



HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

44th PARLIAMENT, 1st SESSION

Standing Committee on Government Operations and Estimates

EVIDENCE

NUMBER 059

Wednesday, March 29, 2023

Chair: Mr. Kelly McCauley



Standing Committee on Government Operations and Estimates

Wednesday, March 29, 2023

• (1630)

[English]

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

Welcome to meeting number 59 of the House of Commons Standing Committee on Government Operations and Estimates, also known as “the mighty OGGO”, for anyone new to this committee.

Pursuant to the motion adopted by the committee on Wednesday, January 18, 2023, the committee is meeting on the study of the federal government consulting contracts awarded to McKinsey & Company.

We're going to start.

We have Mr. Palter.

I understand you have a five-minute opening statement for us, sir. Thank you very much.

Mr. Robert Palter (Senior Partner, McKinsey & Company):
Mr. Chair and members of the committee, thank you for the opportunity to be here today. I'm pleased to offer some factual context and McKinsey's perspective on its work for the Government of Canada.

I've been the managing partner of McKinsey Canada since September 2022. I have been with McKinsey for 28 years, working with Canada's business and civic leaders across a wide range of sectors. We've been active in Canada for over 50 years and have deep roots in this country. We serve two-thirds of Canada's leading companies across all sectors, work closely with leading civic and not-for-profit organizations, and employ 1,000 talented individuals, 90% of whom are proud Canadian citizens. They take the responsibility of serving our country and communities seriously and with immense care.

Our public sector engagements since 2011 are the primary focus of this committee. It is, therefore, critical to point out that the vast majority of those engagements were the result of publicly tendered, competitive requests for proposals. The proposals we made in response to these requests were independently evaluated and ultimately awarded by public servants based on objective, point-rated technical and pricing criteria. Most of the remaining contracts were awarded through a national master standing offer, with a small number of sole-sourced agreements by the public service. In all cases, it was open to the public service to procure services in these ways, pursuant to federal government requirements.

McKinsey contracts were awarded based on merit-based criteria used by the public service, not as a result of any relationship at any political level.

In the fiscal year ending two days from now, the Government of Canada will have spent approximately \$25 billion on external consultants. McKinsey contracts represent less than 1% of the total spend. Again, McKinsey contracts represent less than 1% of the total amount spent by the government on external consultants.

The committee has rightly noted that the volume of our work, as well as the work of other consulting firms, has increased over the last number of years. As the committee heard from departmental officials, this increase is because the demands placed on the federal government have grown significantly, as has the complexity of the challenges faced by the federal government. McKinsey brings global skills and expertise that complement the public service and produce tangible results for Canadians.

As the committee heard from ministers and senior officials, our expertise is a valuable complement to the talents and efforts of the public service. For example, we brought world-class call centre and productivity improvements to Miramichi, New Brunswick, in order to support our public sector and dramatically increase their efficiency and overall productivity. This is something only a global firm can provide perspective on, and McKinsey has the expertise to do so. Our firm has tremendous regard for Canada's public servants and has always approached our work in a way that seeks to provide significant value to the government.

The committee has also focused on our firm's activities outside Canada. Like any large organization, we are not perfect. When we have made mistakes, we have learned from them and made changes. Over the last several years, our firm has made significant changes to our professional standards, client service policies and risk management. McKinsey is committed to meeting the highest ethical standards. We have been transparent about these changes. Information on these changes is available on McKinsey's global website and has been for several years.

We care deeply about the country. Importantly, we seek to do work where we know we can make a difference in the communities where we operate.

[Translation]

In closing, we obtained our contracts by responding to the needs of the public sector, we followed the rules, we did very good work and that work delivered value to Canadians.

[English]

I'm pleased to answer any questions the committee may have at this time.

[Translation]

Thank you.

• (1635)

[English]

The Chair: Thank you, Mr. Palter.

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

Mrs. Stephanie Kusie (Calgary Midnapore, CPC): Thank you, Chair.

Thank you, Mr. Palter, for being here today.

I'm sure you saw in the budget yesterday that the government spent \$21.4 billion on outsourced consulting, so it is of significant concern, not only for the official opposition, but for Canadians.

I'm sure you saw that on Friday the government did release some audit reports on their work with McKinsey. There were, in fact, some problems with the procurement process relative to the contracts that were awarded to your company at that time.

