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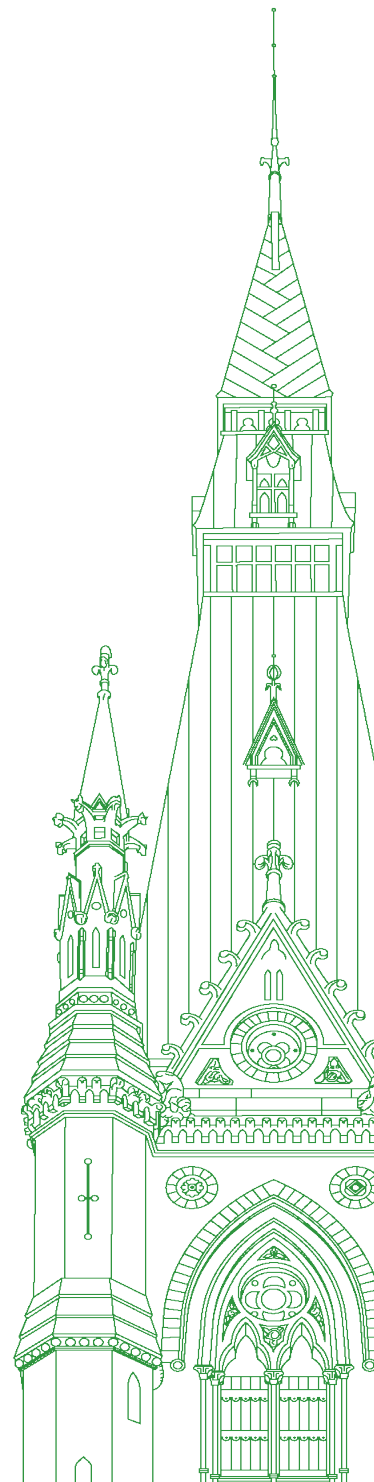
Standing Committee on Government Operations and Estimates

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Chair: Kelly McCauley



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• (1100)

[English]

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

Welcome to meeting number 51 of the House of Commons Standing Committee on Government Operations and Estimates. For witnesses new to us, it is commonly known as the mighty OGGO.

We're continuing our study of motion M-16. We have two groups of witnesses today.

Mr. Trudel, welcome back. You'll do an opening statement, and then we will go to Mr. Thompson from DND.

Mr. Trudel, the floor is yours for five minutes.

[Translation]

Francis Trudel (Associate Deputy Minister, Public Services and Procurement Canada): Thank you, Mr. Chair.

[English]

I'll be joined today by Mark Quinlan, senior assistant deputy minister for real property. He's on his way. My apologies.

We're pleased to assist the committee in its discussion of motion M-16, which calls for the study of using surplus federal lands and buildings for services for veterans.

[Translation]

With nearly 1,500 buildings and properties across Canada, Public Services and Procurement Canada, or PSPC, is one of the largest real property custodians in the federal government and has an important role to play in addressing the challenge of providing services for veterans.

[English]

At present, there are many surplus government buildings sitting vacant in communities across the country. A number of these vacant lands and properties have already been repurposed to help tackle the ongoing housing crisis, but potential uses go beyond housing provision.

[Translation]

I'd like to explain the disposal process in brief, and to highlight some of what PSPC is doing to improve outcomes. As with so many government initiatives, it comes down to efficiency of process.

Under Treasury Board policy, surplus properties that are not acquired for housing development may be circulated to federal departments, Crown corporations, provinces, municipalities and indigenous groups before being offered for sale more broadly.

[English]

Federal departments, including Veterans Affairs Canada, may express an interest in a property when it supports an identified program requirement, including initiatives undertaken in partnership with not-for-profit or community organizations. PSPC is accelerating these disposals by starting work earlier, conducting activities concurrently where possible, engaging partners early to resolve issues and streamlining the approval process to support faster risk-informed decision-making.

[Translation]

These measures are intended to reduce disposal timelines for housing-suitable properties and for lower-priority disposals, while continuing to meet all applicable requirements. As well, PSPC recently completed a government-wide review of approximately 11,600 federally owned properties to identify potential opportunities for housing development.

[English]

The review did not specifically identify properties for veteran initiatives, but where opportunities related to veteran housing are proposed, they may be considered through the applicable housing or disposal process.

[Translation]

PSPC maintains regular engagement with Veterans Affairs Canada through established national and regional forums. These forums enable departments to raise emerging requirements and explore opportunities for collaboration.

[English]

Veterans Affairs brings expertise on veteran needs and services, while PSPC provides real property expertise and administers disposal processes in accordance with the applicable legislative and policy framework. To date, Veterans Affairs has not identified any specific surplus property requirements related to veteran housing or services, but existing engagement forums are available to support future discussion as needs evolve.

[Translation]

The men and women who make up the Canadian Armed Forces make enormous sacrifices in the line of duty. We owe them, at a minimum, the assurance of safe, affordable housing upon their return to civilian life.

[English]

There is an opportunity to make use of Canada's surplus federal properties to directly support the immediate housing and other real property needs of our veterans. I'm proud of the essential role that PSPC plays in that effort.

• (1105)

[Translation]

I'm pleased to answer the committee's questions.

[English]

The Chair: Thank you.

Mr. Thompson, welcome to OGGO. The floor is yours for five minutes.

[Translation]

David Thompson (Director General, Portfolio Requirements, Department of National Defence): Mr. Chair, members of the committee, thank you for the opportunity to appear before you today.

My name is David Thompson, director general, portfolio requirements within the assistant deputy minister responsible for the infrastructure and environment branch at the Department of National Defence.

In my role, I oversee the planning of DND's real property portfolio, including ensuring that our lands, buildings and other supporting infrastructure continue to meet the evolving needs of the Canadian Armed Forces and the Canadian Coast Guard.

I am joined here by Brigadier-General Serge Ménard, Commander of the CAF transition group.

