



House of Commons
CANADA

Standing Committee on Government Operations and Estimates

OGGO • NUMBER 058 • 1st SESSION • 38th PARLIAMENT

EVIDENCE

Wednesday, November 2, 2005

—
Chair

Mr. Leon Benoit

All parliamentary publications are available on the
"Parliamentary Internet Parlementaire" at the following address:

<http://www.parl.gc.ca>

Standing Committee on Government Operations and Estimates

Wednesday, November 2, 2005

• (1535)

[English]

The Chair (Mr. Leon Benoit (Vegreville—Wainwright, CPC)): Good afternoon, everyone.

Today we have with us the Honourable Reg Alcock, President of the Treasury Board. He's here to answer questions and, if he would like, to give a brief opening statement on the Treasury Board review of the responsibilities and accountabilities of ministers and senior officials.

We'll get right to the minister's opening statement and then to questioning.

Go ahead, Mr. Alcock.

Hon. Reg Alcock (President of the Treasury Board): Thank you, Mr. Chairman.

Thank you for the opportunity to appear here.

I appeared before another committee the other day on this topic, and while I was quite prepared to give them a 15- or 20-minute commercial for all the stuff I've done, they weren't quite as willing to hear it. Why don't I table my statement and you can read it later? Let's get on with questions.

The Chair: That's wonderful, Mr. Minister.

Go ahead, Mr. Preston. You have seven minutes.

Mr. Joe Preston (Elgin—Middlesex—London, CPC): That's about as fast as we've done it.

Mr. Minister, I'm sure we'll read your opening statement later.

Hon. Reg Alcock: With great interest, I trust, Mr. Preston.

Mr. Joe Preston: Certainly, I will commit hours to it this evening.

Let's first review the timing for the introduction of these reports. I can go back to February 10, 2004, when your government committed to this report by September 2004. Okay, it was a little late, but bring it on. But wait, we passed September 30, 2005, without seeing this report. A year later there was no report. We heard sometime during this summer that the report may be delayed until after Justice Gomery presented his report so that we may take items from it. But we didn't do that either. Did we wait for Gomery? No.

To put this in context, surprisingly, the minister responsible for the report on ministerial responsibility was not responsible enough to meet his ministerial responsibility and table the report by the deadline set. He doesn't responsibly wait for further ideas from

Justice Gomery. Instead he brings out his report just a week before Justice Gomery.

Can you explain any of these timelines to us? Why did it take so long? And if it took so long, why didn't we wait for Justice Gomery?

Hon. Reg Alcock: Is that the question?

Mr. Joe Preston: Yes, sir.

Hon. Reg Alcock: I can explain that. Would you like me to?

Mr. Joe Preston: I'm sure there are voters at home just waiting for your answer to that question.

The Chair: Mr. Minister, the question was asked. Please go ahead and answer it.

Hon. Reg Alcock: Thank you. I thought the question was whether I could explain it, which I can guarantee I can—and I'm more than willing to do that.

I was actually just looking for a lovely quote that was in the paper today about cynicism, but it would be lost.

It's not that complicated, and I did say it several times along the way. When I started on the road of dealing with the question of the ministerial and deputy ministerial accountability, it was an incredibly difficult and complex issue. In fact, if you read what the Auditor General said in her report at that time, she indicated that this was something she felt should be dealt with. They had tried to do some work on it and felt it created all sorts of problems. In the end, she concluded that perhaps it wasn't appropriate for them to do it. I said I would take it on because I think it is a big topic.

When we appointed Mr. Justice Gomery, we got into a discussion about there being a problem with a minister writing about and leading this when we were talking about the accountabilities of ministers. I said that several times when we kept that first deadline. I said I wasn't certain how we do this, because at the end of the day we've appointed Mr. Justice Gomery, we've asked him to look specifically at this area, and was I in danger of pre-empting the work he's done?

At the same time, the same issues came up as we looked at structuring the relationship between ministers and deputies around some of the internal operations we have. Critical to this is the relationship between ministers and deputies around the issues of internal audit, accountability meetings, program operational meetings—all of which we were working on.

In the end, I sought the advice of Mr. Justice Gomery's team—the people who are doing the work on the research he's doing. I discussed the problem with them, saying I didn't want to be perceived as trying to pre-empt the work he was doing. At the same time, we had kept him informed along the way that we were doing work on making changes to the management of government. In the end, the advice I got back from his staff was to make the information available.

You will notice it is written in a descriptive fashion, because at the end of the day, one of the things we've asked Mr. Justice Gomery to do is to help us put in place or describe an appropriate accountability position for ministers. Given that I am a minister, somebody else should be making the final decision on that. We provided it to him, as we provided other information, in a fashion that is descriptive both of the history of ministerial accountability and the changes over time and how that intersects with some of the changes we have brought in.

• (1540)

Mr. Joe Preston: Mr. Minister, I don't want to interrupt, but I only have seven minutes for this round.

Hon. Reg Alcock: That's the answer. I've now completed it.

Mr. Joe Preston: Thank you.

Hon. Reg Alcock: You're welcome.

Mr. Joe Preston: Then let's move on to the quality of the report.

Yesterday at the public accounts committee Professor Sossin, an eminent professor, said it would be unfair to Political Science 101 to compare these documents to giving a real lesson on government and Parliament. He went on to say, "I would have flunked a student who had presented the arguments in defence of the government position that I see in these documents".

Can we get your version of how you feel about the quality of the documents? Were they simply put together in time for the Prime Minister to hold in front of himself as a shield for the results of Gomery?

Hon. Reg Alcock: No. In fact they were the result of more than a year and a half struggle around a very complex topic that involved the senior management of the Government of Canada, one of the largest and most complex organizations in the world. If you think this stuff is easy and is going to be solved like that, or if someone who had an idea once and has taught it for the last 20 years has all the answers, you're wrong.

I am actually very satisfied with the work that's been done here, and I'm very proud of the officials who have worked on this along with others. I think the solutions we have arrived at to date are world-class.

Mr. Joe Preston: Then I refer you to Marleau and Montpetit, the definitive parliamentary procedures handbook. On page 29 it talks about ministerial responsibility, that ministers have both individual and collective responsibility to Parliament:

The individual or personal responsibility of the Minister derives from a time when in practice and not just in theory the Crown governed; Ministers merely advised the Sovereign and were responsible to the Sovereign for their advice. The principle of individual ministerial responsibility holds that Ministers are accountable not only for their own actions as department heads, but also for

the actions of their subordinates; individual ministerial responsibility provides the basis for accountability throughout the system.

It goes on to talk about other pieces of ministerial responsibility. If in one page of Marleau and Montpetit we could come up with this definition of ministerial responsibility, did we truly need a whole book?

Hon. Reg Alcock: Mr. Marleau and Monsieur Montpetit believed we did, because they were part of the authorship of this. Both of them worked on this paper. I'm sorry that some professor somewhere doesn't think they're competent to write about this, but in fact I really believe they are.

The Chair: Your time is up, Mr. Preston.

We'll go to Madam Thibault for seven minutes.

[Translation]

Ms. Louise Thibault (Rimouski-Neigette—Témiscouata—Les Basques, BQ): Thank you, Mr. Chairman.

Thank you, Mr. Alcock, for coming here this afternoon. In my view, people who speak in French should be allotted additional time. The fact of the matter is, Mr. Chairman, that seconds are lost when the speaker must listen to the interpretation. I think we should be allotted at least 8 1/2 minutes. The same should apply to colleagues who have their questions answered in French.

I'm not happy with what I'm about to say, but it needs to be said. This is a general comment. I've read and annotated the documents, reviewing one after the other. I'm referring to the three reports distributed to us recently. Unfortunately, the language they contain is somewhat stilted. Let me explain what I mean. If these are documents that you intend to share with public servants, I would have to say — and this is typical of this type of exercise — not much of an effort was made to simplify certain words or expressions. I'm not implying that the process should be simplified to the point of being condescending toward our public servants. I'm saying that the language used should be simplified to facilitate comprehension and to allow people to do their job. Expressions like "cross-cutting issues", "horizontality" and others of similar ilk come to mind. These are peppered throughout the reports. I'm not asking for explanations. I'm simply saying that this is unfortunate.

The same phenomenon is apparent when it comes to the use of euphemisms. For example, on page 2 of your report "Management in the Government of Canada: A Commitment to Continuous Improvement.", mention is made of "stronger internal controls and oversight". First, I want to know if these words are an admission of failure. Regarding a very timely subject, the report notes that the government:

invested insufficiently in core internal control systems—such as internal audit—and in the professionals who do this work. This capacity needs to be rebuilt

Did it take the government this long to appreciate the extent of the problem? I was very surprised to read this. It should have come to this realization years ago. Moreover, there is no clear description of how it plans to address the problem.

I'll let you respond and then I'll put my second question to you.

• (1545)

[English]

Hon. Reg Alcock: Thank you, Madame. I will attempt to be brief. I'm prepared to spend as much time as you like on this, because I think it's an exceptionally important topic.

On the last part of your question of whether there is a problem, yes, there is a problem. Have there not been adequate levels of investment in this? Absolutely. I've talked at great length about this for years. At a time when other large organizations were going through the modernization of their internal management, governments were in big deficits so they didn't make investments. When we moved into the reduction of expenditure in order to get to a balanced budget during the nineties, we cut further. We cut internally as well as externally and compounded the problem.

A move was made some time in the late eighties to follow the principle of decentralizing decision-making to a place closest to the point of service, which is a principle in management that's been followed by large companies all over the place. The problem was, I have argued, that the government did not put in place sufficient internal control systems to manage that, and we had a number of examples. I can list a number of cases. So yes, there was not sufficient investment.

[Translation]

Ms. Louise Thibault: Minister, did the government invest sufficiently or not and were these funds put to good use? Stronger controls would perhaps not be needed if those in place were properly enforced by the responsible parties.

Can you assure Canadians and Quebecers that the problem will be resolved by allocating additional funds to these measures rather than by ensuring that people fulfill their respective responsibilities? I for one do not like the use of the word "responsabilisation" in the French version. Using words like "imputabilité" and "reddition des comptes" would have been more appropriate, in my view. I'm speaking for my constituents and for the Bloc Québécois in general.

[English]

Hon. Reg Alcock: Absolutely. I certainly support that. I think all of these are estimates and we will work with them. We have a certain cadre of internal auditors now. The best recommendation from the Comptroller General is that this increase is required. But the more important part of the change is the change in the transparency and accountability piece.

Certainly in the world you hope everybody does what they're supposed to do correctly and in a timely fashion and acts honourably. But in an organization of 460,000 people, every now and again it's possible to have a problem. We wanted to put in place a regime that was so rigorous that nobody could say they had not been informed. That was one of the issues that was identified in the sponsorship program.

• (1550)

[Translation]

Ms. Louise Thibault: In the report "Management in the Government of Canada: A Commitment to Continuous Improvement", mention is made of implementing various measures. I'd like to know exactly how much these measures will cost. What can we

expect these costs to total? I'm talking here about the additional costs associated with new, not existing, initiatives.