I'm going to go back now to a previous witness we had, Mr. Dominic Barton. In documents provided to this committee, we were made aware that Mr. Barton was brought in for a working session with the Canada Infrastructure Bank in July 2020. This was after he had left McKinsey. He was Canada's ambassador to China at that time.

When Mr. Barton appeared at the committee in February, he claimed he had no involvement with any of the McKinsey contracts with the Government of Canada.

Can you tell the committee which contracts McKinsey had with the government since 2015 that Dominic Barton was involved with in any way, including as the global managing partner of McKinsey or during his employment with McKinsey? Since you've been with the company for more than two decades, as you've indicated, I'm sure you would have a record of this.

Mr. Robert Palter: Mr. Chair, thank you for the question.

There are a couple of elements there.

First, I would start by saying that McKinsey adheres to all the policies and procedures that the federal government requires us to follow.

Second, I would let Dominic Barton's testimony to this committee stand. He made his remarks. I don't actually know the specifics of that meeting at the CIB. I don't know if he was actually there.

Mrs. Stephanie Kusie: Thank you.

According to one email regarding McKinsey's working sessions with the CIB, the session that was to include Mr. Barton was limited to a smaller audience because one of your partners wanted Mr. Barton to be able to speak freely.

What was intended to come out of those discussions that could not be discussed with a wider audience?

Mr. Robert Palter: Mr. Chair, I am not familiar with that email or the specifics of that email.

What I can say is that McKinsey takes its obligation to comply with the rules that the federal government applies to all contracts very seriously and we follow them very seriously.

Mrs. Stephanie Kusie: To your knowledge, was Mr. Barton involved in any contracts...? Actually, it is not "to your knowledge".

Was Dominic Barton involved in any contracts with your other clients after he left McKinsey and became Canada's ambassador to China, Mr. Palter?

Mr. Robert Palter: Mr. Barton left McKinsey in 2018, as indicated in his testimony. He severed his economic relationship by selling his shares at McKinsey, as was shared with this committee. Mr. Barton was not working with any clients that I'm aware of, to the best of my knowledge.

Mrs. Stephanie Kusie: Okay. Thank you for that information.

Mr. Robert Palter: I also believe that Mr. Barton had an obligation to the federal government to disclose any conflicts, consistent with the policies of the government. He had to adhere to those.

Mrs. Stephanie Kusie: I appreciate that. Thank you.

Mr. Palter, have you or any of your employees met with any ministers of the current government?

Mr. Robert Palter: I have not personally met with any members of this government. I cannot state definitively whether my colleagues have or have not.

Mrs. Stephanie Kusie: Okay.

Have you or your staff ever met with a minister's staff?

Mr. Robert Palter: As part of the normal course of delivery of our engagements and contracts, it is typical to engage with the civil service in the delivery of the work, yes.

Mrs. Stephanie Kusie: Can you be a bit more specific about, perhaps, which ministers, deputy ministers or ADMs and from which departments, please, Mr. Palter?

Mr. Robert Palter: Mr. Chair, I do not have off the top of my head a list of the specific interactions between McKinsey colleagues.

I do know we have an obligation to comply with the rules and regulations. We do take that seriously and we do follow that.

Mrs. Stephanie Kusie: On Friday, we found out that wasn't the case. Unfortunately, someone is at fault. We'll get to the bottom of it, but maybe not today.

Have you or employees of McKinsey ever met with the Prime Minister's Office?

Mr. Robert Palter: I have never met with the Prime Minister's Office, personally.

Again, Mr. Chair, I am unable to specifically comment on all members of our firm and whether they have had contact or not.

Mrs. Stephanie Kusie: Have you had any communication with Mr. Barton, the Prime Minister's Office or any minister's office regarding our study here at the government operations committee?

Mr. Robert Palter: I have not personally, no.

Mrs. Stephanie Kusie: Did McKinsey ever meet or communicate with senior members or politicians of the Liberal Party prior to the 2015 election?

• (1640)

Mr. Robert Palter: Again, Mr. Chair, McKinsey takes its obligation to follow the rules the government sets out very seriously.

It's a difficult question for me to answer because I don't have the specifics. I was not the managing partner at McKinsey Canada at that time. I do not know the specifics of those elements in question.

Mrs. Stephanie Kusie: In your opinion, do you think McKinsey was awarded the contract with the Canada Infrastructure Bank because of the work Mr. Barton did on the economic advisory council, even though he was no longer employed by McKinsey?