[English]

He is responsible for transition and casualty support services to CAF members and their families, with a particular focus on supporting ill and injured personnel as they prepare for life after military service. He can answer questions related to CAF member transition to post-service life, including coordination between National Defence, the Canadian Armed Forces, Veterans Affairs Canada and other government departments and agencies involved in the transition process.

We are also joined by Robert Wight, the deputy commissioner of shipbuilding and materiel, from the Canadian Coast Guard, who leads Coast Guard fleet renewal, shipbuilding procurement and the in-service support of the Coast Guard's fleet and shore-based assets. He can answer questions related to the national shipbuilding strategy, fleet sustainment, asset management and major Coast Guard procurement projects.

[Translation]

Federally, the department manages one of the largest and most diverse real property portfolios.

[English]

Our foremost responsibility is to ensure that these properties support current and future defence requirements. As Canada increases defence spending and invests in the growth of the armed forces and the sustained readiness of the Canadian Armed Forces and the Canadian Coast Guard, this includes the infrastructure required to support force growth and new capabilities. The department carefully assesses the demand signal and translates this into real property portfolio requirements.

Maintaining the right properties in the right locations at the right time remains essential to supporting CAF and CCG operations and the needs of our personnel. Growth, however, does not mean that every property currently held by National Defence will continue to be required. We assess our portfolio against both current and anticipated operational needs, rather than looking only at whether a property is occupied or being used today. A property that no longer supports operations, training, force growth or other future needs may be considered for disposal.

• (1110)

This allows National Defence to focus its portfolio on the requirements of the CAF and CCG needs now and into the future space. It also recognizes that some properties may face significant building-condition, health and safety, environmental, heritage or other considerations that must be weighed alongside ops needs. In that sense, retaining property and disposing of property are not competing goals. Both are part of ensuring that the defence portfolio remains aligned with Canada's evolving security needs.

Thank you. I look forward to your questions.

The Chair: Thanks, Mr. Thompson.

We'll start with Mr. Mazier for six minutes.

Dan Mazier (Riding Mountain, CPC): Thank you, Chair.

Welcome to our guests.

Mr. Thompson, in budget 2024, the government said it was working to "divest 14 surplus properties that have potential for housing, and are not needed for National Defence operations." That was more than two years ago. How many of those 14 properties have actually been turned into housing?

David Thompson: Fourteen properties were indeed identified that could have a potential for housing. Nine of those were accepted onto the public land bank. To my knowledge, none of those properties, at this point, have housing on them.

Dan Mazier: Could you table a status update of the entire project, then, with all the information from that report on how that development is going? Could you table that?

David Thompson: Is the question to bring that forward?

Dan Mazier: Yes.

David Thompson: Is it for a further point in time? I don't have the—

Dan Mazier: No, just table it with the committee, a further report.

David Thompson: Yes.

Dan Mazier: The Ottawa Citizen reported that the defence minister advised VETS Canada that he was waiting on this committee's recommendations to determine the future of the Amherst armoury.

My question is for PSPC. Is there any policy or requirement that says that the defence minister must wait for a non-binding committee report before a surplus building can be converted into housing?

Mark Quinlan (Senior Assistant Deputy Minister, Public Services and Procurement Canada): If I understand the question correctly, we're referring to the Treasury Board policy on disposals.

Dan Mazier: Is there any policy or requirement that says that the defence minister must wait for this committee's report?

Mark Quinlan: I don't believe the disposal policy includes that.

Dan Mazier: Thank you.

Brigadier-General Ménard, why do you and your minister need to wait for a non-binding committee report before action can be taken on this file?

Brigadier-General Serge Ménard (Commander, Canadian Armed Forces Transition Group, Canadian Armed Forces, Department of National Defence): Unfortunately, I have not been part of any discussions concerning government assets in support of veterans. Unfortunately, I'm not in a position to answer that question this morning.

Dan Mazier: You have no knowledge of this.

BGen Serge Ménard: I don't, sir.

Dan Mazier: Okay.

Mr. Wight, the Coast Guard operates offshore fishery science vessels. The vessels are used to help count fish. Is the government now counting this as defence spending?

Robert Wight (Deputy Commissioner, Shipbuilding and Materiel, Canadian Coast Guard, Department of National Defence): My understanding of the accounting of the Coast Guard's expenditures is that 100% of the expenditures of the Coast Guard are counted against the NATO targets, given that the Coast Guard is now a special operating agency under the Department of National Defence, along with the CAF and CSE. According to NATO rules, that accounting allows for 100% of that expenditure to be counted against the NATO targets.

• (1115)

Dan Mazier: To be clear, it does count now as defence spending, counting fish or scientific research for—

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

The Chair: Yes, go ahead on your point of order.

Pauline Rochefort: It's on the relevance of these questions in view of the agenda that we just supported.

The Chair: The relevance goes straight to the motion itself: "the government is making historic investments in the Canadian Armed Forces (CAF) to meet our NATO funding targets". That's exactly what this issue is about.

Go ahead, Mr. Mazier.

Dan Mazier: I guess I'll follow up on this. Basically, our science vessels are now considered NATO spending or defence spending. Is that correct?

Robert Wight: Yes, 100% of the expenditures of the Canadian Coast Guard are now charged against our NATO commitment.

Dan Mazier: What was the change? Why all of a sudden now? Is it because it was allowed, or is it a facade? When everybody hears about defence spending, they think it's going to be on defence, not on science research vessels.

Pauline Rochefort: I have a point of order.

The Chair: I'm sorry, Mr. Mazier.

Go ahead on your point of order.

Pauline Rochefort: Thank you, Mr. Chair.

I just reviewed the motion, and I don't see any wording to that effect. It's in the buildup to the motion, certainly, but the motion itself instructs OGGO to study alternative uses of underused and surplus federal lands and buildings that can reinvigorate communities by serving as centres providing services for veterans.

I have difficulty understanding what this line of questioning has to do with this particular motion. If you can help me understand it, I would appreciate it.

Thank you.

Dan Mazier: I can definitely help you.

Pauline Rochefort: I don't think the question is for you, sir.