[English]

Hon. Reg Alcock: In the case of the internal audit, there is a ramp-up as people are hired and trained. The annual additional cost, once it's fully implemented—they figure it'll take about three years to get to full implementation—will be about \$35 million over and above what we're currently spending.

On the training side, in the school, we've committed \$14 million this year, ramping up to about \$34 million on an annual basis. For senior financial officers it would be roughly in the same order of magnitude, but not quite as high, because we've already got a significant portion of that in place. When it's fully implemented, I think \$150 million annually would be pretty close.

[Translation]

Ms. Louise Thibault: If my colleague has a short question, I will defer my longer one until later. Otherwise, you won't have time to respond, Minister.

[English]

Hon. Reg Alcock: Hopefully there will be a second round.

[Translation]

Mr. Benoît Sauvageau (Repentigny, BQ): In its report "Management in the Government of Canada: A Commitment to Continuous Improvement", the government stresses that in drafting its plan, it took into account the views and suggestions of the Standing Committee on Public Accounts of which I am a member.

Since you have rejected out of hand all of the recommendations put forward by the Standing Committee on Public Accounts, why do you claim in the report to have taken them into account? Are you saying that you read the recommendations, and then rejected them? Is that the meaning we should read into this statement?

[English]

Hon. Reg Alcock: Just because I take something into account doesn't mean I have to accept it 100%. I take all of the reports very seriously, including the reports out of this committee. I read them at great length. I consider them in the context of all of the recommendations that we have, and we come to decisions.

You're speaking specifically about the model of the accountability officer. I thought the model they presented, which was based on the same professor's application of a British model, was wrong.

[Translation]

Mr. Benoît Sauvageau: No, I'm talking here about the report of the Public Accounts Committee.

[English]

Hon. Reg Alcock: Yes.

[Translation]

Mr. Benoît Sauvageau: At one point in your report, you claim that you took the committee's views and proposals into account. However, since that wasn't the case, how should we interpret this statement? Did you feel that since you read the recommendations, found nothing good in them and subsequently set them aside, you could then consider that you in fact took them into account?

[English]

Hon. Reg Alcock: I took it into account. I read it. I considered it. I looked at the recommendations. I thought about them. I applied them to the situation. I decided they didn't fit as well as the others, so I went a different way.

[Translation]

Mr. Benoît Sauvageau: Perhaps the text could be worded differently. I think it would be more accurate to say “we took note of and rejected the recommendations” rather than “we took the recommendations into account”. Generally speaking, when something is taken into account, it means it was acted upon.

[English]

Hon. Reg Alcock: Actually, if there is a problem in the translation, then I would be willing to look at that, but remember there were about 15 reports by the public accounts committee. The one that I did not follow—

[Translation]

Mr. Benoît Sauvageau: I'm referring primarily to the 10th report.

[English]

Hon. Reg Alcock: I understand, but I have considered every single one of them. I did reject the specific formulation that was put forward in the 10th report, because I think we got to a better place in a different way. But that doesn't mean I've rejected out of hand all of the reports. I think they've been very helpful, frankly.

The Chair: Thank you, Mr. Alcock.

Mr. Szabo, for seven minutes.

Mr. Paul Szabo (Mississauga South, Lib.): Thank you, Mr. Chairman, and welcome, Minister. It's good to see you back.

Hon. Reg Alcock: I'm losing so much weight that my pants are becoming shorts.

Okay, go ahead.

Mr. Paul Szabo: That was the answer to my first question.

Some hon. members: Oh, oh!

• (1555)

The Chair: Minister Alcock, that was too much information.

Mr. Szabo.

Mr. Paul Szabo: Minister, I can tell you quite honestly that I receive a lot of reports, as all parliamentarians do, from a lot of departments on a lot of important issues. They're very long, and the fog index, which is the average syllables per word, is very high. I thought I'd like to bring it down to, “Explain it to me so my Grandma would understand”.

Maybe we should just start off with the common understanding of what we mean by accountability. I'd like you to please share with us the aspect of what it means for a minister to be accountable.

I want to hear what this minister thinks that we, as parliamentarians, should use as a foundation point in looking for evidence of accountability.

Hon. Reg Alcock: Actually, Mr. Szabo, I appreciate that, because I have searched myself for something that, as Madam Thibault said, gets rid of the jargon and just puts it very clearly.

I think of it this way. It fundamentally is about clarity right throughout—clarity of the task, clarity of who has the responsibility for execution, clarity about what was done, clarity about what the outcome is, and clarity about what the consequences, sanctions, or rewards are. The Auditor General in an earlier report worded it more elegantly, but it was essentially in that context. You want to look at each one of those actions and make sure there's clarity about who holds the responsibility and clarity about what actually occurred. That's what we have attempted to achieve here in what is a very arcane, very complicated system.

Mr. Paul Szabo: That is very helpful, because it leads me to my principal concern, which has to do with section 5.5 of the report. The first doctrine says Parliament's role in holding the government to account on behalf of the people of Canada is reaffirmed as a primary responsibility.

I'm a parliamentarian. I have a role to play. But, Minister, I don't have the tools to be able to do the job properly. I don't get information on a timely basis. I don't receive plans and priorities that are in a clear message. I don't know what to expect. Someone hasn't relayed to me what we did last year, what we plan to do this year, and how that impacts things, or what things have been sunsetted, what things are new, what things were just transfers and not to be worried about, or what things we are going to discuss for which the budgets are included in somebody else's department.

You know, Mr. Marleau once did an op-ed piece for the *Hill Times* and he said members of Parliament were ignoring 50% of the responsibilities because we were not doing a proper review of the estimates.

I would say that today the evidence is that parliamentarians still do not have the resources, the research capabilities, or the time. We've been stuck with having to give a decision on the estimates or the supplementaries within two weeks or something like that.

How do you expect to articulate a doctrine that under our current system makes it impossible for us to discharge our responsibilities?

Hon. Reg Alcock: Mr. Szabo, you go to the heart of what I think is an exceptionally important issue. I think one of the big holes in accountability is exactly the issues you raise. There is a complexity here such that I have said—I've said it in front of this committee and I've said it in front of other committees—I wish you would call us forward to talk about this.

There is a team working in Treasury Board on reporting to Parliament that has done, as far as I'm concerned, cutting-edge work on figuring out not only how we can put down information in front of you but how we can keep it evergreen so it isn't once a year that you can actually use electronic tools to update it and track it and all of that. We have worked with the Senate finance committee, and I will say that the Senate finance committee, which is chaired by an opposition member, actually takes us up on that approach. Each year it comes back and says if we were to do this, it would help improve transparency, and we've responded every single time.

You're absolutely right. I don't think these committees have the tools. I don't think there's the research capability available to do the job you're called upon to do. I can tell you, from my side of the table, if there's a committee—I don't care what committee—in this House that takes up that challenge, I will work with them day and night to improve this. We all suffer from the vacuous, foolish kind of oversight that replaces real oversight now.

The final piece, though, and the toughest one—and this is where parliamentarians really need to get their heads around it—is the time management, because it's hugely complex. If you're going to deal with it in depth, we've got to figure out some way to give people what they need in order to play the role without making such huge demands on your time. It's a terrible conundrum with the pressure, but government suffers from a lack of high-quality oversight from the House of Commons.

Bob Marleau was absolutely right. He said 50% of the responsibility of parliamentarians is oversight of spending, and they spend less than 5% of their time on it. It's got to change.

• (1600)

Mr. Paul Szabo: Well, thank you. I appreciate that acknowledgement. I think it's important because we have to be part of the solution. We simply can't be like an opposition to ministerial activities all the time. Our responsibilities have to be discharged.

As you know, this committee, of which you were its chair, had a subcommittee that dealt with the issue of the review of the estimates and the process, and it was tabled by this committee. There has been no action, though, Minister, and I have to say that if this in fact is an important area and if it's 50% of our jobs and there hasn't been a response to the work that committee did, other than us continuing to talk about the problem.... It's easy to talk about the problem. The more difficult thing is to deliver the solution, and I would hope that we could get your commitment today to help us move down that road to assisting parliamentarians do a better job in terms of those responsibilities.

Hon. Reg Alcock: I can tell you right now, Mr. Szabo, I give you that commitment unreservedly—unreservedly. I've been asking for this for some time. I think it's important.

There is this dance where if you're the accountability mechanism, it's hard for me to drive it. I can respond to it and I can show you examples of where we've been trying to do that with the Senate, because they have engaged in some of these questions. To the extent this committee or any other committee wants to do that, I'll be there with bells on.

The Chair: Thank you, Mr. Minister.

Mr. Martin for seven minutes, followed by Mr. Lunn.

Mr. Pat Martin (Winnipeg Centre, NDP): Thank you, Mr. Chair.

Welcome, Minister.

Minister, let me start by saying I sit on another committee, the aboriginal affairs committee, and it strikes me that if the Government of Canada were an Indian reserve, they would have been slapped under third-party management a while ago—based on Gomery, at least.

But all of the complex proposals you have brought forward are internal, not external. In mind-numbing detail you've given us a bunch of complex new rules, as it were, but the problem here isn't the rules. We have to change the culture, not change the rules. That's what strikes me. I don't think what's wrong can be fixed by your internal machinations, and for all the world it looks like a smokescreen is being put up by you and Minister Brison to make it look like you've thrown yourselves into a flurry of self-corrective measures. I just think it's the wrong route to go.

Now, nobody can legislate morality, right? That has to come from the people you hire and the way you conduct yourselves. The point I wanted to raise is one of the frustrations we've had is the reluctance of the government to allow genuine reform to the Access to Information Act. Don't you think that you would get better results from open government than you would from increasing the complexity of government by a factor of 10, where nobody is going to be able to measure if you're more effective or not? How can you explain your government's reluctance to allow genuine access to information reform in light of what's happened?

Hon. Reg Alcock: Mr. Martin, the dilemma, of course, is to try to talk about what is an enormously complex problem in a very short period of time. Let me try to run through it very fast.

I disagree with your characterization of this, and I can tell you I am absolutely confident that if you and I took the time to sit down and go through it, I'd have your support, because I know you're interested in these issues.

One of the things I was asked from the beginning was, where's your big plan for reforming government? I resisted doing that because we have a history; I can show you plans, royal commissions, and schemes that go back years, and they produced nothing. I came in and said, look, I'm not going to do that; what I'm going to do is fix this, fix that, and fix something else, and at the end of the day we're going to get to a better place.

I'm going to come to access in a minute.

While this looks complex—and it is internal—it's deliberately so because that's where I saw a problem. The capacity to get high-quality information out of government.... To me, Mr. Szabo's test... we simply don't have the tools to do it.

I think committees could beat the heck out of us for substantive things instead of all the frothy things you beat us up for, because there are serious problems.