Mr. Robert Palter: To the best of my knowledge, the work that McKinsey has won with the government, its agencies and departments is the result of complying with the procurement processes stipulated by the federal government.

McKinsey has distinctive capabilities on infrastructure. We are the global leading firm on infrastructure, so it shouldn't be a surprise that McKinsey is seen in that light.

Mrs. Stephanie Kusie: Someone is not telling the truth, because the report that came out on Friday indicates that either someone in one of the two ministers' offices that are responsible to this committee or someone at McKinsey is not telling the truth, and we'll get to the bottom of it.

Thank you very much, Mr. Palter.

The Chair: Thank you. That is your time.

Mr. Jowhari, go ahead for six minutes, please.

Mr. Majid Jowhari (Richmond Hill, Lib.): Thank you, Mr. Palter. Welcome to our committee.

I'm going to ask a lot of rapid questions, and I'm hoping we can get responses within the same timeline.

Can you kindly talk about your role as a managing director since 2022? What does your role encompass?

Mr. Robert Palter: My role as a managing partner of McKinsey is to oversee our operations. That includes client service, managing our people, managing our operations, managing our compliance, managing our risk and managing adherence to policies and procedures.

Mr. Majid Jowhari: Thank you.

Can you talk about the sectors, industries or practices that McKinsey Canada has?

Mr. Robert Palter: As I indicated in my opening remarks, Mr. Chair, McKinsey works across every sector in Canada. We have clients in oil and gas, banking, insurance, retail and consumer. We work on a variety of issues: strategy, organization operations, digital, risk management and the like.

Mr. Majid Jowhari: You also answered the second question I had.

Is it fair to say that the public sector is one of the practice lines or one of the verticals that McKinsey is working on?

Mr. Robert Palter: Yes, that is a fair statement.

Mr. Majid Jowhari: Thank you.

What kind of service lines does McKinsey provide?

Mr. Robert Palter: The bulk of McKinsey's work for the Canadian public sector falls into the area of digital transformation and agile transformation.

Mr. Majid Jowhari: Of the number of practitioners or specialty partners you have within Canada, how many would you say are allocated or assigned to the public sector?

Mr. Robert Palter: That's a slightly challenging question to answer, because it's not quite our model.

The public sector practice for McKinsey Canada, truthfully, is a relatively small part of our practice. If you think about the 1,100-plus people who work for McKinsey Canada, it's a relatively small number of the people we have.

Mr. Majid Jowhari: Can you tell me what the overall revenue of the Canadian practice is?

Mr. Robert Palter: That is a confidential item. We're a private organization, and that's confidential information.

Mr. Majid Jowhari: Can you tell me what the public sector revenue is as a percentage of the total revenue?

Mr. Robert Palter: As I indicated in my remarks, our public sector work is a relatively small part of what we do. It's roughly 5% to 7% of our operations here in Canada.

Mr. Majid Jowhari: You talked about what McKinsey is known for, aside from strategy. Specifically within the public sector, you said you're known for digital transformation as well as some of the potential outsourcing. Can you share that with us?

Mr. Robert Palter: Yes. I'd like to offer an example. I alluded to work we do in digital transformation. For example, we did some work with the navy. We helped them take a manual process whereby the navy had to find sailors across the country for rapid deployment onto a ship at a particular port, which was a very manual labour-intensive process, and we helped digitize it and streamline it. In parallel, we also helped the navy build their digital skills so that they had digital-savvy employees who could take that and apply it to other processes in the navy.

Mr. Majid Jowhari: Thank you.

We've heard a lot that McKinsey's engagement with the government was around benchmarking. Can you quickly decouple benchmarking and what type of activities you do?

• (1645)

Mr. Robert Palter: Yes. Under the national master standing offer, which is competitively awarded and awarded because an advisory firm has proprietary datasets, we, along with probably 25 or 30 other service providers to the government, have been awarded national master standing offers because of the dataset that we have.

We have, for example, a unique dataset that has 2.8 million individual points that allow us to provide a statistical analysis of culture, and that has been used by the federal government to help address some of the culture issues.

Mr. Majid Jowhari: Thank you.

You talked about a master agreement. In your opening remarks, you talked about how you could basically break down your contracts into open contracts, master agreements and sole-sourced, and you said that a small portion are sole-sourced. Of the contracts you received or participated in and you've been granted, can you give us a sense of how many were open contracts, how many were master agreements and how many were sole-sourced?