The Chair: Mr. Bragdon, on that point of order, please go ahead.

Richard Bragdon (Tobique—Mactaquac, CPC): Thank you, Mr. Chair.

To read directly from the motion itself, this is the motion text, and this is the premise of the rest of the study:

That:

(a) the House recognize,

(i) that the government is making historic investments in the Canadian Armed Forces (CAF) to meet our NATO funding targets earlier than committed....

That is the whole premise upon which, as the motion states, the study is occurring. To have questions along the lines of the basis of the study is very much congruent with the purposes of the study.

The Chair: I'm going to interrupt you there, because you're repeating my commentary and my ruling.

It is very clear. It's right in the motion, as submitted to us by the House of Commons. It's in the very first line. I have ruled.

We'll continue with Mr. Mazier. You have one minute and 40 seconds.

Dan Mazier: Mr. Wight, to clarify all this, historically, the Coast Guard operates offshore fisheries science vessels, which help count fish and do other science research on our coastal properties. Now the government has decided that is going to be considered defence spending. Is that correct?

Robert Wight: I can't speak to the NATO accounting rules and how they specifically apply, but I can say that independent of us joining National Defence, we were given a security mandate. Now all of the platforms we have—the 126 ships, along with our suite of over 30 helicopters and fixed-wing planes—are contributing to the marine domain awareness picture, whether they be science ships, icebreakers, search and rescue craft or any of the others. They are actively inputting through the sensors they have on board or through the crew themselves into the marine domain awareness picture.

Dan Mazier: Are these scientific ships and their staff all of a sudden all going to be part of National Defence?

Robert Wight: The Coast Guard remains a special operating agency. We had run seven main mandates or missions up to that point.

Dan Mazier: Are there any National Defence-type instruments on their vessels now that they are part of National Defence?

Robert Wight: Yes. We are equipping numbers of ships and helicopters with advanced communications and navigation equipment.

Dan Mazier: Mr. Thompson, can you table all the engineering and building condition assessments and reassessments for the Amherst armoury, including the itemized cost estimates for repair, restoration or conversions since 2015, please?

David Thompson: There have been significant investments put into the Amherst armoury over the last several years.

Dan Mazier: Could you table those results, please?

David Thompson: We have the results of the maintenance and repairs made to the Amherst armoury and the structures for the—

• (1120)

The Chair: Would you be able to share that with us?

David Thompson: Yes.

The Chair: Wonderful.

We'll now go to Ms. Hirtle, please, for six minutes.

Alana Hirtle (Cumberland—Colchester, Lib.): Thank you, Mr. Chair.

Thank you, gentlemen, for being with us today, and thank you all for your service.

Let's get back to the topic at hand.

Brigadier-General Ménard, I want to talk about your role in transitioning CAF members out of service. What are some of the pressing needs for members as they start their post-service life?

BGen Serge Ménard: As Mr. Thompson alluded to in his opening remarks, the CAF transition group is responsible for providing casualty support and transition services to CAF members and their families to enable a seamless transition and to enhance well-being. While doing that, we pay particular attention to the ill and injured, as well as the families of deceased personnel.

As we support members transitioning through our centres, we use a framework that is based on the seven domains of well-being. Through that framework, we assess the areas related to the sense of purpose, finances, aspects of health, life skills and preparedness, social integration, housing and physical environment, and cultural and social environment. Those domains are all interdependent.

As an example, a housing concern can arise along with some income challenges or uncertainty. We can see health issues and family circumstances leading to limited support or difficulty navigating civilian services. Another example is that a health condition can affect employment, finances and relationships.

We therefore consider all aspects of transition when a person transitions and uses our services rather than looking at the single issue in isolation. There's a broad range of challenges that we can see based on the assessment of those seven domains of well-being.

Alana Hirtle: Wonderful. Thank you very much.

You mentioned housing. As has been previously stated, there are more than 460,000 veterans in the country today. Do we have a sense of the rate of homelessness within that population?

BGen Serge Ménard: We don't have clear indications, but we have some level of indications. I want to make it clear that one homeless veteran is one too many.

To give some context, there are between 5,500 and 9,000 personnel released each year, depending on whether you look at the regular force members or you include reserve force members as well. For the fiscal year 2025-26, 3,226 members were seen by transition advisers within our transition centres. From that population of a bit more than 3,200 people, 46 releasing members—or 1.4%—were identified as having moderate or lower readiness in terms of the housing domain assessment.

Alana Hirtle: We've been hearing, both here in these last few meetings and at the veterans affairs committee, where I sit as well, about the need for wraparound services and that housing alone won't fix the problem. We need the other services, such as for mental health, physical health and that kind of thing.

Can you speak a bit about what the ideal scenario would look like for having wraparound services as part of a housing program?

BGen Serge Ménard: In terms of wraparound, it means that we take care of veterans as they transition out. While doing that, within the transition centres, there are multiple organizations that help us support our transitioning members. As an example, we work with military family services, which supports families during the transition process. We assume that families are part of the military community we need to support along with transitioning members as they transition out of the military.

We also work very closely with the Royal Canadian Legion. As an example, very recently, in January 2026, we signed a memorandum of understanding with the Legion to provide office space within our transition centres to help connect the Legion with members and help the Legion provide the services it delivers to our transitioning members.

• (1125)

Alana Hirtle: I only have eight seconds left, so I'm going to say thank you. We'll speak again.

The Chair: Did you have a quick question you want to put out? We're okay for time.

Alana Hirtle: No, it's not really quick.

The Chair: Okay.

We'll go to Madame Gaudreau, please, for six minutes.

[*Translation*]

Marie-Hélène Gaudreau (Laurentides—Labelle, BQ): Thank you, Mr. Chair. I want to go back to some statistics, and then I need to tell you what I'm going through, because I was a member of the Standing Committee on Veterans Affairs.

Mr. Thompson, 14 properties have been identified, and nine are under review. As I understand it, none of them have been converted yet, is that right?

David Thompson: Thank you for the question.