• (1605)

Mr. Pat Martin: You don't have the resources and neither do we, but if you reformed access instead of having one Auditor General, you could have 30 million auditors general.

Hon. Reg Alcock: I'm coming to that. I'm coming there.

There are two levels to this, right? You need to have the capacity to have the information that's around management—just ongoing, everyday management—brought forward in a way that brings it forward to managers so they can see it and they cannot avoid the responsibility. That's the big change that's key in this: the use of external individuals, citizens, on the internal access audit committees, people who have a relationship both with the deputy and senior management and with the minister. That is a profoundly powerful change in terms of dealing with the management.

Mr. Pat Martin: It still isn't a form of outside scrutiny.

Hon. Reg Alcock: Wait. I'm coming there. But you dismissed what the jewel of this is. I've got to tell you, Mr. Martin, I need to educate people on that particular point.

Having said that, I also agree with you on access, and I can tell you that Minister Cotler does too. There has been a big debate; you've seen the outside of that, some of it with the committee, some of it not. Mr. Cotler and I are in discussion right now on that, and I think he will be coming forward with a piece for the committee shortly.

There are two parts to it. Definitely we should strengthen access; I'm with you on that 100%. There's another piece to it, though. When we created the access regime, what we did was almost make it more difficult to access routine information. We don't need access to put a bunch of information out in an easy-to-use form.

Another thing I said to committees was, if a committee wants to sit down and say, listen, I think you should be disclosing this, or he should be giving it in this form, I will pump it out as fast as we can do it responsibly. I agree with you. How can you hold anyone to account if you don't understand what they're doing?

I think access is fundamentally important. I think I can drive an awful lot of information out without even changing access. It doesn't mean we shouldn't change it, but the change is going to take a period of time, as legislation has to move through the House.

Mr. Pat Martin: Thank you. That's a good answer.

Hon. Reg Alcock: I have better ones too. Talk about internal audit; it's fabulous.

Mr. Pat Martin: The internal audits aren't a great deal of comfort to me.

It seems a lot of what we're hearing from you—and I can't talk about what you're saying in isolation, because there's Minister Brison as well—is that ministers are pushing the blame for corruption on those lower down in the pecking order. That was the original reaction. You remember when the sponsorship scandal hit; it was a couple of rogue bureaucrats.

Hon. Reg Alcock: That was a quote of the Auditor General, by the way. It is a fact. It was a quote of the Auditor General.

Mr. Pat Martin: Well, we now know that it went beyond a couple of rogue bureaucrats, but a lot of the changes that are being contemplated to respond to sponsorship seem to be about putting tighter constraints on bureaucrats so this kind of thing can't happen. What I'm trying to put to you is that there aren't enough constraints in the world to stop people who are criminally inclined from doing it, but by shining the light of day on what they're doing, we can stop it; outside scrutiny can in fact stop it. My point is, it seems to be that a

lot of this internal working and these internal machinations are like trying to legislate morality, and it's passing the blame onto anyone but the ministers.

Hon. Reg Alcock: I've heard that characterization, Mr. Martin, and I want to assure you that's not the case. Tightening up internally is just a necessary act, given that it's not very tight and we don't have proper systems and sufficient trained people.

In the Gomery report, one of the concerns was that when it came to who's responsible, everybody could say, "I didn't know about it." What this does is say nobody can say that any more. The use of a majority of external members on the internal audit committees means that every time a report comes forward, it will be brought to the attention of the deputy and it will be worked through—because this is a management report, and the deputy has to solve the problem—and brought to the attention of the minister and will be tabled in the House. So if you want transparency on internal management issues, you have it right there in a way we've never had it, and nobody in that process can say, "Gee, I didn't know about that." That's part of the system.

It doesn't take away from your question about external oversight and the reforming of access to information. I'm telling you, I believe as you do, that's an important additional tool, and it's one that Minister Cotler is committed to doing. I can tell you, I think without violating any confidences, that he's working with that right now, and I'm working with him on it because I share his interest.

•(1610)

The Chair: Thank you, Mr. Martin. Your time is up.

Mr. Lunn, for seven minutes, followed by Mr. Godbout.

Mr. Gary Lunn (Saanich—Gulf Islands, CPC): Thank you very much, Mr. Chair.

I want to start off with a very brief statement.

Mr. Alcock, you stated earlier that when you have 460,000 people, it's possible to have a problem. I just want to let you know, again, it's the culture of arrogance that's oozing out of you when you're trying to cast aspersions on the civil service and the bureaucrats, when the rot, and I say the rot, is in the Liberal Party. These people—Mr. Guité—were not bureaucrats; they were senior Liberals. So I think you should be careful before you cast aspersions on the professional civil service, the hardworking men and women who serve this country, because it's Liberals. That's been confirmed by Justice Gomery.

That said, I want to ask the minister—

Hon. Reg Alcock: That's not true. That's simply not true.

Mr. Gary Lunn: —in regard to the \$1.14 million that your party, the Liberal Party of Canada, has admitted to stealing, because that's what they're cutting a cheque for, is that number specifically stated in Justice Gomery's report, yes or no?

Hon. Reg Alcock: Mr. Chairman, I came here to talk about the accountability of ministers. If Mr. Lunn wishes to engage in debate about Mr. Justice Gomery's report, I'm quite willing to do so, if you'd like me to do that.

Mr. Gary Lunn: I believe that's accountability. Please—

The Chair: Mr. Minister, I believe the connection has already been made between your report and the Gomery report. You made it yourself, in fact.

Hon. Reg Alcock: That's terrific. Then let me say that I think false allegations and misleading characterizations don't serve anybody's interest.

Mr. Gary Lunn: Excuse me, Mr. Minister, I asked you a question. Mr. Minister, would please answer the question?

Hon. Reg Alcock: If you want to come forward and make outrageous charges and accuse people of things, as you have been doing for the last year and a half, you're going to get answered in kind.

The Chair: Mr. Alcock—

Hon. Reg Alcock: If you want to have a substantive discussion about improving the management of the Government of Canada, I'm your huckleberry. I'll be here day and night. But if you want to play the silly games you guys have been playing for years, simply, I'm going to play back.

The Chair: Order.

Hon. Reg Alcock: It's just stupid. It's a waste of time, Gary. You can do a better job of oversight if you have focus on it.

The Chair: Minister Alcock, you were asked a question.

Hon. Reg Alcock: I just answered it.

The Chair: Try to stick to answering the questions, please.

Mr. Gary Lunn: I'll ask you one more time. This is a very serious question. It's a very serious matter, and I think you shouldn't make so light of it.

Your party has admitted to stealing \$1.14 million. Your leader was on the news last night, on the networks, saying they're cutting a cheque to pay it back. I want to know where that number came from. I can't find it in the Gomery reports. Can you tell me, yes or no, is the \$1.14 million that you're paying back to the government or to the Receiver General of Canada, that number, in the Gomery report, yes or no?

Hon. Reg Alcock: I think you will find that I'm here as an official of the government and not of the Liberal Party. I believe if this question were asked in question period, it would be ruled out of order, because I am not representing the Liberal Party.

However, the characterization that the Liberal Party has stolen money is simply untrue. That is not substantiated in the Gomery report at all. What is substantiated...

Do you want the answer or not, Sparky?

Mr. Gary Lunn: Well, you are the President of the Treasury Board. These are sincere questions.

Hon. Reg Alcock: No, they aren't. They are the same kinds of slanderous allegations you've been making the whole time. It has nothing to do with the Government of Canada. It has nothing to do

with good public administration. It has to do with really bad question period practice. That's what it has to do with.

Mr. Gary Lunn: Let me tell you, I am quoting from Justice Gomery's report. I read Justice Gomery's report in question period. I appreciate that you don't maybe like what's written through the thousands of pages of Justice Gomery's report.

He has stated on page 5, under "Major Findings", point one, "clear evidence of political involvement in the administration of the Sponsorship Program". Your party has voluntarily, supposedly, written out a cheque for \$1.14 million to repay the money your party stole. You are the President of the Treasury Board now. I'm asking a very straight question. Where did that number come from?

The Chair: Excuse me a minute, Mr. Minister.

Mr. Lunn, please relate your questions directly to this report. If there is a connection, make that connection clear so that we know it's a relevant question.

Go ahead, Mr. Minister.

• (1615)

Hon. Reg Alcock: Well, I defy him to show me where it says in this report that the Liberal Party "stole". I defy you to find that in this report.

Mr. Gary Lunn: I'll read it to you, since we're talking about this report, because I read it in question period.

Hon. Reg Alcock: No, you read the statement—

Mr. Gary Lunn: The Liberal Party of Canada's Quebec wing, it says:

...as an institution cannot escape responsibility for the misconduct of its officers and representatives. Two successive Executive Directors were directly involved in the illegal campaign financing, and many of its workers accepted cash payments for their services....

We do know that Justice Gomery has also gone on to state that this \$45 million has gone missing. They're implicated throughout this entire report. If you're suggesting now to this committee that the Liberal Party of Canada is not implicated in the Gomery report, what planet are you on?

Hon. Reg Alcock: Let me just read from the Gomery report, because selective quotes—

Mr. Gary Lunn: You're not answering my question. I'm asking you this. Is the \$1.14 million in the Gomery report?

Hon. Reg Alcock: If you want to play like this, you have to face the facts. You can't play like this, my friend.

Mr. Paul Szabo: May I please have a point of order?

The Chair: A point of order, gentlemen.

Mr. Szabo.

Mr. Paul Szabo: Mr. Chairman, these are very important issues. I know the member is probably aware of what a talking stick is, and maybe sometimes we're going to need one so that the person holding the talking stick can—

The Chair: Get to the point of order.

Mr. Paul Szabo: The point of order is that the question was put and the minister just got a couple of words out in his answer and then was interrupted by Mr. Lunn, and he was not able to complete his answer. So, please, could everybody have a chance to complete their statement?

The Chair: Yes, Mr. Minister, please continue with your response.

Mr. Paradis.

[*Translation*]

Hon. Denis Paradis (Brome—Missisquoi, Lib.): Mr. Chairman, regarding our colleague's questions, I'd like to clarify that this pertains to the Liberal Party and to its structure, but certainly not to the government. This committee is a committee of the House.

[*English*]

The Chair: That is a good point, Mr. Paradis.

Mr. Lunn, allow the minister to answer. But perhaps you could keep the questions related to the report that we're dealing with today.

Mr. Gary Lunn: A point of order on the same point. I am just responding to that point of order.

I'm making a specific relation to the Gomery inquiry, which was tabled in the House of Commons and is under the administration of this government.

The Chair: Then, Mr. Lunn, just relate it to the report that is the issue the committee is dealing with today. It's already been done, but if you could do that in your specific questions, that would certainly make it easier for the questions to go ahead.

Mr. Minister.

Hon. Reg Alcock: No, I'll wait for the question.

