spending less?”

As I opened with, earlier in questioning, there is very little information on the comprehensive expenditure reduction plan in the spring economic statement. I intend to publish, next week, material that says so publicly in greater detail, and bring forward questions that parliamentarians may want to use to hold the government's feet to the fire, as we will, as well, with our costing. That's very much the commitment.

I look forward to building your trust and helping you see that I am not here to promote the government's vision but, rather, to challenge it and to help parliamentarians know, as governments spend more, what the plans are. Who is responsible for that? What will be delivered? What are the metrics that the government is using to track success? What does that mean for Canadians, in terms of better services, less regulation and greater interprovincial trade? No matter what the objective is, how can we follow that through, from budget promises to spending requests and to results?

Harb Gill: Thank you. I'm looking forward to that report you're talking about, Ms. Ryan.

Your predecessor Mr. Jacques was truly a fantastic watchdog and someone I admire personally, but he was criticized, at times, for being blunt about the country's finances. Whether people agreed with him or not, Canadians understood where he stood and what the risks were.

If you believe the government is heading in the wrong financial direction, I hope you too are prepared to point that out in the plain terms and blunt language we have come to expect from our PBO.

Annette Ryan: I think it is very important that the work of the PBO be done rigorously, with the highest standard of excellence and independence. I also believe it should communicate clearly in ways that can help parliamentarians support debate and, again, hold the government's feet to the fire.

I look forward to your receiving our initial report next week so that you can judge whether that test is being met.

Harb Gill: I have a quick question reflecting back to your time at FINTRAC. You were there in a senior role.

That agency helps track suspicious financial transactions, money laundering and those kinds of things. Over several years, \$18 trillion in transactions moved through weak anti-money laundering controls at the Canadian-based TD Bank. I was left wondering why FINTRAC only issued \$9.2 million in administrative penalties, while U.S. authorities got over \$3 billion in U.S. money and also secured a criminal conviction. I believe this was in 2024.

What lessons did you take from that experience? Do you believe Canada's system today is properly connected—FINTRAC, police agencies and international partners—or are there still serious gaps? Can you apply those lessons to this new position and identify fraud in government agencies early on?

• (1245)

The Chair: I'm afraid there's no time left for a response. Maybe you can provide one in writing to us.

We'll go to Ms. Sudds.

Hon. Jenna Sudds (Kanata, Lib.): Thank you very much, Chair.

I give you a warm welcome, Ms. Ryan. Congratulations. We're certainly happy to have you in this role and at committee today.

For my first question, I'm thinking through some of our government's priorities around catalyzing large-scale investment, most recently through initiatives like the sovereign wealth fund and the Major Projects Office.

I'm wondering what impact you believe this type of public-led investment strategy can have on long-term productivity and economic growth.

Annette Ryan: Let me start with the sovereign wealth fund, the Canada Strong fund. I think the announcement in the spring economic statement raised more questions than it answered. In terms of long-term growth, let me speak to some of the questions that come to mind from what was presented in that statement.

The statement set out the government's objectives as essentially twofold. One is to grow the economy, build infrastructure and tackle productivity, which is really quite a broad range of actions to make the economy better. The other is to essentially allow Canadians to invest in that fund so they would be protected from downside risk and would be able to benefit from upside risk that would be tagged as a great rate of return.

Canadians already have a stake in the spending of public money through the debt, debt charges and taxes that they pay. I think there's an important set of governance and transparency questions about how those debt charges will be calculated in that rate of return and what transparency and protections against misappropriation and misuse will happen in terms of how investors can benefit from those public funds but be protected from downside risks and loan losses, and who will track those loan losses and who will benefit from those loans.

Separately, I think there are a range of questions raised in terms of spending less to invest more.

If the government is not happy with how the mixture of EDC, BDC, the Canada Infrastructure Bank, regional development agencies, grants and contributions on business, and tax breaks for business is not delivering results, it would be helpful if the government could be clearer on what gap it's trying to solve with this new agency that will have overhead and the transparency questions that I tagged earlier.