There's a process that needs to be followed. It's Treasury Board's process, and we're currently completing it.

Marie-Hélène Gaudreau: Is anything missing that would help you complete that process, or do you just need time?

David Thompson: There are steps in the process that we can do at the same time, but there are other steps in the process where we have to wait for a previous step to be completed.

Marie-Hélène Gaudreau: How can this study help you complete that process? That's what we're here for.

David Thompson: I'll answer in English.

Marie-Hélène Gaudreau: No problem.

[*English*]

David Thompson: In the divestment process, there's a heritage review, an environmental review, an archaeological review, and surveys. There's a 10-step due diligence process. That then enables us to determine what the potential future uses could be through a circulation process, with federal and provincial...and looking at municipal and indigenous needs at the same time. If there is no take-up from those, then it can go to market as well.

[*Translation*]

When we follow these steps, it gives us a lot more information to share with these groups.

Marie-Hélène Gaudreau: So if I understand correctly, a process is already under way, a disposal system that will allow these buildings to be used. Is that correct?

David Thompson: There is a process for the disposal of these properties.

Marie-Hélène Gaudreau: All right.

Mr. Chair, seriously, with all due respect, I'd say that for a long time, I studied this issue with my colleagues, notably with Ms. Hirtle, with whom I sat at the Standing Committee on Veterans Affairs. Here's my question. Why are we talking about this here, when this is an issue specific to veterans, and we can see that there are still some connections to be made in terms of coordination and communication?

Mr. Thompson, honestly, I feel we have everything we need from a political strategy perspective. As you know, we're dismantling the entire structure with Bill C-39. People may not be aware of this, but what's coming is serious. You'll have free rein, but on the other hand, you'll have a directive coming from above, and you won't be able to follow the process you're following now. This is serious.

I get the impression that we're trying to buy time because before long, we'll be facing decisions that have already been made. Ultimately, when it comes to using the land, what's needed is in place, so we're making political gains. Let's be honest, we talked about the Amherst armoury, but we could talk about why so much focus is being placed on it. Technically, if there were any political will to help veterans, we wouldn't be looking at whether we'll be able to use surplus buildings and then be patting ourselves on the back for having done the job. I feel like it would have already been done.

Do you agree? What we're going through won't help you make decisions, because technically, there would have been political will beforehand. I know you can't answer, but I'd like to hear your comments on the subject, so I thought I'd give it a try.

• (1130)

David Thompson: I can only speak to the topic at hand today. We've improved the process considerably by collaborating with our Public Services and Procurement Canada colleagues to obtain information.

Marie-Hélène Gaudreau: Mr. Chair, I know that we have a few meetings left, but seriously, there is a very simple way forward. I know we still have a few meetings to discuss this motion, but it really should have been addressed by the Standing Committee on Veterans Affairs.

Thank you. That's all I have to say.

[English]

The Chair: Thank you, Madame Gaudreau.

We'll go to Mr. Bragdon, please, for five minutes.

Richard Bragdon: Thank you, Mr. Chair.

Thank you to the witnesses. Thank you to the members of the Coast Guard for their service to our country and for their time, and thank you to their families.

The government has moved the Canadian Coast Guard into the Department of National Defence and is counting Coast Guard spending as part of Canada's broader defence spending. At the same time, the government's own documents make clear that the Coast Guard remains a civilian organization, with civilian vessels and civilian mandates.

If the Coast Guard remains a civilian, unarmed organization and is not part of the Canadian Armed Forces, how is its spending being counted toward military defence spending?

Mr. Wight, I'll start with you.

Robert Wight: I will not opine on the accounting rules for NATO because I'm not conversant in them. That's not part of my job. That's a set-aside with the CFO's office within DND. What I will say is that we now have a security mission in addition to being moved from DFO into DND. There is a security mission there that we are now responsible for. We contribute to the marine domain awareness picture for Canada, so we are, in effect, the eyes and ears on the water in Canadian waters. With 126 ships and over 30 helicopters, we contribute to that marine domain awareness picture for the security of Canada.

Richard Bragdon: Currently, to my understanding the Canadian Coast Guard is still under the Department of Fisheries and Oceans. I don't know if it has been reallocated now to the Department of National Defence. Your own departmental plans say that the Coast Guard will remain a civilian special operating agency. What specifically makes its spending a defence expenditure?

Robert Wight: We are now part of the Department of National Defence. We've been there for over a year now and have moved out of DFO.

Richard Bragdon: Then it is now....

Robert Wight: It is now part of the Department of National Defence as a special operating agency.

Richard Bragdon: Has your mandate changed?

Robert Wight: The mandate has changed to include a security mandate, which was not present under DFO.

Richard Bragdon: Has defence equipment or defence-related equipment such as weapons been added to the vessels, or are they being added to the vessels?

Robert Wight: There are no weapons, defensive or offensive, but we are in the process of looking at and have added communications equipment, and we are looking at such things as drones and other technology of the like on our ships in aid of following through on the security mission.

Richard Bragdon: You're looking at that and it hasn't been acquired, but my understanding is the Coast Guard is still operating fishing science vessels. The vessels are used to count fish. Is the government now counting those ships as military spending, as per NATO requirements?

• (1135)

Robert Wight: As mentioned before, they're under the Department of National Defence. The Coast Guard now is assessed at a 100% contribution towards the NATO targets.

Richard Bragdon: That would include, then, the vessels that are counting fish or fish survey ships as defence spending.

Robert Wight: It includes all assets of the Canadian Coast Guard, but I will say that all assets are multi-tasked in such things as environmental response and search and rescue, and now they are in the same way multi-tasked with a security mandate.

Richard Bragdon: All vessels under the Canadian Coast Guard are now incorporated as defence spending.

Robert Wight: Yes, 100% of the expenditures of the Canadian Coast Guard count towards the NATO targets, as far as I understand.

Richard Bragdon: If civilian search and rescue, icebreaking and environmental response are being carried out by the Coast Guard, are those civilian services now being counted towards Canada's defence spending targets as well?