Mr. Gary Lunn: Obviously, from your answers, you're telling me there is no \$1.14 million that is in the Gomery report, because I sure can't find it. So obviously you can shrug your shoulders; it's not there.

Let me come back to another statement by Justice Gomery, since this report is now a report of the government. It says:

The refusal of ministers, senior officials in the Prime Minister's Office and public servants to acknowledge their responsibility for the problems of mismanagement that occurred.

Do you agree with that statement as well?

Hon. Reg Alcock: I support the report that Mr. Justice Gomery has written. Absolutely.

Mr. Gary Lunn: ...what happened with the sponsorship file occurred on the watch of a Liberal government. Those who were in power are to be held responsible.

—including all cabinet ministers who were in government at the time.

Do you agree with that statement?

Hon. Reg Alcock: Do you support the Gomery report, Mr. Lunn?

Mr. Gary Lunn: I'm quoting from it.

Hon. Reg Alcock: So you do support it?

Mr. Gary Lunn: I'm asking the question.

Hon. Reg Alcock: I said I did. Do you?

Mr. Gary Lunn: Absolutely, I do. And I know what's on page 77. You can read it. I've read it.

Hon. Reg Alcock: It's not just on page 77; it's actually repeated several times.

The Chair: Order, please.

Mr. Lunn, your time is up.

We'll go to the next questioner, who is Mr. Godbout, for seven minutes.

Mr. Marc Godbout (Ottawa—Orléans, Lib.): Thank you, Mr. Chair.

I would like to follow up on Mr. Szabo's line of questions, especially "5.2 Support Parliament in its role in holding the government to account". There's a quote here that I think is so important. It is my experience as a parliamentarian in the last few months. On page 36 it says:

The partisan nature of questioning is seen by some participants as a missed opportunity to examine management and expenditure performance properly. Indeed, some of those consulted felt that the Public Accounts Committee too often addresses policy issues at the expense of management, accountability, and performance issues such as propriety, regularity, efficiency, economy, and effectiveness.

I have a feeling our committee is slowly sinking into that same pattern.

We have so much to examine. There were over a thousand reports, of over 100 pages each, that were submitted by 250 organizations to Parliament.

What are your feelings about that?

• (1620)

Hon. Reg Alcock: Well, obviously I wrote it—I didn't write it, but I endorse it.

I think it's a huge problem. This is not a new argument for me. I've been making this argument for a very long time. I made this argument in front of the public accounts committee, to the chair, who I thought missed a wonderful opportunity.

When the sponsorship report first came down, I was one who argued that maybe we didn't need Mr. Justice Gomery, that maybe the public accounts committee could do a credible job, and that maybe Parliament could demonstrate that it could walk and chew gum. The reason I did that is because my experience as chair of this committee, working with all parties, was that we were actually able to properly handle a very sensitive and very difficult issue. We didn't run around playing silly political games. We didn't slander people for the sake of capturing a headline. We went in camera when it involved the names of people. We handled the information sensitively. We brought in lawyers so they had good advice. And all parties around this table.... We had a consensus on that, and we did that piece of work.

So I was deeply disappointed with the actions of the public accounts committee. I've expressed that on the record, and I've expressed it privately, to the chair. I thought he missed an opportunity.

House committees in the House of Commons have a job to do. I know members can do it, but they have to get out of turning everything into question period and turning everything into foolish, slanderous statements, with the hope of capturing the next big headline. This is serious business. It affects the citizens of Canada. It affects the lives of people. It affects a workforce that is huge and does a heck of a good job. They get no support from this building.

It is tragic. It is truly tragic. You waste an enormous amount of time playing these insulting, silly little games when there are substantive issues. You want to dig into stuff. There are more substantive problems to deal with in the management of an organization this size than you can imagine, and if you spent five minutes researching and getting serious about it, government would be a lot better.

Mr. Marc Godbout: Minister, one aspect, on page 49, is improving the management of information systems. It refers to the new management resources and results structure, which will provide information on how departments allocate and manage resources.

Where are we at in the implementation of that new structure? I do believe in results. I am very action oriented, and somewhat frustrated by some of these discussions here. Would any of that information be available to committees like ours to focus on what we should be doing?

Hon. Reg Alcock: That's an excellent question, and it in fact underlines what Mr. Martin was talking about too—and Madame Thibault. The organization of the operational information in government so that it can be easily accessed, and be accessed in some way that is responsive to the outcomes, is something we're working very hard on.

Mr. Szabo asked about accountabilities. The reports on plans and priorities that are put out at the beginning of a session are designed to be the operating plans of departments, and the departmental performance reports are designed to be the reports on that, so that you can hold me to account. If I come forward as the President of the Treasury Board, and Treasury Board comes forward and says, here is our report on plans and priorities, this is our statement of what we say we're going to do, I think a committee that spends some time on the report might have some challenges for it and might want to see some additions or modifications to it.

The departmental performance report should then be the report back, or the report that crosswalks with that, so that you will know whether or not we did it. I'm prepared to do that. In fact, Treasury Board is doing a crosswalk of a DPR that we tabled this week to do exactly that. This will get better and better as the information systems get stronger.

I tell you, we will get better if you provide the challenge. That challenge is important. I will respond and serve you. You speak to the Senate finance committee. I have altered the supplementary estimates and estimates every single year to respond to questions about crosswalks, about what money went down here and over there, and about how that happened. We've added information on that. I tell you that the public servants in this department are hungry for your engagement, and it will improve the oversight. It'll improve the visibility, as Mr. Martin would like, and it will improve the quality of government that everybody gets.

• (1625)

Mr. Marc Godbout: Well, Mr. Chairman, I think we should use the tools that are being referred to here. I sure hope our steering committee has a look at these documents, and possibly focuses our discussion on very specific aspects that we'd like to oversee.

Just generally on your report, Minister, what will be the next or future steps your department will be taking to make this a reality?

Hon. Reg Alcock: There is a problem that we're struggling with right now. We're working to strengthen the senior financial officer policy, because in the work that we did on the crowns in looking at publicly traded companies and at some of the requirements that have been brought in there in response to the Sarbanes-Oxley Act, there is a process of certification—not just signing off on the financial accounts, but certifying that the information is accurate and that the procedures are in place to guarantee proper management, and all of those kinds of things. We're looking at taking that down further into the organization.

There is another issue that is arising. Public management is an area where you can be found guilty of something simply by perception. Right?

Mr. Gary Lunn: Perception?

Hon. Reg Alcock: It doesn't need a reality. Public servants do what any human being would do in a situation like that, and they tie themselves to wherever there's rigidity, or wherever there are clearly defined rules and expectations—except in a world where you want decisions made more fluidly or a little faster and you want them to respond to local conditions; the kinds of decisions that might happen in downtown Halifax might be different from what they are in rural Saskatchewan, and might be different again in northern B.C. You want the public service to put a human face on it.

The Chair: Thank you, Mr. Alcock. Mr. Godbout's time is up.

For five minutes now, as we're into the five-minute round, or second round, Mr. Poilievre, followed by Monsieur Sauvageau.

Mr. Pierre Poilievre (Nepean—Carleton, CPC): Your government has had an epiphany. It has discovered ministerial responsibility. This is the new discovery that's going to solve the problems that we experienced during the Liberal sponsorship scandal, never mind the fact that ministerial responsibility was assumed, in that our grade-school kids learn at a very young age that ministerial responsibility for the actions of their department is a quintessential component of the Westminster parliamentary model, going back over two centuries. I'm glad to see it has taken a lot of bright minds to codify it here in this report today.

I'm going to quote some of the words in this report, and then we'll test them against the actions or future actions that we can anticipate from your government. Page 11 says:

A minister's accountability to Parliament for his or her department means that all actions of the department—whether pertaining to policy or administration, whether taken by the minister personally or by unelected officials under the minister's authority or under authorities vested in those officials directly by statute are considered to be those of the minister responsible.

Let's turn our attention to a practical example, the Technology Partnerships Canada program, under which \$2 billion has been lent out. So far, it has a 3% recovery rate on the loans that have been given out, even though the Liberal government, your government, declared in 1996 that this program would recover 100% of what it lent out.

Now we know numerous lobbyists are under investigation. We know that numerous companies—I think it's 15 companies, according to Industry Canada—improperly paid commissions to lobbyists and middlemen. Later on, whenever the government decides, internal audits into this program will eventually be released.

So my question to the minister is, when is it going to become appropriate for your colleague, Minister Emerson, to take responsibility for what has been going on in his department and resign? If we're applying these principles to the actions of your government, then when?

• (1630)

Hon. Reg Alcock: Is that the question?

Mr. Pierre Poilievre: Yes. Do I have to spell a question mark here?

Hon. Reg Alcock: It would be helpful, because when I start talking, you start talking again, so it's a little difficult for me to respond.

It's quite simple. In the document on ministerial responsibility, it says exactly that: the minister is responsible. What's the minister responsible for? The minister is responsible for ensuring that the systems are in place to guarantee appropriate management of the department. The minister is responsible for assuring that the deputy minister is carrying out those responsibilities. The minister is responsible for acting when information is raised to the minister that suggests a problem.

If an issue is raised to a minister that demonstrates a substantive problem and the minister does not act, then there's a level of accountability that may get us to the point that you raise, Mr. Poilievre, which is the decision of a minister to resign. But a minister who simply uncovers a problem and acts to fix that problem is carrying out his responsibilities, not avoiding them. The mere—

Mr. Pierre Poilievre: But so far—

Hon. Reg Alcock: No, I'm sorry. Would you like the answer, Mr. Poilievre?

Mr. Pierre Poilievre: You aren't answering my question, so I'm going to ask my next question.

Hon. Reg Alcock: I am exactly answering your question. If you don't want to hear the answer, that's a different matter. Just say so, and I won't spend my time trying to give you an answer.

The Chair: Mr. Minister, if you could, keep your answers brief, please.

Go ahead, Mr. Poilievre.

Mr. Pierre Poilievre: That will bring us to our next example, then. We have Minister Scott, who presides over a department that has known for years of a serious water problem on an aboriginal reserve, a problem that he has been openly informed about for months and about which he did nothing. Should he resign? Should he be responsible for the actions or inactions of his department in this case?

Hon. Reg Alcock: Have you finished the question?

Mr. Pierre Poilievre: I have a new question.

Hon. Reg Alcock: You've finished it now, so I can answer it now, is that right?

Mr. Pierre Poilievre: I hope this isn't counting against my time.

Hon. Reg Alcock: Well, I mean...

The Chair: Please, Mr. Minister, would you answer the question?

Hon. Reg Alcock: Sure.

I absolutely disagree with your characterization of that. It's completely untrue. Minister Scott has done a superb job. He's a first-class minister doing an excellent job within those communities, including that one. He visited that community; he didn't simply read a few headlines and then dance around, making slanderous allegations. He actually is in there trying to solve a problem, and he's doing it with the full support of the community.