Mr. Robert Palter: To the best of my knowledge, roughly 70% of our contracts were awarded through competitive RFPs with multiple bidders. I would say that roughly 29% were awarded through the national master service offer, and then less than 1% through sole source. These are contracts with the federal government.

Mr. Majid Jowhari: Thank you.

With about 30 seconds to go, how would you define your relationship with the government? Do you think there was any favouritism as it relates to granting contracts to McKinsey when 70% is open, 29% is master agreements and 1% is sole source?

Mr. Robert Palter: I think our relationship with the federal government, first of all, complies with the policies and procedures. Second of all, I think the federal government is getting value. Third, I know it's a competitive process because, by our own record-keeping, we win only 40% of the things that we bid on.

Mr. Majid Jowhari: I want to thank McKinsey for providing all the redacted documents that we asked for. Thank you.

The Chair: Unredacted, actually—

Voices: Oh, oh!

The Chair: It's force of habit.

Mrs. Vignola, you have six minutes, please.

[Translation]

Mrs. Julie Vignola (Beauport—Limoilou, BQ): Thank you very much, Chair.

Mr. Palter, thank you for being with us today.

You mentioned the awarding of contracts. It was disclosed to us that some of the contracts did not bear the signatures of both officials, that the number of contracts offered through a competitive process was significantly lower than expected of the officials, and

that McKinsey was paid before all of their contract's milestones were met.

Were you aware of these irregularities?

[English]

Mr. Robert Palter: I am not sure that I'm aware of the specifics of the irregularities that you're alluding to. I am not aware of any contract where.... I'm just not aware of the specifics of the contract in question.

[Translation]

Mrs. Julie Vignola: In fact, that was reported in French by Radio-Canada. I'm guessing that's not your primary source of morning news.

During meetings with McKinsey, as part of the contracting process, did officials ask in which language you wished to provide the requested information?

[English]

Mr. Robert Palter: I was not personally in any of those meetings, so I can't stipulate as to whether that question was ever asked and answered.

What I can tell you is that McKinsey recognizes very clearly that we are a country with two official languages. We take that obligation seriously. As I suspect you appreciate, we have a Montreal office and we have 150-plus employees there. It is a French-speaking office, and we honour the requirements of the federal government to provide service in both languages.

• (1650)

[Translation]

Mrs. Julie Vignola: Is it problematic for you that contracts specify that deliverables must be in English and that in-person presentations must be in English, and in French if necessary, or is this the standard way of conducting business?

Does government specify the language of deliverables or do you determine the preferred language?

[English]

Mr. Robert Palter: As part of our work with the federal government, we have a requirement to meet the language requirements of the federal government, so we follow those directly.

[Translation]

Mrs. Julie Vignola: From what I understand, you're simply complying with requests. You aren't the one making the decisions.

[English]

Mr. Robert Palter: That's correct. We follow the rules.

[Translation]

Mrs. Julie Vignola: Thank you very much.

Has McKinsey ever been called upon to advise the Quebec government, for example, on the best ways to obtain health transfers?

[English]

Mr. Robert Palter: Mr. Chair, in response to the question, I'm here in the capacity to answer the questions of this committee about our service to the federal government. I am happy to take those questions.

[Translation]

Mrs. Julie Vignola: This is an important question. I would like an answer.

[English]

The Chair: We generally offer very wide questioning on things, so we would appreciate an answer.

Mr. Robert Palter: Mr. Chair, I am not aware of any such request.

[Translation]

Mrs. Julie Vignola: Thank you.

You worked with Immigration, Refugees and Citizenship Canada on immigration thresholds.

Did the advice and suggested means of achieving these thresholds, for a target population of 100 million in Canada by 2100, take into account the specific characteristics of each region, be that Quebec, the Maritimes, the Prairies or Western Canada?

[English]

Mr. Robert Palter: Mr. Chair, McKinsey does not make and has not made policy recommendations to the Government of Canada. The work in question, as it relates to the IRCC, was about digitizing processes. We had no input on the issue of policy.

I also believe the minister responsible for that decision stated to this committee that the decision was his and his alone, with no involvement from McKinsey.

[Translation]

Mrs. Julie Vignola: Mr. Palter, have you been asked to advise an aviation company on the best ways for them to secure government contracts?