Robert Wight: Yes, it's the same answer: 100% of expenditures by the Canadian Coast Guard are counted against NATO targets.

Richard Bragdon: Now that they're under National Defence and you're being considered under National Defence and everything that's being spent in and through and done by the Canadian Coast Guard is considered National Defence spending, what specific changes have been made to the recruitment and retention strategy? How much additional funding has been provided to address workforce needs? I ask because that's a pretty expansive mandate and an extensive change to the original mandate. There must be a substantial need for an increased workforce and increased participation. Are efforts under way to advance and enhance recruitment?

The Chair: There's time for a very brief answer.

Robert Wight: The short answer is yes. I will point to the multi-year funding. In 2025-26, \$129 million was given to us as part of the main estimates this year for security, to grow that capability. That goes to such things as long-range radars, drones, sensors and the people who go with those in order to fulfill our security mandate. We are growing that mandate and growing into that mandate.

The Chair: Thanks, Mr. Wight.

We'll go to Ms. Fancy, please, for five minutes.

Jessica Fancy (South Shore—St. Margarets, Lib.): Thank you very much.

I welcome all of our witnesses here today.

I'd like to talk predominantly to Brigadier-General Ménard and Mr. Wright.

Mr. Ménard, I'm from Nova Scotia, a very coastal community, where we do a lot of work with the Coast Guard. There are some different ways we can work with the Coast Guard, similar to what my colleagues across the way were saying today, in regard to NATO spending. How can we better utilize some of the infrastructure we have within the Coast Guard to help with defence?

In terms of those questions, first, I would like to talk about Nova Scotia in particular. We're home to 7.2% of the veterans in Canada, even though we are only 2.7% of the country's total population. Many of those veterans settle in rural and coastal communities. I'm wondering how the CAF transition group makes sure that the transition planning process reflects the realities of veterans who are returning after serving to communities where things like housing, health care and other services might be limited.

BGen Serge Ménard: Our mandate is delivered through a network of nine transition units and 27 transition centres located on bases and wings across the country, so we are postured to deliver services close to bases. What we do, as I mentioned earlier, through the evaluation of the seven domains of well-being, is ensure that members are prepared for the transition to civilian life.

Those members can access our services through physical transition centres, but we also have digital transition centres to provide services similar to those they would have through a physical transition centre. Through an online entry point, they can get information on the services available. That allows members and families to request or book a consultation with a transition adviser. They can register for transition events to access transition education and training, as an example. Through that online tool, they also have access to military-to-civilian skills and occupational tools and can access

the national resource directory, which can support members and is divided into the seven domains of well-being.

• (1140)

Jessica Fancy: Thank you very much for that.

I'm also wondering if you can speak to the importance of deepening and strengthening some of these support programs. We know that the Coast Guard is now part of DND, and we're trying to revitalize—let's just call it what it is—a lot of what we have with the military.

How important is it to deepen these transitions to show people—with our recruitment rates, we're trying to recruit more people—that this is a viable career? On the back end, once you have been in service and become a veteran, we need to show some of the younger people potentially coming into this line of work that it can be a viable and supportive workplace. I'm wondering if you could speak to the importance of that.

BGen Serge Ménard: What we want to promote is that transition needs to be as worthy as recruitment or the entry into service. We know that we allow a lot of time for members to become accustomed to the new military culture, but during the transition process, we want to allocate as much time for members to be prepared and ready for what comes next after service.

One aspect that we cannot underestimate is the loss of identity as we take off the uniform. That's why, as part of the seven domains of well-being, we look at the sense of purpose and the loss of identity. We know that can have an impact on the ability of a serving members to adapt to civilian life after service. We look at that aspect as well, if it helps.

Jessica Fancy: Thank you very much.

Oh, we're done. The five minutes go way too quickly.

The Chair: If you have a quick question, go ahead.

Jessica Fancy: It was for the Coast Guard in regard to our putting money into shipbuilding. Hopefully, we'll get him on the turnaround.

Thank you.

The Chair: That's perfect.

Madame Gaudreau, go ahead.

[Translation]

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

Mr. Thompson, you listened to the last few meetings we held. We heard from witnesses from both municipalities and legislative assemblies, and of course, all those who focused on the Amherst armory.

Here's my question. Why are we talking about a process that's already under way? Why do you think we've focused on the Amherst armoury?

David Thompson: The Canadian Armed Forces no longer need the Amherst armoury, which is why this process is under way.

Marie-Hélène Gaudreau: Are you currently considering other vacant land or buildings?

David Thompson: Yes, we are following the same process for other properties elsewhere in Canada.

Marie-Hélène Gaudreau: Do you think this motion will speed up the process for the Amherst armoury, or are the other properties at the same stage of the approval process?

David Thompson: At present, we're following the Treasury Board process, as that's the one we're required to follow.

Marie-Hélène Gaudreau: So if I understand correctly, there is a process established by Treasury Board that outlines the steps to follow. That's where those responsible should have made the changes, instead of having us go through this exercise here. There are people on the street, veterans who are suffering and veterans who are dying, but we're examining something that already exists for political reasons. This is really disappointing to me.

I'm finished, Mr. Chair.

• (1145)

[English]

The Chair: Thanks, Madame Gaudreau.

Ms. Cobena, please go ahead.

Sandra Cobena (Newmarket—Aurora, CPC): Thank you, Chair.

My questions are for Mr. Ménard.

As you know, women veterans have unique challenges as they transition from military life to civilian life. That's why the women veterans council was created. It's so that there would be a voice of women in contributing to improving the transition from military life to civilian life. However, earlier this year, five members of this council quit. They were citing challenges with inadequate resources, poor communication and, most importantly, the inability to achieve meaningful outcomes.

I'd love to know whether you're aware of these concerns and if anything has been done since their resignation, which was roughly nine months ago.

BGen Serge Ménard: My understanding is that the advisory committee is there to support and advise the Minister of Veterans Affairs. Unfortunately, I don't have specific information to be able to answer that specific question.