Mr. Pierre Poilievre: So we have two examples here. We have one in which—

Hon. Reg Alcock: No, we have two “mis-examples”; we have two mischaracterizations of reality—

Mr. Pierre Poilievre: The minister is not responding.

Hon. Reg Alcock: —just like we always have from you guys.

The Chair: You offer the same kind of conduct that you've asked the member to—

Hon. Reg Alcock: Was I? I'm sorry.

The Chair: Go ahead, Mr. Poilievre.

Mr. Pierre Poilievre: We've got one minister whose department has lent out \$2 billion and has a loan recovery rate of only 3%; already 15 companies, admittedly by the government's own information, improperly paid commissions to lobbyists, including a former minister of your government; and we have internal audits that will eventually come out.

We know there are serious problems there, but of course the minister is not responsible for any of those problems, even though they occur in his department.

Another example is Mr. Scott. There was grievous inaction on his part, but once again he's not responsible either.

What we have here is a collection of words. It really doesn't matter what words you put in this report, Mr. Minister, if you're not going to follow them. By your responses today, you indicate that none of the ministers in your government should be responsible for anything that is occurring in their departments.

The Chair: Mr. Poilievre, thank you.

Mr. Alcock, have you a response?

Hon. Reg Alcock: I noticed that a member of your party still has on his website today that Mr. Pallister claimed \$750,000 in personal expenses, despite the fact that this has been disproven by two audits. He refuses to apologize or change that. So why should we take anything you guys say as reality? You make it up, you present it as facts, you commit slander all over the place, and then you want me to respond to it intelligently.

The Chair: Mr. Minister, we'll get on to the next questioner.

Mr. Sauvageau for five minutes, please.

Hon. Reg Alcock: Ask me an intelligent question, as everyone else around this table has done, and I will respond. Continue this foolishness and you'll get that kind of response.

An hon. member: You're losing your cool.

Hon. Reg Alcock: No, I'm not losing my cool at all.

The Chair: Mr. Minister, order, please.

Hon. Reg Alcock: I'm just fed up.

The Chair: We'll go to the next questioner.

Go ahead, Mr. Sauvageau.

Hon. Reg Alcock: I'm tired of wasting my time with this kind of stuff.

[*Translation*]

Mr. Benoît Sauvageau: I'll try to be up to the challenge and to ask an intelligent question, Mr. Alcock.

• (1635)

[*English*]

Hon. Reg Alcock: Oui. Thank you, Mr. Sauvageau.

[*Translation*]

Mr. Benoît Sauvageau: I hope to please you by eating humble pie. At the last meeting of the Public Accounts Committee, I accused you of making empty statements, of not saying a great deal. Today, however, it's quite a different story and I'm very surprised. You stated that...

[*English*]

Hon. Reg Alcock: Oui? I listen.

[*Translation*]

Mr. Benoît Sauvageau: Yes, I criticized you for making empty statements.

You stated that you were committed wholeheartedly to supporting committees and that if one was willing to take up the oversight challenge, you were prepared to cooperate. You stated that access to information must be strengthened.

You also stated — and this was not devoid of meaning — that parliamentarians should spend 50 per cent of their time reviewing internal reports and that among others, the Standing Committee on Public Accounts was part of the solution.

You made some even more encouraging comments and I'd like to recall them. On the subject of internal and external audits, you stated that you wanted transparency and that things would be different from now on.

Finally, you said that five minutes worth of research was more beneficial than partisan attacks.

I congratulate you for making these statements, but I would now suggest that you translate these words into action.

I tabled to the Public Accounts Committee two Heritage Canada internal audit reports and I asked that these be examined. The Liberals rejected my motion.

Yesterday, my Conservative colleagues tabled a motion calling on the government to present internal, external and forensic audit reports, if necessary, on Technology Partnerships Canada. The Liberal Members on the committee voted down the motion.

You asked us to issue some challenges. Tomorrow, a motion is scheduled to be tabled to the Public Accounts Committee calling on the government to present internal, external and forensic audit reports, if necessary, on the Internationaux du sport de Montréal. I'd like to issue the following challenge: will you ask the Liberal members of the committee to vote in favour of this motion?

[*English*]

Hon. Reg Alcock: I don't tell the members of any committee what to do. They are free actors in their own right. You can ask them. I don't think they'd listen if I did. I'm not going to get drawn into that particular discussion.

I want to correct one thing you said. The 50% of the time on estimates is a quote from Robert Marleau, the former clerk of the House. That's from him.

On the issue of correcting or working with you on accountability, absolutely, I stand by what I said. You can go back to speeches of mine before I became a minister; you can go back to statements of mine before this committee about the willingness and the eagerness to do that.

[*Translation*]

Mr. Benoît Sauvageau: May I interrupt you? You said some very nice things and you gave your wholehearted commitment to supporting committees. My request is in no way partisan. I'm not asking the Public Accounts Committee to investigate the ISM. I'm asking the government to present internal and external audit reports.

You claim that you want to facilitate access to information. Will you meet with the Liberal members of the Public Accounts Committee to discuss matters with them, to let them know, as you have informed us, that you want to facilitate the distribution of these reports? Do you also plan to tell them that, or are you only saying this to us? If so, then these are empty statements and I'm saddened to hear them.

[*English*]

Hon. Reg Alcock: You're making an assumption that I think is unwarranted. I don't instruct members of Parliament of any side. Do you think that members of the Liberal Party somehow act under my direction? That's just not true.

I also don't interfere in the responsibilities of other ministers. The public accounts committee will carry out its responsibilities—

[Translation]

Mr. Benoît Sauvageau: Why are you committing yourself to wholeheartedly supporting committees? Why promise transparency if you can't speak to anyone? Why make all of these promises, if you don't have the authority to discuss matters with your colleagues? How are you going to get the job done?

[English]

Hon. Reg Alcock: Mr. Sauvageau, it's cute, but no cigar at this point. What I said I would do is work with you on improving the access that's made available to committees, improving the information, clarifying, all of that, absolutely. What you want me to do is instruct the Liberal members on the committee. I don't do that. They'll make their decisions. I suspect they share the same interest, and if they wish to.... I don't tell them how to vote any more than I tell you how to vote.

• (1640)

[Translation]

Mr. Benoît Sauvageau: How do you plan to speed up the access to information process? You maintain that the Public Accounts Committee shouldn't be partisan, that it should do some research, and so on, and so forth. That's all well and good. Can you submit the internal and external audit reports on the ISM? You want to make these reports more easily accessible. If you can't instruct the Public Accounts Committee members to table them, will you agree to table them yourself?

[English]

Hon. Reg Alcock: No, hold on, you're asking me to do the work of a different minister. Bring that minister before the committee and make those requests. I don't understand. I'm the minister responsible for the Treasury Board. I'm responsible for information that's made available on the estimates and operations and all that kind of stuff. I will work with you on that. If you want me to interfere in some political battle you're having with another minister—

The Chair: Thank you, Mr. Alcock.

Mr. Boshcoff for five minutes, followed by Mr. Preston.

Mr. Ken Boshcoff (Thunder Bay—Rainy River, Lib.): Thank you. I apologize for the bias of the chair in this session here today.

Hon. Reg Alcock: Don't worry about it. I'm used to it.

Mr. Ken Boshcoff: I'll try to get back on subject, which is essentially this report.

I taught political science at university, so I want you to know that I don't agree with the aforementioned comments being made previously.

The Chair: Mr. Boshcoff, we have a point of order.

Mr. Poilievre.

Mr. Pierre Poilievre: I think the member across has attacked the integrity of the chair. It's uncalled for, unwarranted, and unparliamentary, and I would ask that he withdraw that assault on the integrity of our chair.

The Chair: Mr. Poilievre, I don't believe the member has officially questioned a ruling of the chair or the actions of the chair.

Go ahead, Mr. Boshcoff.

Mr. Ken Boshcoff: Thank you very much for that very clear understanding of what is a point of order. It's very helpful.

As I mentioned, I taught political science at university, so I feel very qualified to disagree with the previous comments about the readability or the clarity of the report. As a cooperative effort, Mr. Minister, I thought it was very well written, and it will be incorporated into my recommended reading list. So let's clear that part of the record up.

A report such as this, coming at the time it does, obviously means that some people may choose to use this time to bring up other matters that aren't related to this report. So you're faced right now with the difficulty of a sincerity factor. No matter how valid the effort is, how stringent the proposals are, how are you or other members of cabinet going to overcome that?

• (1645)

Hon. Reg Alcock: Thank you Mr. Boshcoff. That's an interesting question.

I have a great deal of faith, particularly after seeing this first report, in the rigour and attention that Mr. Justice Gomery pays to these things. Writing this report was an incredibly important exercise for us internally, because it forced us to come to terms with a bunch of these issues.

Mr. Poilievre's point in his opening remarks was right. The doctrine of ministerial responsibility has existed—it sits there in writing—but if you actually look at it and note what it says, how does it get acted out? What are the tools that give a minister the ability to deal with it? It's all of that kind of stuff.

A lot of that infrastructure is just badly out of date. So it was a good exercise for us; it got us thinking about it. With a new Comptroller General, we got looking at it, and that led to some very important changes in the internal management. Mr. Justice Gomery has pulled together a team of experts from around the country and has been conducting workshops, and he will have access to this information. You see some of the doctrine of ministerial accountability referred to in this report. I have asked him, indirectly—I haven't spoken to him personally, but I've asked his staff.... I said, one of the areas I'm a bit constrained in is that because I am a minister, it's a bit hard for me to write about my own accountability. I hope it's an area Mr. Justice Gomery will spend time on. I'm looking forward to seeing what he comes back with.

Mr. Ken Boshcoff: This report really has something far more... perhaps the penultimate tool for restoring faith in the system, as a tool to do that. It comes back to the ultimate responsibility question: where is that aspect of honour? I believe the public is really searching for it in a very determined way. They have to be able to believe that we as a country can actually have an inquiry. I would say the vast majority of nations in the world would never allow an inquiry like this.

Are you incorporating the process of this inquiry into all aspects of governmental responsibility?

Hon. Reg Alcock: If there's one thing I worry about, Mr. Boshcoff, it's the long-term effects of what's been going on here for some time now. Mr. Justice Gomery referenced it in the preface, at line 20 of the third page: "Canadians should not forget that the vast majority of our public officials and politicians do their work honestly, diligently, and effectively..." It's true. The Auditor General has also written about that.

The atmosphere that's been created.... In fact, there was an article today by a former pollster for the previous Conservative government—I'm blanking on his name—who made the same point: it's enormously destructive to have had the debate go on here for so long; it characterizes everybody who dares put their face forward as a public official as corrupt, or evil, or whatever. The chilling effect on the public service, the incredible difficulty that people who are honestly trying to do good public work face in the face of that is enormous. I deal with it all the time.

The random characterization of a hard-working public servant by name in the House of Commons.... These are things that would never have happened 10 or 20 years ago. We have to find a way to pull back so that we have the kind of rigorous oversight the House can and should apply.