When I say aviation company, I mean a company that builds aircraft.

[English]

The Chair: Give a very brief answer, please. We'll probably have to come back to this in the next round.

Mr. Robert Palter: I'm not aware of such work.

The Chair: Thank you.

It's over to Mr. Johns for six minutes, please.

Mr. Gord Johns (Courtenay—Alberni, NDP): Thank you for being here today.

You worked alongside Mr. Barton for a number of years pretty closely.

Mr. Robert Palter: Mr. Barton and I overlapped very briefly in Toronto. He then moved to Asia. For the vast majority of my career, he was in Asia.

Mr. Gord Johns: Okay. He served as an adviser to the Harper government. He stated that here at committee. As well, he was an adviser to the former finance minister, Bill Morneau, prior to his move to China to serve as Canada's ambassador.

Are you aware of whether he had a closer relationship with Prime Minister Harper versus Prime Minister Trudeau?

Mr. Robert Palter: I have no insight on that question, Mr. Chair.

Mr. Gord Johns: Okay.

On services, in terms of McKinsey, can you talk about what services McKinsey provides to the government that can't be performed by public servants and that would be more efficient to outsource?

• (1655)

Mr. Robert Palter: McKinsey's work for the federal government is always a complement to the federal government. It's always a response to a need identified by the civil service that they then put out into the marketplace and procure through either an RFP or the NMSO.

As I alluded to previously, one example is that we have a dataset. It's a proprietary dataset. It's McKinsey's. It's nobody else's. The federal government and the civil service have determined that it is a highly valuable dataset to help implement decisions they have made.

Another example of where we've added value is our work on digital transformation, and you've heard me talk a bit about that. We have helped the federal government hire digital expertise. The government is trying to transform and modernize, and it needs digital capabilities to do that. A critical part of every contract that we take on with the federal government is helping to build those capabilities so that they don't have to rely on firms like ours going forward.

Mr. Gord Johns: Public servants are experts in their work, just like McKinsey is. How do you involve and consult them when you're working with the federal government?

Mr. Robert Palter: The nature of McKinsey's particular process with clients is this: We always do it together with clients in order to complement and help build upon what they are doing. We help accelerate it. We help improve it. We help refine it. We bring global best practices to support what they're doing.

Mr. Gord Johns: We've seen a huge increase in consulting. Our focus, as New Democrats, hasn't just been on McKinsey. It's been overall—on all of the large \$100-million-plus club of expensive consultants, which has been growing at a rate that's four times more under this government and doubled under the Harper government. It's gone up tenfold in 10 years—just those six companies. It's a significant amount of growth.

We heard from Amanda Clarke from Carleton University. I'm sure you're familiar with Amanda. She told us the public service's loss of institutional knowledge and capacity continues to get worse and more eroded as we see consulting go up. It's a pretty vicious cycle. Apparently, the need to outsource means you don't end up developing that in-house knowledge and capability, so the next time an issue or need comes up, it's not there. The public service isn't there and doesn't have the tools or capacity to do it. Of course, it's outsourced again, and it creates that vicious cycle.

Can you speak about McKinsey and the work you do to reduce that loss, in terms of jobs in the public service? Specifically, how does McKinsey ensure that knowledge transfer is happening with public servants when government contracts are filled?

Mr. Robert Palter: Thank you. This is an important question.

Outsourcing, technically, is the movement of people and processes from one organization to another organization and letting the other organization take on that work. McKinsey does not actually provide outsourcing as a service.

Our work is intended to respond to a request from the civil service when they're looking for a specific capability that needs to be filled. Again, the example I will offer is around digitizing. The way we work with the civil service is that they have a request to implement a digital transformation. We will help set out the strategy, road map, technology requirements, organizational requirements and capability requirements; help them design and start the execution; and help find the people, hire the people, put them in the jobs, train them and make them capable of standing up, so that they can take that skill and roll it to other processes that need to be digitized.

Mr. Gord Johns: I appreciate that.

Help me, please, understand and square this up: We saw the Conservative cuts in the public service. We saw them cut at Veterans Affairs. We saw them cut staff and deliver a payroll system that turned out to be a flop—the Phoenix payroll system. We continue to see outsourcing. It skyrocketed at the time of cuts to the public service.