Sandra Cobena: Were you aware of the challenges?

BGen Serge Ménard: I was anecdotally, but I wasn't part of any official discussions related to that committee. I don't have any specifics.

Sandra Cobena: You work in the transition office. Are you aware of any changes that have been made since the resignation of these ladies in January?

BGen Serge Ménard: I've been made aware—I've read the news, as an example—but I've not been part of any official discussion related to that.

Sandra Cobena: It's fair to say, then, that there have been no changes since.

BGen Serge Ménard: I could not talk about that. I am not privy to the advice that the committee provides to the Minister of Veterans Affairs. I am not part of those discussions.

Sandra Cobena: Thank you, Mr. Chair. I would like to share my time with Mr. Mazier.

The Chair: Go ahead, Mr. Mazier. You have three minutes.

Dan Mazier: Thank you, Chair.

Mr. Quinlan, Global News reported that companies run by “the son of Iran's former vice-president”, who CSIS alleges helped procure parts for Iran's military and the IRGC, won federal contracts, including from the Department of National Defence.

Your department is responsible for procurement. How was one part of the government building a national security case against this man while your department was awarding him federal contracts?

[Translation]

Mark Quinlan: Thank you for the question.

My role at Public Services and Procurement Canada is that of senior assistant deputy minister responsible for real property services. The questions being asked relate to procurement, but my responsibility is specifically real property.

[English]

Dan Mazier: Do you talk to the others? Were you aware? Was there any awareness? Do you check in? Does your department check into these kinds of allegations?

[Translation]

Mark Quinlan: As I mentioned, my responsibility with regard to the matter before the committee is to act as an optional service provider for several federal departments in the disposal of public lands once they are deemed surplus.

[English]

Dan Mazier: Before awarding contracts to Melanite Group, was anyone at National Defence aware of the national security concerns about the company?

John-Paul Danko (Hamilton West—Ancaster—Dundas, Lib.): Mr. Chair, on a point of order, I fail to see the relevance to surplus lands for veterans in this line of questioning. As the witnesses have indicated, that's what they're here to speak about, not these random questions.

The Chair: I appreciate that. I think it goes back to the original motion, though, regarding investments in the armed forces.

Can you continue, Mr. Mazier? You have one minute.

Dan Mazier: Thank you.

Mr. Chair, it's quite obvious that we can't get any answers to this kind of questioning, especially on procurement, so I'd like to move the following motion:

Given that:

(a) recent reports based on government records indicate that Mohammad Reza Ghafouri Fard, also known as Sal Ghafouri, was investigated by Canadian national security authorities over alleged involvement in Iranian military technology and procurement activities benefiting Iran's military and the Islamic Revolutionary Guard Corps;

(b) a January 2023 CSIS security screening report alleged that Mr. Ghafouri Fard had participated in procurement activities that benefited the Iranian military, including the IRGC, and CSIS provided its security screening report to Immigration, Refugees and Citizenship Canada;

(c) despite these national security concerns, companies controlled by Mr. Ghafouri Fard received federal contracts, including contracts from the Department of National Defence, the Royal Canadian Mounted Police, and Innovation, Science and Economic Development Canada;

(d) in May 2026, Immigration, Refugees and Citizenship Canada informed Mr. Ghafouri Fard that proceedings had been initiated to refuse his application for Canadian citizenship on national security grounds;

pursuant to Standing Order 108(3)(c), the committee hold one meeting to examine the federal procurement, security screening and information-sharing processes related to contracts and funding awarded to companies owned or controlled by Mohammad Reza Ghafouri Fard, also known as Sal Ghafouri, and the committee invite officials from Public Services and Procurement Canada, the Department of National Defence, the Royal Canadian Mounted Police, Innovation, Science and Economic Development Canada, Immigration, Refugees and Citizenship Canada, and the Canadian Security Intelligence Service to appear.

According to Global News, a CSIS security screening report from January 2023 alleged that a businessman took part in procurement activities that benefited the Iranian military and the Islamic Revolution Guard Corps. CSIS shared that report with immigration officials. Besides this, his companies kept receiving federal money, including from National Defence and Innovation, Science and Economic Development Canada, after already winning work from the RCMP.

If one part of the government is building a national security case against a supplier while another part keeps signing contracts with him, how was this allowed to happen? I didn't hear an answer. I didn't hear a straight answer. I didn't even hear any concern. That is why we owe it to Canadians to get some answers on this and that is why I'm moving this motion.

• (1150)

The Chair: I'm starting a speaking order. You can continue to address your motion, or we'll just go to the next in line on the speaking list.

Mr. Danko.

John-Paul Danko: Thank you, Chair.

As you know, this committee has a mandate to complete the current study by October 22. That's the reporting deadline. That's an extremely tight deadline, which means that we need to complete the meetings that have been scheduled for this. The final one I believe is scheduled for October 8, this Thursday, which leaves exactly 10

business days for the analysts to complete their report. The report has to then be approved by this committee, including the recommendations, and submitted to the House. That's an extremely tight timeline to finish the work we've been tasked with on this particular study.

Also, as you'll recall, even before the summer break, we were into the buy Canadian study, which right now is particularly relevant to Canadians and particularly relevant to my community in Hamilton. My colleague opposite, MP Gaudreau, also had a study that she proposed on the National Capital Commission procurement regarding the Official Languages Act, which we're also interested in bringing back and was far in advance of this.

Unfortunately, Mr. Chair, that leaves us in no position other than to move to adjourn debate on this motion.

The Chair: Okay. We're going right to a vote.

We'll have a recorded vote, please.

(Motion agreed to: yeas 5; nays 4)

The Chair: That was Mr. Mazier's motion, the debate on which is adjourned.

We're going back to our original study, and we have Mr. Gasparro up for five minutes.

• (1155)

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

Thanks to all of you for your service.

I'm going to keep this quite brief.

Mr. Ménard, at the beginning of your opening remarks, you touched on something that I think was really important: that even one former CAF member who is experiencing homelessness is one too many. I think all of us, regardless of political party, fully agree with you.