Mr. Ken Boshcoff: Do you think a tightening of the rules as to what may be said and the allegations that may be made on both sides of the House would restore some decorum and dignity and restore public faith in the institution?

Hon. Reg Alcock: Well, I—

The Chair: Mr. Boshcoff, your time is up.

Please give a short answer, Mr. Minister.

Hon. Reg Alcock: Oh, I can answer?

The Chair: Yes, go ahead. Give a short answer, please.

Hon. Reg Alcock: Thank you, Mr. Chair.

I think that would help, but it's a lot more than that. In fact, we had a meeting of the senior executive team at Treasury Board, and we asked ourselves this question: how will we know when this has been done? It's an incredibly tough question.

It would be interesting to have a discussion with parliamentarians about this, because I think it's in everybody's interest, regardless of your political leanings, to have a competent, hard-working, satisfied, respected workforce. These people work for us. They deserve our respect; they deserve our support; and they deserve better than they've been getting.

The Chair: Thank you.

Mr. Preston, for five minutes, followed by Monsieur Paradis.

Mr. Joe Preston: Thank you, Chair.

Mr. Minister, in your definition of accountability to Mr. Szabo you talked about clarity, and I like the thought. But you also talked about sanctions and rewards. Can you describe what a sanction might be under ministerial accountability?

Hon. Reg Alcock: Yes. In fact, there's a range of issues there. The ultimate sanction—

Mr. Joe Preston: Can you give me the outside of the range instead of the whole thing?

Hon. Reg Alcock: Okay.

Ultimately, it's everything from censure in the House of Commons through to a minister resigning, or a minister being dismissed from his or her portfolio, as has happened frequently, by the person to whom he or she is accountable, which is the Prime Minister.

Mr. Joe Preston: Do we then actually get the avoidance of ministerial responsibility by simply changing the minister? Someone perhaps should be sanctioned for ministerial accountability problems, but the minister has now changed. He's now no longer the minister of A, he's the minister of B. Do we avoid it simply by doing that?

Hon. Reg Alcock: I think that is an incredibly interesting question. It's a complex one; it's one we've asked Mr. Justice Gomery to offer an opinion on. The government is ultimately responsible for what goes on, in the principle of collective responsibility, so just because individual A has left and individual B is now in place.... That new individual carries the accountability and has a responsibility for the ongoing management of the department.

The sanction that may have been visited, in that case, is the dismissal of the minister, isn't it?

• (1650)

Mr. Joe Preston: Right, but he's already gone.

Hon. Reg Alcock: But they're gone because they were dismissed.

Mr. Joe Preston: Or transferred, or in a different portfolio, or perhaps running a crown corporation.

Hon. Reg Alcock: Right. The dilemma that comes into play there is...the problem is, when you hold yourself up as prosecutor, judge, and jury, it's hard to respond to these things. If there's a substantive finding of ministerial fault in a given program or activity, that has to be dealt with, and it has to be dealt with in a number of ways. As was done with Minister Gagliano, when there was not an accusation—because there was accusation for some time. There was no action taken until there was a substantive finding. It is the same with the crown corporation heads who were removed. I was involved in that. I was asked to do those investigations. I refused to make it simply because somebody said it was so. You have to have facts.

That's the problem with Mr. Dingwall's case. You had no facts and you still found him guilty, and you continue to slander him.

Mr. Joe Preston: Mr. Minister, if the responsibility does not become known until after the minister has already left the position, are we simply not creating a check list or inventory list here of ministerial accountability after the facts?

Hon. Reg Alcock: No, not at all. Although there is the issue of... for example, can the House call ministers before it when they no longer have administrative responsibility for the department? Some of those kinds of issues.

Mr. Joe Preston: That's a great answer.

Hon. Reg Alcock: When the individual is still a political actor? That is a question that needs to be clarified. It's a question. Because of what I said earlier, if I start opining on that, I'm a minister, so how much credibility are you going to say I have? So we've asked Mr. Justice Gomery to offer an opinion on that.

Mr. Joe Preston: If you just said it really firmly, then we'd believe you, of course.

Justice Gomery mentioned a few ex-ministers in his report here on page 328 under chapter 11.2, "Culture of Entitlement". He mentions Minister Gagliano, Mr. Coderre, and Mr. Cauchon as ex-ministers whom he can specifically state wrongdoing from, but these are now ministers who are no longer there.

So the accountability book is fantastic, but we're talking about accountability after the fact.

Hon. Reg Alcock: Well, wait a second. If it's only been determined that somebody did something wrong, how would you hold them accountable if you have no knowledge of any action at an earlier date?

Mr. Joe Preston: That's all I'm asking you. Are there sanctions after the fact?

Hon. Reg Alcock: It's hard to sanction somebody in an administrative way if they're no longer a part of it. However, don't forget, we have a whole body of criminal and civil law, so if somebody has acted in a way that is addressable in that fashion, that is done, and that is being done.

Mr. Joe Preston: So many people are already serving jail sentences on behalf of the ad scam things.

Hon. Reg Alcock: I'm sorry, are you suggesting that our courts don't work, sir?

Mr. Joe Preston: No.

Hon. Reg Alcock: Are you saying that judges can't be trusted to deal with these things?

Mr. Joe Preston: I'm saying if you hide it deep enough, perhaps people don't get caught.

Hon. Reg Alcock: That obviously isn't the case.

Mr. Joe Preston: I'm asking about rules and regulations that are now written, we've written them, and most Canadians will start off with the thought that rules should be followed. I think we could safely say that all parliamentarians would even say that rules should be followed.

I have learned in life that past behaviour predicts your future performance in a lot of cases. I'm sorry to say, sir, with your government, your past behaviour predicts that whether the rules are written or not, they may not be followed. You may be able to drive a steamship through your own rules.

I love the fact that we write the rules and play holier than thou, but I think from time to time we must also follow the rules.

Hon. Reg Alcock: Is that a question, Mr. Preston? I would certainly like to respond to it.

The Chair: If you'd like to give a response....

Hon. Reg Alcock: Sure. If you're suggesting that past performance predicts future behaviour, I think you're absolutely right. I'm proud to be part of a government that has developed a robust form of multiculturalism so we have strength in our country. We have levels of peace and quiet and a quality of life that's the envy of the world. I'm proud to be part of a government that has universal medical care and a social safety net. I'm proud to be part of a government that deals with children and readiness to learn.

So yes, on balance, I'm pretty happy.

The Chair: Time is up, Mr. Minister.

Mr. Paradis, followed by Ms. Thibault, five minutes.

•(1655)

Hon. Reg Alcock: I'm also proud of one that deals in truth and is not afraid of truth.

The Chair: If the minister will stop interrupting, Mr. Paradis, go ahead with your questions.

Hon. Reg Alcock: I was just going to finish my answer.

[Translation]

Hon. Denis Paradis: Thank you, Mr. Chairman.

First of all, Minister, I agree with those who maintain the government should spend more time on the estimates. I believe someone said we should devote 50 per cent of our time to this pursuit. I'm not sure what the proper percentage should be, but certainly we should spend more time on this endeavour.

At present, the Auditor General is doing an excellent job overall. The same is true of the Standing Committee on Public Accounts on which I served for several years. I don't know how things are today, but when I was a member of the committee, it was a very important tool for members of all political parties. On one side, we had the Auditor General, and on the other, the deputy minister, or a departmental official. The two sides would square off to get to the bottom of an issue. Now, these committees, or the Auditor General, examine matters after the fact.

I congratulate you for creating the position of Comptroller General of Canada. This is a major development. However, we could take the prevention function a little further. Federal agencies submit to the government for its approval business plans in such areas as housing, agriculture or credit.

Could there not be some way of standardizing the tabling of business plans for housing and agriculture by agencies such as the Farm Credit Corporation and BDC to the responsible committees? Some committees already review such plans. Parliamentarians would then be able to identify potential problems. For instance, they might discover that the Farm Credit Corporation is going to amass a substantial surplus and that making a profit is not an option when farmers need to see lower interest rates. Giving committees the added responsibility of reviewing the business plans of government agencies and Crown corporations would be a plus point. That's my first question.

I'll get to my second question right away. Since you are the President of the Treasury Board, I have to tell you that I'm concerned about one thing. I don't know if this is symptomatic of a bigger problem, but I recently learned - and we'd need to verify these facts — that only three of the forty or so deputy ministers, assistant deputy ministers and senior officials at Foreign Affairs are Francophones. I'm not saying that there is a dearth of bilingual employees, but this imbalance is ludicrous, in my view. I'm not asking you for the exact numbers today, because my question may have come as somewhat of a surprise, but I'd like Treasury Board to look into this matter.

[English]

Hon. Reg Alcock: Thank you.

On the first point, about business plans of crown corporations, absolutely, they do produce them. They produce five-year and annual plans. I think it would be very useful if committees would engage in that. You would learn an awful lot. And if there were a particular concern, the corporations are public instruments and would respond to that.

Similarly with the departments—these reports on plans and priorities are, in essence, to be developed as the annual business plan of a department. To call them forward, to interrogate them on their business plan, to focus on those things that Parliament thinks they should be looking at would get quite a strong response.

The other requirement I've made is that whatever the final decision in that business plan that's in front of the House, they report at the end of the fiscal year on what they've achieved. It can't just be fluffy. It can't just be descriptive. It has to have some metrics underneath it.

On your question about Foreign Affairs, I could certainly check into it and let you know, Mr. Paradis. I can't confirm or deny that, although I'd be surprised. This is a pretty major department and we have a serious requirement around language.

I could check into that for you, though.

The Chair: Thank you, Mr. Paradis.

Madam Thibault, for five minutes, followed by Mr. Martin.

[Translation]

Ms. Louise Thibault: Thank you, Mr. Chairman.

I have three or four rather brief questions.

First, I'm always in favour of continually improving the way in which government is managed. In your report, under the heading "Progress to Date on Improving Responsiveness", you point out that

the government has "launched Service Canada to provide [...] one-stop access".

I'm curious, Mr. Alcock, as to why there is no legislation governing Service Canada. Yet, a mandate has been given to provide one-stop access to information and services. When can we expect relevant legislation to be introduced?

Secondly, you alluded earlier to consultation. Some colleagues brought up this point. In your reports, you state that you will consult with parliamentarians once again in 2006. I hesitate to say it, and I'm not trying to be sarcastic, but will this consultation process really serve any useful purpose?

My third question pertains to stronger controls over management practices. If I understood correctly, you spoke of the need to give public servants the tools to manage risk. I don't believe they are all hoping for regulations that would impose uniform practices from coast to coast. In any case, I wouldn't be in favour of that. However, the goal is to develop mechanisms to allow them to manage risk. You also talked about building stronger systems.

I want to know how you intend to reconcile all of these actions within the public service, so that people stay on track.