If that's the path forward and the protections are in place, where will the government spend less in terms of that large suite of expenditures that are already targeted at meeting those objectives?

Hon. Jenna Sudds: That's fair. Thank you for that. I agree that there are many questions, and I think the Prime Minister and the government have been clear that there is a plan and there needs to be consultation as to the finality of what this looks like, and, of course, governance and transparency are certainly among the things on which work needs to be done.

I don't have a lot of time, but I do have one more quick question.

Earlier this month, our government announced it would be pausing the federal fuel excise tax to bring down the cost at the pump on average by around 10¢ a litre for gas and four cents for diesel. From my perspective, this is a sound policy that is temporary, targeted and helps with affordability, and it gives space, I think, for the bank to help make its rate decisions.

Can you speak to this at a macro level?

• (1250)

Annette Ryan: We have a paper coming out next week that will show our calculations.

Hon. Jenna Sudds: Very good.

Thank you.

The Chair: Well done. You had seven seconds left.

Madame Gaudreau, please go ahead.

[*Translation*]

Marie-Hélène Gaudreau: I'm going to try to be efficient as well, because I have three questions to ask in two minutes and 41 seconds.

First, I'd like to talk about the sovereign wealth fund. Many of us are wondering about the difference between a Norwegian-style sovereign wealth fund and the Caisse de dépôt et placement du Québec, for example. How could this be described? In my opinion, it's more like the government is getting a credit card. Can you explain this to us?

Annette Ryan: As I just said in English, I think the announcement earlier this week about the Canada Strong fund raised more questions than it answered. I think there's a real risk that the structure of this fund will function more like a credit card with no repayment. As another member of the committee said, this raises issues of governance and taxpayer protection, and these issues will be of great interest to the Office of the Parliamentary Budget Officer, as well as to—

Marie-Hélène Gaudreau: We're therefore going to ask for an update on the economic update so that we can get more answers. That's a bad play on repeated wording. I don't know how it will be translated.

Annette Ryan: I agree.

Marie-Hélène Gaudreau: My other question concerns the report that will be published in the coming days. Have you received all the relevant information on the contracts related to Cúram and Phoenix, for example? Even in the update, we are shown the cost, we are told that it cost less, and in the end, it's costing five times as much. In fact, it's five or ten times—I'm no economist—the equivalent of SAAQ clic.

Do you have everything you need?

Annette Ryan: The notes that will be published by the office next week will be presented in a new editorial style. It's a quick analysis comparing the economic update documents with the promises made in budget 2025. It's structured to provide parliamentarians with a quick analysis of what's in the update and what's not. For example, do the figures on the number of houses built match what was stated in the 2025 budget?

So this analysis doesn't focus on cost estimates or the cost of specific government measures. Rather, it is intended to share with you what we've observed, as highly qualified and experienced economists, to provide you with questions.

Marie-Hélène Gaudreau: I'll have my answer next week, when she comes to meet with all of us.

Thank you, Mr. Chair.

[*English*]

The Chair: Thank you, Madame Gaudreau.

Mr. Patzer, please go ahead, and then we'll finish with Mr. Gasparro.

Jeremy Patzer: Thank you very much.

I appreciate your coming here today, and I'd like to quickly thank you, Mr. Jacques, for your time as interim PBO.

Ms. Ryan, did you receive any briefings at all prior to your appearance at the finance committee or the Senate?

Annette Ryan: Briefings from whom?

Jeremy Patzer: From any government agency, PCO or anybody at all.

Annette Ryan: The Privy Council Office has an expert on contract who helps people prep for committees. I spent two hours with that person, who is a former journalist, and he peppered me with a few questions. I said, "That's a good one. Let me think about it and I'll come back to you," but no, I certainly wasn't coached or briefed by government officials.