I was hoping that you or some of your colleagues could provide some line of sight in terms of Canada's government's renewed effort to finance and/or build a variety of housing—supportive housing, affordable housing and social housing. How do you think that will improve the likelihood that CAF members and former CAF members will no longer experience homelessness, and how do you think that will alleviate some of the pressures in that regard?

BGen Serge Ménard: From our point of view in the transition group, as we assess the housing criteria as part of the seven domains of well-being, we support members who are working with Veterans Affairs Canada and other partners to make sure that members are well supported post-release, but we know that homelessness can emerge several years after release. From our point of view, the issue of homeless veterans is the responsibility of Veterans Affairs Canada. It would be better for them to answer that specific question.

Vince Gasparro: For sure, and I think we've spent some time speaking with them.

This also might be better for Veterans Affairs. Is there a line of sight in terms of the type of housing CAF members who are experiencing homelessness would need to see? Supportive housing, obviously affordable housing and social housing are definitely a need from an economic perspective, but is supportive housing potentially in greater need with members of the armed forces?

BGen Serge Ménard: This is not a specific question that we study, unfortunately.

Vince Gasparro: I totally understand. Again, thank you all for your service.

That's it for me, Mr. Chair.

The Chair: Thanks, Mr. Gasparro.

We'll go back to Mr. Bragdon for five minutes.

Richard Bragdon: Mr. Chair, I'm yielding my time to Ms. Cobena.

The Chair: Go ahead.

Sandra Cobena: Thank you.

I just want to follow up on that question.

I am left concerned. As I understand it, the issues have been laid out by the five members who resigned. Their work was not producing any meaningful changes. You work in the transition group. Is it fair to say that you're not aware of any of their recommendations being implemented and that there are no tangible results from their recommendations, concerns and eventual resignations?

BGen Serge Ménard: My answer remains the same. I've not been part of any discussion related to that, so I cannot speak to that specific topic.

Sandra Cobena: What I want to know is if you—apart from being part of a discussion—see changes being made. I'm not asking about a discussion on the resignations. I am asking about the changes being implemented based on their work, based on their concerns being raised after their work was not producing any results and based on their resignations.

• (1200)

BGen Serge Ménard: What I can say is that we work very closely with Veterans Affairs Canada to make sure that we provide the best support possible to our members. This is day-to-day work in collaboration between the two departments. There are touch-points throughout the organization: at the working level, at my level, with my counterpart in VAC and at the assistant deputy minister level as well. We use—

Sandra Cobena: I can appreciate that. My question is very specific to the work that the women's council was doing. Is it fair to say, then, that you haven't seen any changes made since? Just give a very clear answer.

BGen Serge Ménard: We always try to improve the services that we provide to our transitioning members, but I cannot speak specifically about the recommendations or the work.

Sandra Cobena: I am going to assume that there are no meaningful changes, and you can't point to anything concrete that has been changed.

I'd love to get your thoughts on another piece of information that we have received. This is the \$3 million in funding that was reallocated—that was removed from supporting homeless veterans. The housing minister deemed that those funds were not necessary because he could not find ex-military members in need. Could you speak to that?

BGen Serge Ménard: Again, this is not a question that we study within our department. The issue of homeless veterans is clearly within Veterans Affairs Canada, so it would be the best organization to answer that.

Sandra Cobena: When veterans are transitioning to civilian life, do you see the issue of the risk of them being homeless being addressed if there are no requirements for additional funding to support them?

BGen Serge Ménard: When we support transitioning members, we assess the risks and needs that could lead to homelessness. Our role is to make sure that members are well-supported and well-connected to organizations that can support them after their release. That is our role: to make sure that members are well-supported and that there's a seamless transition between the CAF and Veterans Affairs Canada.

Sandra Cobena: Would you say the funds, then, would not be needed, that the \$3 million was not needed for the veterans transitioning who could be potentially at risk of homelessness?

BGen Serge Ménard: I cannot answer that specific question because it's not in the purview of our department to study the needs for accommodation for homeless veterans.

Sandra Cobena: I have no further questions.

The Chair: Ms. Rochefort, you have five minutes.

Pauline Rochefort: Thank you, Mr. Chair.

I will direct my questions to Mr. Trudel and Mr. Quinlan. I just want to go over and clearly understand the process.

On July 24, 2026, new rules were issued. A real property policy notice was issued by Treasury Board. I'd just like to understand how that changed the rules with respect to the sale and disposal of surplus lands.

Francis Trudel: You are correct. There has been significant change in the policy. It's a policy from Treasury Board that guides the disposal process of surplus assets for the Government of Canada.

The first thing that happened through that change in policy is that the government established very clearly that the highest level of priority that exists for the disposal of federal assets is that they be disposed for housing purposes. That priority setting has established a clear line of steps to follow. That policy brings in Build Canada Homes as the authority to determine if an asset is actually suitable for housing. That's where the process starts.

Surplus assets, which are assets that are no longer used by departments to support their program, are to be considered for housing. Build Canada Homes is the authority to determine that. Should it determine that the housing is suitable, at that moment PSPC becomes the disposal authority to support Build Canada Homes with the complicated process that my colleagues have explained, and to walk us through to the point of the disposal of the asset.

The change in the policy—which was the basis of your question—has been to establish a fast-track process for housing purposes.

• (1205)

Pauline Rochefort: It was a good change that was brought forward. Would that be correct?

Francis Trudel: It's a change that certainly brings a sense of focus and accelerates the disposal.

Pauline Rochefort: Thank you for that.

Can you explain about the Amherst armoury? It's my understanding that it was declared surplus in 2016. How do these new rules impact that particular property?

Francis Trudel: I would turn to my colleagues in National Defence to explain their disposals.

Pauline Rochefort: I just want to clearly lay it all out.

Thank you so much.