The last point I want to make is this: you refer in your report to the new position of Chief Audit Executive and to all of the other new positions associated with this office. Should we still be increasing the ranks of the federal Public Service? In recent years, several thousand new employees have been hired. Are we once again looking at substantial costs? On page 50 of another report, you mention \$1 billion earmarked for one initiative, and \$11 billion for another. And I won't comment on the surpluses, Minister. The fact remains that I'm curious as to how you're going to manage all of this.

Thank you.

● (1700)

[English]

Hon. Reg Alcock: Thank you, Madam Thibault.

Thank you for those questions. I think there are a couple of very important issues there.

On Service Canada, I would encourage you to call the minister forward. It is essentially an administrative restructuring, so it can be done with regulatory and policy changes. However, as the model begins to grow, and once they've got it rolled out a bit, I think the intention will be to come forward.

There's an interesting question here. Do you create a completely separate department that is only for service writing? I think that would be a fascinating discussion around a table like this, particularly with someone like yourself who has experience as a public servant. You know the realities of delivering some of these services, but that's an open question right now.

I'm not certain, when you talk about consultation with Parliament in 2006 and whether it would be useful.... Without wanting to be the least bit argumentative—and I've seen it happen when parliamentarians get sincerely and seriously engaged in these issues—I think it would be enormously important and will be taken very seriously. But the problem is when it dissolves into these partisan fights, it's hard to credit it. Would it be important? Absolutely.

On the issue of strengthening management controls, Madam Thibault, I seem to recall that you worked in border services. Is that correct?

• (1705)

Ms. Louise Thibault: Oui.

Hon. Reg Alcock: If you talk to the heads of the federal councils in the various provinces right now—and I talk to them regularly, I make a point of meeting with them twice a year—they'll tell you there was a time when they had greater flexibility. They could actually start demonstration projects, test some stuff, and they had more ability. In a region, if doing something in this area made more sense than doing it another way, they had the authority to do that.

After some of the things that went on, the HRDC thing being one of them, there was a tightening of all those controls in the name of fiscal probity. It meant that all of the decisions were sucked into the centre, and they no longer had that freedom. Instead of making public management better, I would argue that it has made it worse.

The problem is how you have fiscal management that allows you to have good fiscal accountability and still delegate decision-making. This is something that has happened. It's right at the heart of one of the policy suites we're working on. I think it requires good financial management systems and a good internal audit, but at the heart of it, public servants must be allowed to exercise creativity and do the work they want to do.

The Chair: Mr. Alcock, you'll have to finish your answer very quickly. You're going over the time.

Hon. Reg Alcock: On the issue of verification and costs, we're looking at \$40 million for an internal audit. When it's all in place, I think it will be about \$150 million over a number of years. That's for everything, including education and the school. I could get you the details on that.

The Chair: Thank you very much, Madam Thibault. Your time is over.

Mr. Martin, for five minutes, followed by Madam Marleau.

Mr. Pat Martin: Thank you.

Minister, one of your own documents that you've circulated today quotes Sheila Fraser saying: "I have said that more controls are not necessarily the solution". Yet throughout the documents you've circulated there's this nearly religious belief or a theme that more complex controls will inevitably lead to better government. It seems to be a contradiction to me. It's mind-numbing to us lay people. Ken has taught at this level, I suppose, but a lot of us have a hard time seeing how getting more intricate, expanding the bizarre machinations of government even further and building more government, is going to help us. I'd ask you to comment on that.

I have limited time, but I'd also ask you this. For part of the proactive disclosure policies, one of the things Mr. Brison and you have talked about, one of the predictable consequences of that is driving things from a written form to an oral form. There is a reluctance to document items, and they won't be put up anywhere. Have you considered making it an offence to fail to adequately keep documentation in the exercise of duties?

Hon. Reg Alcock: Mr. Martin, on the first issue, I agree with you. It's kind of counterintuitive, but it works like this.

The way we responded in public management over the last several decades was to provide great detail and some great sets of rules. If you wanted to do something, you knew exactly what to do, because it was detailed to a ridiculous degree. As a result, if you stacked up these policy suites, they would reach the ceiling here. It freezes the system in some ways, makes it expensive and cumbersome, and you can't be as responsive as you need to be.

Mr. Pat Martin: Are you not concerned you're adding to that?

Hon. Reg Alcock: Well, no. You see, what modern comptroller-ship systems have done in order to reduce that, to get rid of all the detailing and to delegate more responsibility to the people who are nearest to the clients, so they can deliver more tailored services, is to describe the policy suites in a more general sense, allowing individual managers to work out the specifics of delivery, but have hard and robust internal management and good financial management systems so you can catch problems, if there's a problem in the spending, and you catch compliance. That allows you to reduce this incredible....

We've just worked through one that I can show. The old policy, literally, is like this, and the new policy is like this.

This follows a practice that you see in a great many very large organizations. The other thing that comes at us—and you've heard me talk about this—is its speed. People want decisions. The world doesn't have the same time to wait, so you have to take advantage of the strengths you have in your labour force, give them more responsibility, but you have to do it in a framework that allows you to track and know what's happening. We have not built that into our framework. The information management piece is part of that, the MRRS, the PAAs. But in the internal audit it's like a zero-sum game. You take away all this vertical complexity and replace it with more flexible oversight. So it's not a net addition; in fact, it should be a net subtraction.

But you're right, it is—

Mr. Pat Martin: It's on paper.

Hon. Reg Alcock: Listen, I'm going to tell you, I've been working at nothing else for 22 months. It's tough in its details, and this is a tough organization. It's huge.

You raise a really interesting thing about a "duty to maintain". On the financial management side, where we're going through with the proactive disclosure right now, no money gets released without a paper trail. So on that side we're covered.

But you're right. The issue you raised comes across in two ways. If there are formal documents, it is an offence to destroy them.

But the other thing that's happening—

• (1710)

Mr. Pat Martin: What about not creating them? Does it mean that no money can flow without adequate documentation? How is that measured?

When you put up the terms and conditions and the details of a contract, if there's something you don't want people to know about, you simply hold that back. What's to stop people from putting up incomplete information or never committing information to print in the first place?

Hon. Reg Alcock: For a technical point of view, bringing the Comptroller General here would be quite important.

On the first phase, the more you hold that digitally, the more you have pristine audit trails, because you can track exactly who did what, who influenced the decision, and on what terms.

There is a concern—and it comes out of the experience of the Danes, who've had access to information for an awful long time—that a lot of stuff does move to an oral tradition. There's another problem with it, though. The archivist talks about this in great detail, and it would be interesting to bring him forward. How much business is now being conducted in the ether or with electronic memoranda and such, and are we capturing that—not just capturing it, but is our ability to preserve those electronic records robust enough? That is a substantive...there's my brain right there.

But this is the time you should bring him forward, because it's a problem.

The Chair: Thank you, Minister.

Mr. Martin's time is up.

We'll go to the next questioner. We have now, for five minutes, Madam Marleau, followed by Mr. Poilievre.

Go ahead, Madam Marleau.

Hon. Diane Marleau (Sudbury, Lib.): Through you, Mr. Chair, I want to say that it's kind of nice to see all these nice new jobs being created for accountants.

Hon. Reg Alcock: They're in Sudbury, most of them, as I understand it.

Hon. Diane Marleau: That's even better.

I worry if we're going to have anything to show for all these new accountants. Are we going to be able to measure the benefit of having hired all these accountants?

I'll talk about something that we do in Sudbury, at Revenue Canada. In the past when departments were told to cut costs, they cut at Revenue Canada, while it is known that for every dollar you spend at Revenue Canada on auditors, you take back \$17, \$18. That's a pretty good investment. Why is it on the one hand we increase accountability, but then we cut budgets where there's actually a benefit to the fisc?

Are we going to be able to have any kind of measure to all of these people that we're going to hire and train to do accounting all over the place?

Hon. Reg Alcock: The short answer to that is absolutely, and it comes about in three ways. I've been asking the department to

create...in fact, I'm about to receive a briefing on a series of oversight tools that will allow us to track not only annually what's gone on, but if we make statement X, we receive regular reporting. You'll see in here there's a requirement for quarterly meetings between the minister and the deputy, specifically on management issues. It is to receive tracking reports on activities.

There are some...for example, our proactive disclosure around hospital and travel, I almost guarantee you, has produced a decrease in expenditures in that area. I can't track it, because our systems aren't unified right now in a way that allows me to easily do it. I'm doing it, but it's tough, because we haven't made the investment in those systems. We are now, but it hasn't been there in the past. That's one.

The issue of a more robust internal audit is something that all publicly traded companies have to do now. It's really following up on the Enron/Andersen scandal. Leonard Asper, about 14 months ago—when I was doing the work on crowns I consulted with a lot of the senior leadership in the corporate community—said we have all these new requirements for auditors and he would have to spend \$8 million on new internal auditors, and he was not happy about that. About four months ago, he came to me and said, “Reg, do you remember I was complaining about that? Well, we paid for it in the first six months.” That's in a company that had good internal financials, that has very robust control over spending, and that's one-two hundredths the size of government.

• (1715)

Hon. Diane Marleau: But will you be able to show that payback for all these accounts?

Hon. Reg Alcock: My personal belief is absolutely. The department is working on a tool to track and demonstrate that. But I have to lay caution after putting this, that we don't even have good financials on the A-bases. I'm requiring audited financial statements by department. This is considered to be revolutionary, and departments are really struggling to get there. Maybe it will take several years before we get them, because our financial management is quite antiquated. I make no bones about that. I've said that publicly here many times.

Hon. Diane Marleau: Are we going to be able to track the impact on the programs as well? Every time something like this happens, it becomes more and more difficult for Canadians to access the programs that were supposedly set up for them.

Hon. Reg Alcock: You know, Madam Marleau, someplace where the House of Commons and committees are interested in these things, they could provide an enormously important service. It is the House that holds the values. The problem a lot of public servants have is that the only hardness in their world is the financial rules, which is why they tie themselves to them, because to get out there in some of these greyer areas is risky, particularly in a world where you can be found guilty without ever having done anything substantively, but simply because of the perception of the day or somebody wants to make a cheap point. How do we build an environment that says to the public service, “We want you out there to be innovative and taking risks”? We want that in a modern organization, but we punish them every time they do it. We have to turn that around. We're killing ourselves.

This public service could deliver amazing things, but it needs a little attention and support.

Hon. Diane Marleau: They have in the past. I've seen the results of it myself. But I've found over the last few years that we've squeezed everything so hard that it's difficult for them to deliver what they're asked to deliver.

Hon. Reg Alcock: Absolutely.

The Chair: Thank you, Madam Marleau. Your time is up.

Mr. Poilievre, for five minutes.

Mr. Pierre Poilievre: I represent a lot of public servants in the House of Commons. I represent a constituency southwest of here. That's why whistle-blower protection has been a passion of mine ever since my election.