Can you give me some insight into where this is going? We're seeing all the outsourcing skyrocket. I imagine companies like yours are investing heavily in research and development—putting an eye on the prize to grow your relationship with the federal government, because you can't do this kind of volume of business without building infrastructure.

Where does it go? Where is the end to this, in terms of the amount going up?

Mr. Robert Palter: I have a couple of thoughts.

The first one, as I stated previously, is this: McKinsey doesn't do outsourcing work. We haven't partaken in any outsourcing with the federal government. That's not what we do. We provide a complement to the civil service. We upskill. We design. We support execution. We don't take jobs out and onto our books. That's not what we do. We never have and won't do that.

Where does this go? I don't know. We're not actually in that business, so I don't have a view on that. As I stipulated, McKinsey is less than 1% of the trend you're alluding to.

• (1700)

The Chair: I'm sorry. Thank you, Mr. Palter. Our time is up. Perhaps we can get back to it in the next round.

We have Mr. Barrett for five minutes.

Mr. Michael Barrett (Leeds—Grenville—Thousand Islands and Rideau Lakes, CPC): Thank you, Mr. Chair.

Thank you, Mr. Palter, for being here today.

How often does McKinsey lobby government, or officials for the federal government?

Mr. Robert Palter: McKinsey does not lobby on behalf of clients and takes its obligation to respect and honour the lobbying rules very seriously.

Mr. Michael Barrett: Do you lobby on behalf of yourself? Does McKinsey lobby on behalf of McKinsey to the federal government?

Mr. Robert Palter: No, McKinsey does not lobby on behalf of McKinsey.

Mr. Michael Barrett: Does anyone lobby the government on behalf of McKinsey?

Mr. Robert Palter: Nobody lobbies the government on behalf of McKinsey.

Mr. Michael Barrett: How did McKinsey have those meetings that you indicated previously occurred between government officials and your company? Did the government call McKinsey first, or did McKinsey initiate contact? I'm just curious about who initiated the first contact.

Mr. Robert Palter: It's a slightly hypothetical question because I don't know the specifics, but what I can say—

Mr. Michael Barrett: At some point in time, someone initiated the contact. Certainly, that first phone call did happen. How did it happen?

Companies like KPMG and the like would have records of those initial contacts and would also be able to articulate why they are on the lobbying registry.

Mr. Robert Palter: What I can say is that conversations between the government and any supplier, any adviser, any provider of goods and services, is a normal course of business behaviour that happens.

Mr. Michael Barrett: Thanks for that.

Has your organization ever been in contact with the federal lobbying commissioner?

Mr. Robert Palter: I don't believe so.

Mr. Michael Barrett: No one from your organization has ever contacted the lobbying commissioner to ensure that you are in compliance with federal lobbying regulations.

Mr. Robert Palter: Again, we take our obligation to honour the lobbying laws and regulations very seriously. Our compliance function, I suspect, understands our lobbying requirements very seriously and ensures that we adhere to them.

Mr. Michael Barrett: Is that a no?

Mr. Robert Palter: I don't know the answer to that question.

Mr. Michael Barrett: Would you undertake to provide a response in writing to the committee to affirm that your organization has not communicated with the lobbying commissioner's office?

Mr. Robert Palter: I'm happy to co-operate with the committee in any capacity possible. I will take that away.

Mr. Michael Barrett: Okay, so that's a yes that you will provide that in writing to the committee.

Mr. Robert Palter: Yes.

Mr. Michael Barrett: Thank you very much.

I'm going to switch gears.

Which countries' militaries has McKinsey done work for?

Mr. Robert Palter: McKinsey's policy about defence work that we apply and that is very important is that we do not—

Mr. Michael Barrett: Could you include a list, sir?

Mr. Robert Palter: My answer is going to give an explanation for who we do and do not serve.

Mr. Michael Barrett: Does it include the names of the countries that you do work for?

Mr. Robert Palter: McKinsey does not do work with defence agencies for countries that fall below six on the EIU democracy index.

Mr. Michael Barrett: How do we know, and can you guarantee us, that no information learned from McKinsey's work with Canada's Department of National Defence has ever been shared with foreign states or foreign state-connected businesses?

Specifically, do any individuals, analysts or anyone else employed by McKinsey who work on contracts for Canada's Department of National Defence...? Is there any crossover between any work done for any other countries and any work done for Canada?