• (1255)

Jeremy Patzer: Thank you very much.

How did you decide to apply for the role of PBO? Were you approached for the role?

Annette Ryan: I was approached by a retired deputy minister who was working with PCO to encourage qualified candidates to apply for the poster. That was in November 2025, and he did ask me about my background. He knew where I had worked in some aspects of my career but was a bit surprised that I had a wider breadth than he might have thought.

[*Translation*]

We spoke in French.

[*English*]

After that, he did encourage me to apply for the poster.

Jeremy Patzer: Are you willing to share who that retired deputy minister was?

Annette Ryan: I think if you were to put in a written question to PCO, they'd know what the right privacy level is, but if they don't answer, I can check with legal counsel.

Can I tell them, Mark?

Let me check, but I think that's a PCO question more than an Annette Ryan question. I'm happy to check and get back to you.

Jeremy Patzer: All right.

Have you reviewed the OECD report on Canada's PBO? Do you accept its recommendations, including those about strengthening the selection process?

Annette Ryan: I have read the report, and I agree with the direction of its recommendations. I agree with the merits of strengthening the selection process. I will stop short of saying that I give recommendations to the government or parliamentarians about how that selection process should be handled. I'm happy to be part of the thing, but I don't think it's my role to recommend how it should be done.

More independence is good. I'd support that, but I think there's a certain nuance there to respect.

Jeremy Patzer: Thank you very much.

I always like to qualify some questions for folks back home.

The national debt right now is \$1.298 trillion. On the current trajectory, in two weeks or less it will be \$1.3 trillion. The forecast in the economic update shows that the cost to service the debt alone is on a trajectory to approach \$80 billion within the next five years. When you contrast that with what we collect in GST, I don't think that's even going to get up to \$60 billion in that same time frame.

How concerning to Canadians should that level of debt and the interest payment on the debt be?

Annette Ryan: Going back to your colleague's earlier question, there's a big role for the parliamentary budget office to play to help Canadians understand in context what the choices and trade-offs are of spending now and paying later.

In my opening remarks, I agreed with you and flagged that, right now, the debt you mentioned in the large number of billions works out to \$33,592 for each Canadian, including children. Over five years, according to current plans, that's going to grow to \$38,295 for every Canadian. Similarly, those debt charges, in terms of interest alone, are going to increase from \$1,400 to \$1,900.

I'm concerned by that, and there are reasons to think that it could be sustainable over time, but I'd like to work with this committee to make sure these figures are put forward in a way that's digestible like that. Let's look at tax revenues per capita. Let's look at these trade-offs. Instead of just doing complex analyses, let's do some simple ones, as well.

Jeremy Patzer: Thank you.

The Chair: Mr. Gasparro, go ahead.

Vince Gasparro: Thank you, Chair.

Congratulations, Ms. Ryan.

It's great to see you again, Mr. Jacques.

Thank you all for your service.

The government has laid out an ambitious agenda to transform the economy and make it more shock-resistant. This will require large amounts of investment over the coming term.

How does Canada's fiscal position compare to that of our G7 peers?

Annette Ryan: There's a chart in the spring economic update that shows how Canada compares to its G7 peers. I think that's a stand-alone.

In terms of the opening piece about the ambitious agenda for investment, everybody shares the hope that ambition will play out into reality. I look forward to working to see the details of that investment and how it plays out through time: Are critical milestones being offered and met, and what metrics show us that those results are really coming into play? Let's watch for that vibrancy and prosperity together.

• (1300)

Vince Gasparro: You referenced the spring economic update and Canada's strong fiscal position.

From your perspective, does using this fiscal space, which many of our G7 peers don't have, while being able to access relatively cheap capital and then investing that capital in long-term revenue-generating assets, show that the government is pursuing a sound fiscal policy?