One such whistle-blower, who I've come to know and who has been vindicated more than anyone else throughout the entire ad scam affair is, of course, Allan Cutler. If we're on the topic of cleaning up government, one thing this government could do to send a signal to conscientious public servants everywhere that it is serious about cleaning things up is to restore this man...after his life has been ripped apart, to do what we now have learned was a very courageous effort to expose the truth, to his own peril.

Does your government have any plans to restore the lives of some of these public servants that you've devastated throughout this entire scandal?

Hon. Reg Alcock: I'm sorry, Mr. Poilievre, I don't quite understand what you mean.

Mr. Cutler, to the best of my knowledge, has certainly never approached my office about this, but I would certainly be more than willing to follow up. You're absolutely right in your depiction of him as depicted by Judge Gomery, but this is the first I've heard that it's even a question.

But absolutely, if he were to come forward with a request like that, I would certainly entertain it.

Mr. Pierre Poilievre: I appreciate that. Thank you. I'll talk to him later tonight. Political junkie though he might be, I'm not sure he's watching this exchange, so I'll give him a call and inform him of your willingness.

I'd like to go a little further on the subject of people who work for the government in one way or another. I represent a lot of people who do contract work for the government. They're not unionized, so they don't necessarily have the same kind of force in negotiating with the government.

They're concerned deeply about the consolidation of procurement processes, the necessity to form consortia—and I'm sure Mr. Godbout might have similar concerns in his Ottawa-area riding—the focus on single source. What kind of assurances can you give us that these changes are not going to leave small suppliers and contractors behind, to the benefit of large corporations, some of them foreign-owned?

• (1720)

Hon. Reg Alcock: I guess there are maybe three parts to an answer to that question. I think it's an important question. I would

advise the committee to call Minister Brison, and in particular Walt Lastewka, who is his parliamentary secretary, who not only is I think doing a brilliant job on this, but Walt was the former VP of GM and did a similar exercise for GM in the past.

There's no question that there will be some displacement of existing suppliers. That is going to be a result of this. I know Minister Brison and Walt are seized of that and working with officials to look at ways in which the benefits can be made available to small companies.

I think there are some supplier relationships that exist in the current system that I've been told—I'm not going to identify any—are less than stringent, that there have been some very comfortable relationships in the supply system that need to be identified and dealt with, and they're doing that.

I also think we have to ask ourselves a question, because this goes to a lot of issues: do we run a procurement system in order to create jobs, or do we run a procurement system in order to buy goods at the best possible cost for the government? In the end, we have to be driven by the second.

Mr. Pierre Poilievre: That's a fair point. I agree with you on that point.

Hon. Reg Alcock: Thank you.

Mr. Pierre Poilievre: I guess it's important, though, to make sure we have the business case for everything we do, because in some instances, I would argue that it is actually more efficient to go with some of these smaller suppliers. It engenders more competition. But I do take your point about what is the actual goal of procurement.

I'll move on to another point. One thing that concerns me is the slow pace with which the Auditor General is able to get over and target problems where the red lights are flashing on and off. It took a long time for Monsieur Desautels to find the billion-dollar boondoggle at HRDC. It took years before all the warnings came up that led to the current Auditor General eventually finding the Liberal sponsorship scandal.

Now we are seeing the same kinds of warnings over at the Technology Partnerships Canada program—\$2 billion having been lent out with only a 3% recovery rate, lobbyists being investigated, 15 companies already improperly having paid contingency fees. These are serious alarm bells, but right now all we have are internal audits, which so far have been kept secret, and we don't have any hint that the Auditor General is moving towards this. So I'm worried that we're going to find out about this scandal in another three years, when all the money has already been lost or stolen. How do we move the Auditor General more quickly to identifying these problems?

Hon. Reg Alcock: Just to step back for a minute to the procurement matter, I actually found your questions on procurement to be very important, and I think you were on exactly the right track. I would encourage you to call the procurement people before this committee, because the issue you raise about supplier relationships with small and medium-sized companies is an incredibly important one and should be incorporated in our policy structure. I think the team would benefit from that.

When you move into this next round of stuff, though, you're back into this world of the billion-dollar boondoggle. In the billion-dollar boondoggle, there was exactly \$65,000 lost—\$65,000. The trouble with these resident mischaracterizations is that they sound good and they make you feel good, but they're just wrong.

The same thing with the Auditor General is that—

The Chair: Mr. Poilievre's time is long up. We'll go to Mr. Boshcoff for five minutes.

Hon. Reg Alcock: I do have an answer about the Auditor General. We don't direct her. She can go wherever she wants, whenever she wants.

The Chair: Mr. Minister, maybe the next member will ask this question. If you'd get more directly to your answers, you'd probably find more time to give the answer.

Go ahead, Mr. Boshcoff.

Mr. Ken Boshcoff: In the truest spirit of cooperative government within a minority situation, what about that Auditor General?

Hon. Reg Alcock: Well, it's simple. There is this sense that somehow we instruct the Auditor General to go someplace or not go someplace. It's just not true. The Auditor General is absolutely free to go wherever she chooses.

In fact, when I was chair of this committee and we asked her to investigate the Privacy Commissioner at the time, she said she didn't take instructions, even from a committee. She said we could make the request, and she would look at it and would act—and she did in that case. But the Auditor General is completely independent on both sides, so to suggest that somehow we're preventing her from looking at this is just wrong. If you brought her here, I'm sure she'd say the same thing.

•(1725)

Mr. Ken Boshcoff: Other organizations throughout history have had difficulties with small numbers of their members causing huge problems in terms of the integrity of the organization—churches, charities. Is it not a testimony to government that a country like Canada can actually undertake a pretty stringent exercise such as the Gomery inquiry, recognize the problems, and address those concerns?

A lot of people seem to think this is the first time in history perhaps, but clearly, throughout time, many organizations have done this and have renewed themselves and healed themselves, literally. So I'm asking you about the democratic process, as identified here, in meeting the expectations of Canadians.

Hon. Reg Alcock: I think that's what you see by the very statements Mr. Justice Gomery made in the preface to his report. He makes the point that there are very few countries in the world that would initiate such an absolutely open, empowered process that could call the sitting Prime Minister before it, along with everybody else, and compel the release of confidential documents. It is an extraordinary characteristic of Canada.

Unfortunately, we are all too human. There are people who do things that transgress rules and policies and laws with unfortunate frequency. You want to have systems that are built to identify and catch those problems early. That is what we are doing. It's been my

job to do that since the day I got this job. I call it the modernization, because whether there was a sponsorship problem or not, I'd be making exactly the same argument, that this organization, the Government of Canada, has not invested appropriately in its management, and it needs to do so. This Prime Minister has recognized that. That was the instruction he gave me the day I became President of the Treasury Board, and that's what I've been doing. I think that entire process would be helped enormously.

I was one of the driving forces to create this committee because I thought everything that happens after the fact in public accounts is looking at the place through the wrong lens. You need to look at what's happening in the development of organizations—what the best corporate management is, what the best form of staff training is, what the best form of internal information management is—so we can help build and help public servants do the important work they do. This committee has a huge opportunity to proactively drive best management, but it doesn't do it by playing public accounts all over again, and it doesn't do it through cheap sloganeering. It does it through engagement.

Now, Mr. Preston, I know you want to do that. I see you nodding. You're a smart guy. You don't like the role that you get called on to play at times. I can see it in your face. I think there's a huge opportunity for this committee, if it just gets down to business, and I think the public service would welcome it.

The Chair: You still have a couple of minutes, Mr. Boshcoff, if you want to use them.

Mr. Ken Boshcoff: Then can we just quickly return to the question on the rules of privilege? There are opportunities for people, in the way they ask their questions, to lead the public to truly believe them to be valid questions because they come in the House of Commons. We have a privilege that protects us for any question we may ask. If we ask it outside the House and it is accusatory, inflammatory, defamatory, someone may get sued, but in the House we can get away with it, and the media will print it.

Should the rules change so that the people of Canada can expect that the questions, the accusations, and the allegations are accurate and that they would withstand the same rules as would be expected of other Canadians?

Hon. Reg Alcock: If you read the rules that are currently written in Marleau and Montpetit, there actually is a lot of prohibition. The House, for whatever reason, hasn't been enforcing it in the way it could. But let me leave you with this.

There was an article written—I believe it was by E.J. Dionne—in about 1990. I kept a copy of it, and I could give it to you. The title is, “Why Americans Hate Politics”. It was an American example he was using. He said, if two airlines competed with each other by saying the other airline's planes were old and decrepit, and they didn't do proper maintenance, and it was more dangerous to fly on their airplanes, the net result would be fewer people would fly. If McDonald's and Burger King competed by saying the other's burgers gave you hardening of the arteries and made you sick, people would eat fewer burgers; both would be hurt. Yet every day we sit here and call each other slanderous names and play these cheap games. Canadians are a whole lot smarter. They can see through that, and they're just tuning us all out, all of us on all sides. We do ourselves a disservice if we don't honour ourselves; we do the public service a disservice; and we do Canadians a disservice.

This committee can change that, Mr. Chairman. This committee can start to show what parliamentarians working hard to solve real problems can do, and I would encourage you to do it, and I'll be here every single day you want to do it.

• (1730)

The Chair: Mr. Boshcoff, your time is up and our time for the committee meeting is almost up.

First of all, Mr. Minister, thank you for coming today. I do feel you've been very critical of this committee today, and you've based your criticism on partisanship and that type of thing. Quite frankly, there are two things that cause a committee not to operate very effectively. One of them is having members who are particularly partisan. The second is having a witness who is particularly partisan.

I would suggest that if you look at the record of today's meeting, you would find, Mr. Minister, that your partisan lectures today haven't helped the decorum at the committee meeting. So I would ask you respectfully, for future appearances, not to lecture the committee on what a rotten job we're doing in effect and not be so critical of this committee, but rather to come here prepared to answer the questions to the best of your ability. That's what I'm looking for. I just feel it's necessary to make that point on behalf of the committee.

So, again, thank you for coming—

Hon. Reg Alcock: Thank you, Mr. Chairman, and I will follow the leadership that is demonstrated.

The Chair: The meeting is adjourned.

Published under the authority of the Speaker of the House of Commons

Publié en conformité de l'autorité du Président de la Chambre des communes

**Also available on the Parliamentary Internet Parlementaire at the following address:
Aussi disponible sur le réseau électronique « Parliamentary Internet Parlementaire » à l'adresse suivante :
<http://www.parl.gc.ca>**

The Speaker of the House hereby grants permission to reproduce this document, in whole or in part, for use in schools and for other purposes such as private study, research, criticism, review or newspaper summary. Any commercial or other use or reproduction of this publication requires the express prior written authorization of the Speaker of the House of Commons.

Le Président de la Chambre des communes accorde, par la présente, l'autorisation de reproduire la totalité ou une partie de ce document à des fins éducatives et à des fins d'étude privée, de recherche, de critique, de compte rendu ou en vue d'en préparer un résumé de journal. Toute reproduction de ce document à des fins commerciales ou autres nécessite l'obtention au préalable d'une autorisation écrite du Président.