• (1705)

Mr. Robert Palter: The question about confidential information and client confidential information is a very important question. It is the central tenet of our firm. We've been in business for a hundred years, working on that tenet. The fact that more than two-thirds of our clients are long-standing repeat clients would seem to indicate that we're managing that.

As it relates to the federal government on this issue, we are required to adhere to all of the federal government requirements about information and information security. We have invested \$600 million in compliance processes and procedures to ensure that we comply with them.

The Chair: Thank you, Mr. Palter.

Ms. Thompson, you have five minutes, please.

Ms. Joanne Thompson (St. John's East, Lib.): Thank you, Mr. Chair.

Welcome to the committee.

How would you characterize your company's relationship with the federal government?

Mr. Robert Palter: I think our relationship is one where the federal government looks to us for very specific support on specific issues where we have the global world-class expertise that the government is looking for and that they have been unable to find elsewhere.

Ms. Joanne Thompson: Thank you.

Did McKinsey compete to provide the best service in order to win the contracts? If so, isn't this how the free market is supposed to work? If not, then certainly we'd appreciate your comments there as well.

Mr. Robert Palter: As I stated previously, my best guess is that at least 70% of our work with the federal government has been awarded through the competitive RFP process, where multiple bidders are invited to the process, multiple bidders have to bid and multiple offers are reviewed independently by the civil service, where the civil service is looking for the best combination of expertise and value for money. We've won the vast majority of our contracts through that model.

As I've said, my analysis would suggest we lose 60% of the time. That would seem to me that it is a very competitive and very free market as it pertains to procurement with the federal government.

Ms. Joanne Thompson: Thank you.

The next question certainly referenced, I believe, the digitalizing of government, but I still want to ask this very specifically. What benefit do McKinsey and other companies bring to the table when it comes to short-term and specialized requirements in government?

Mr. Robert Palter: At times the federal government will reach out to a service provider because they do have a short-term need for very specific and pointed capabilities. I think one of the things that a firm like McKinsey can provide, with 45,000 people around the world, is that we likely have the expertise the government is actually looking for and can muster it to support the government when it needs it.

Ms. Joanne Thompson: Thank you.

Has McKinsey ever declined to do business with a potential client for ethical reasons?

Mr. Robert Palter: This is an important question.

Yes, McKinsey routinely declines work with clients and we will continue to decline work with clients.

As part of our compliance process, we have a five-layer screen that every potential client has to pass through. If a client doesn't pass through all five screens, we won't take on the work.

Then you might ask the question, what happens if they pass through the screen? Do they still get to work with McKinsey? The answer is no. They have to go through another screen for the actual particular type of work in question, and an independent check and balance on the team that could potentially do the work makes the decision whether that's a piece of work that McKinsey should actually take on.

Ms. Joanne Thompson: Thank you.

Again, this was alluded to but I want to ask the question. When the government contracts with McKinsey and that happens, what measures, if any, are in place to ensure that government information is not shared with other organizations that you have contracts with?

Mr. Robert Palter: As I alluded to previously, maintaining client confidential information is the fundamental bedrock of our firm. It is fundamental to absolutely everything we do, and our clients know that we can manage that.

We have built world-class technology systems, data management systems and compliance risk management to make sure that the information of our clients stays the information of our clients. On top of that, the federal government has very strict requirements that every provider to the federal government has to adhere to. We adhere to those requirements contractually and as part of our engagement process with the federal government. Before starting work with the federal government, we have an explicit discussion about managing confidential information.

• (1710)

Ms. Joanne Thompson: Thank you.

How does McKinsey ensure that it contributes to the knowledge transfer to the public service when it's awarded federal contracts?

Mr. Robert Palter: This is another really important question.

There are many different varieties of advisers. McKinsey, as an adviser, believes in helping its clients improve their performance and helping them on their own. In every mandate that we take on there is an element in it of building skills. Whether that's taking people we're working with to training programs or bringing training programs to them, exposing them to global best practices or coaching them on the job with experts, it's always a part of our work with our clients to help build their capabilities so they can continue to improve without us.

Ms. Joanne Thompson: Thank you.

The Chair: I'm afraid it's past the time.

We have Ms. Vignola for two and a half minutes, please.

[*Translation*]

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

I will continue along the same lines, Mr. Palter.

You say you provide training so that officials can do the work and then take over. Yet these same officials said they had no choice but to use McKinsey because McKinsey has a brand name, milestones and information that they could never obtain and that they were ultimately dependent upon them from contract to contract.