Annette Ryan: I agree that makes a lot of sense in terms of a concept. The execution of that concept and the transparency to parliamentarians will be critical success factors. Past governments have typically spoken about the revenue-generating potential of expenditures they make, and they haven't always played out into the growth and upside risks those governments hoped for.

I very much think that plan beats no plan, but the more that can be made tangible and realistic and be shared with parliamentarians, the more we can roll up our sleeves and do some good work.

Vince Gasparro: I'm glad you said that a plan beats no plan. To highlight that, Nigel Chalk, director of the International Monetary Fund's western hemisphere department, recently lauded Canada's fiscal position as the strongest in the G7. He stated, "In the current circumstances, if you have fiscal space, it's the time to use it."

I'm going to say it again. During these times of an economic slowdown, is it sound policy to increase spending and investment in order to counter the slowdown and potential economic downturn we could face?

This is the Keynesian in me coming out.

Annette Ryan: I think that theory holds together, but looking at the execution and the implementation, how does the vision meet the plumbing? That space really could use a lot more oversight and transparency from government. There's a lot of vision, a lot of plans and a lot of actions, but it would be nice to sort of see them all come together in terms of how they flow through to results. Let's take that journey together. I think that's what I'll be here for a lot.

Vince Gasparro: What I will say—and I've had this exchange with Mr. Jacques before as well—is that when you are financing and investing in infrastructure and these long-term revenue-generating assets, they take some time to build. I have some experience in this from the private sector, in financing these assets. That connection point, that execution that you're referring to.... The execution is happening, and we're starting to see green shoots on the ground, but it's going to take some time to build out these infrastructure assets.

Thank you very much.

The Chair: Thank you.

Ms. Ryan, thanks for being with us.

Mr. Jacques and Mr. Mahabir, it's wonderful to see you again. I'm sure we'll see you back soon.

Ms. Ryan, I'm glad you brought up sustainability a lot. The PBO has done an annual sustainability report that also includes the long-term sustainability of provincial finances. Will your office be producing that again this year? That's my shameless way of saying "please".

Annette Ryan: We've already had a chat about that. There is a backlog of reports that we want to get to parliamentarians that happened because the PBO couldn't publish during the vacancy in the PBO. We will get through that backlog and look at what we can put on the new work plan. That's something that we've all seen a lot of merit in. Share the idea and the details, and let's come back to you.

• (1305)

The Chair: I appreciate that. I've looked forward to it. Well, I haven't looked forward to seeing the numbers, but I've appreciated the report every single year, and I certainly would like to see it again this year.

Can I ask you just for a bit of further clarification on Mr. Patzer's question? Were you provided, from this outside contractor, briefing documents before, or was it just a session?

Annette Ryan: No, I prepared my own draft opening statement. They peppered me with a few questions, and I said, "Oh, that's really good; I should say it that way."

The Chair: That's wonderful.

I'm sure we'll see you again. We have time open at about 1:30 today. We'll see you back.

Voices: Oh, oh!

The Chair: Thank you again.

Congratulations to the new members and welcome as well.

Quickly, before we go, let's discuss the upcoming calendar.

For everyone's information, we're going to set aside a couple of meetings to finish the CER. We're now done with all our witnesses. We're going to set aside a couple of meetings to do in camera for the report stage. We also have our one meeting with the head of Canada Post. We agreed on three meetings for the buy Canada study. We require witnesses for that by next Thursday at noon. Then, when that is done, we will have a bit of time left over. Marc-Olivier Girard put out the motion that passed, motion 16. We will probably start delving into that. We can worry about witnesses for that in a few weeks once we get through, perhaps, the other items.

We have finished all of our CER witnesses. I'm hoping we can get through it in two days for the report. The analysts have already started working on it. We'll do Canada Post. We've already reached out. Then we'll do the buy Canada study, and then we'll start on motion 16.

Thank you, everyone. We almost got caught up in time. I appreciate everyone's effort on that.

We are adjourned.

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