David Thompson: How the process changes now with an asset like Amherst is that it's undergoing its divestment assessment right now. It's going through the due diligence process. Once that is completed.... As mentioned earlier, it was put forward on the public land bank. There was no take-up at that time. The process has now evolved to where Build Canada Homes, if it sees that this has value for housing, can request to put Amherst armoury's future divestment for housing at the top, prior to the circulation process, which then would be to federal and provincial...and then to local municipal or indigenous groups.

Pauline Rochefort: It has not yet been assessed by Build Canada Homes.

David Thompson: I'm not aware of the status of Build Canada Homes' assessment of this asset.

Pauline Rochefort: Who would request the assessment by Build Canada Homes? Would they impose it themselves and say that they're going to be reviewing this property? How would that come about?

David Thompson: The current process is that any new asset that is deemed to be surplus to the department is flagged to Build Canada Homes first. They would do that assessment up front. I presume that now, with Build Canada Homes established, there are quite a few assets already in process and undergoing review.

Pauline Rochefort: In the case of the Amherst armoury, it was designated in 1990 as a federal heritage building. How would that impact the disposal process of a property?

David Thompson: The Amherst armoury has had various heritage reviews, including being classified as heritage. That is part of the due diligence process so that those heritage aspects are captured

prior to moving forward in that divestment process and would carry forward with the potential new owner of that asset.

Pauline Rochefort: I get a sense that the Amherst property falls between the new rules and what was in place before. It's in a grey zone, to some extent. Would that be a fair assessment?

David Thompson: In terms of the policy change and the process that has evolved, divestment properties that are in flight may continue on the current path. They do not have to be revisited if they're down a certain path. The Amherst armoury is early in that process.

Pauline Rochefort: It certainly—

The Chair: I'm sorry. We're quite a bit past our time.

Pauline Rochefort: Okay. I was just going to point out that the changes brought forward in July were good changes and good policy. I like that.

Thank you.

The Chair: There will be a bit more time after the next intervention, if you like.

I understand that the Bloc and the Conservatives are done with their questioning, so we're going to finish up with Ms. Hirtle for five minutes.

Please go ahead.

Alana Hirtle: Thank you very much, Mr. Chair.

Thank you, Mr. Trudel, for the information on how this works, as well as Mr. Thompson.

You talked about divestment and the steps it takes. What would the typical timeline be from identifying a property as surplus to making it available for redevelopment or for public benefit purposes?

• (1210)

Francis Trudel: That's quite a difficult question because, of course, each asset we're talking about comes with its specificities. Some of them are assets in very good shape, and others are in need of repair or reinvestment. There are contamination considerations. There are heritage issues. There are treaty rights that sometimes fit into the equation. It's very hard to assess.

It's fair to say that the process before the change came into place.... There was a Treasury Board study that demonstrated that there were multiple years before we could dispose of an asset. The data that I have, without pointing to a specific time, suggests that this would be cut at least by half in the new process. It will be even further accelerated—I'm tempted not to use an exact timeline—when you benefit from the accelerated process for housing purposes. There are many reasons for that in the policy I've described.

There is also the centre of expertise that exists at PSPC. That has now been created following a bit of investment in budget 2024. It allows us to have a specific focus on this.

All of those things combined have generated a fairly accelerated path for disposal.

Alana Hirtle: The Amherst armoury, specifically, has some environmental concerns. Do environmental remediation costs create a significant barrier for the timeline of the process or for redevelopment potential?

David Thompson: The entire due diligence process, which includes environmental assessment and studies as well, helps develop a divestment strategy to maintain things as is and divest, or potentially to invest to divest. Each asset is unique on that scale. Also, as we go through circulation, interested parties may have various future use needs that would potentially impact that divestment strategy.

Alana Hirtle: There is an interested party, of course, with this building. VETS Canada has expressed an interest in creating housing with wraparound services and also in bringing the Nova Scotia Highlanders Regimental Museum back. It has found a temporary home, but we're hoping to be able to bring it back there.

As my last question, are there other opportunities on top of the changes to the Treasury Board guidelines this year? Are there opportunities to streamline the federal process even more so we can more quickly get these buildings into the hands of interested parties willing and able to take them on and get them turned into housing?

David Thompson: In terms of the policy update, or the policy change that has occurred, as colleagues have shared, it certainly has shown the possibility to accelerate the divestment process for housing.

I don't have any other comments in terms of what other mechanisms could further improve that.

Alana Hirtle: Finally, we had the mayor of Amherst here at a prior meeting to talk about the need and about the municipalities' willingness to work. Is there a way in which PSPC can work more closely with municipalities to identify opportunities and then put these properties to better use?

Francis Trudel: They are certainly part of the stakeholders with whom PSPC would work. We're one of 27 different custodians of federal assets, but one of the major ones. As part of that process, we work with different stakeholders. Those stakeholders, including departments like Veterans Affairs, come into the equation. Should they want to acquire surplus assets, they come as a priority into the equation before this even goes onto the market. Our collaboration with communities and municipalities would also fit into that part of the process.

• (1215)

Alana Hirtle: That's wonderful.

Thank you all very much.

The Chair: Thank you very much, witnesses. We appreciate you being here with us today.

Dan Mazier: If I may, Chair, MP Hirtle brought up some really good points. I'm wondering if we could get the environmental assessments for Amherst armoury since 2015 tabled to the committee.

The Chair: Would you have easy access to that?

David Thompson: I'll have to go back and see what those records are.

The Chair: Sure. Just let the clerk know.

A couple of other items were requested. We're on a tight reporting deadline. Normally, we give three weeks, but we need them in to our analysts by October 15 in order to get them included in our report, which will be tabled. If you're able to respond by October 15, we'd certainly appreciate it.

Colleagues, we have a couple of dates we need to look at. We need recommendations. We have one more meeting, but we will need our recommendations on this to the analysts by the 13th. I'll remind everyone on Thursday, but if there's going to be a dissenting report, we'll require it by the 21st at 4 p.m. in order to put everything together in time to be tabled by the 23rd.

Again, I appreciate you being with us today and your responses.

We are adjourned.

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