Do you see a contradiction there?

[*English*]

Mr. Robert Palter: I'm sorry, Mr. Chair, but I didn't quite understand the question. Could you just ask it again?

[*Translation*]

Mrs. Julie Vignola: On the one hand, you're telling us that you provide training so that officials are able to take over once the contract has ended.

On the other hand, those same officials are telling us that they have no choice but to use McKinsey because you have unique milestones and information that they can't collect.

Isn't there a dichotomy or a contradiction there?

[*English*]

Mr. Robert Palter: Okay, now I understand the question. Thank you.

I don't believe there's a dichotomy, because when we talk about the tools or the data or the capabilities that we provide, McKinsey is not a software service provider. We don't try to set up sustaining licensing contracts with clients. That's not what we do.

We bring our knowledge. We bring our expertise. We help train. We help upskill. We help implement. Then we look to our clients and say that a critical part of our value proposition is that they are able to continue doing what they're doing when we leave.

[*Translation*]

Mrs. Julie Vignola: You were awarded contracts by the Department of National Defence and you also provided advice to defence companies in the U.S. and elsewhere.

You were once asked how you ensured that data was not being shared by one country with another. I understand that your brand is trust. Nonetheless, in one McKinsey submission, I read that you do not offer customized solutions, but rather an evidence-based process and methodology that rely on data from far and wide.

So I wonder where the line is drawn. How much can a client consider that they are receiving customized service, as opposed to a service that consists of identifying positive features from multiple countries?

[*English*]

The Chair: I'm afraid that's our time, Ms. Vignola.

[*Translation*]

Mrs. Julie Vignola: Thank you.

[English]

The Chair: Perhaps you can get back to us in writing, or in the next round.

We have Mr. Johns for two and a half minutes, please.

• (1715)

Mr. Gord Johns: Thank you.

You said that McKinsey hasn't been involved in staffing plans. Is that right?

Mr. Robert Palter: It hasn't been involved in staffing...?

Mr. Gord Johns: I mean staffing plans within the federal government.

Mr. Robert Palter: To the best of my knowledge, that is correct.

Mr. Gord Johns: Okay. We have a specific instance, and maybe you can help me. It's where McKinsey developed.... Basically there were documents we had from Canada Post that revealed that McKinsey was contracted for service digitalization, which you spoke to earlier and said how important that is. Right here in the 2013 "Five-point Action Plan: Ready for the Future", it says, "Canada Post expects to continue to reduce its unionized workforce by at least 10 per cent over the next 10 years."

This was something that McKinsey, in a report that they drafted.... Was it McKinsey or was it Canada Post that raised the desire to get rid of unionized workers?

Are any of your employees unionized?

Mr. Robert Palter: I don't know the specifics of that email. I'm not entirely sure where it came from.

Mr. Gord Johns: It's a plan that McKinsey helped develop.

Mr. Robert Palter: As I said, I don't know the specifics of that situation. My best interpretation of that is the development of the plan, working together with Canada Post....

Mr. Gord Johns: The plan comes up with a goal to reduce the workforce by 10% over the next decade.

There was a European report in 2017 called "The Big Four". I don't know if you're familiar with it. It's the largest global accounting firms, which they say are overrepresented in tax havens such as the Cayman Islands and Bermuda.

Are you aware...? Does your company have a disproportionate number of offices in tax havens?

Mr. Robert Palter: McKinsey takes paying taxes in all the jurisdictions in which it operates very seriously. We pay taxes in all the jurisdictions in which we operate and—

Mr. Gord Johns: Do you have offices in tax havens? Do you have any offices in locations that aren't disclosed on your website? If so, can you identify which ones and where they are?

Mr. Robert Palter: Mr. Chair, I'm here to talk about our work with the Government of Canada.

To the best of my knowledge, all of our locations are listed—

The Chair: Your time is up anyway, if you want to briefly finish up.

Mr. Robert Palter: To the best of my knowledge, all of our locations are listed on our website.

The Chair: Thanks.

Mr. Genuis, you have five minutes, please.

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): Thank you.

Mr. Palter, respectfully, I think the company you work for is disgusting. I think your efforts to whitewash its conduct around the world aren't going to fool anybody who's familiar with McKinsey's track record.

These are issues we take very seriously as a committee.

You say McKinsey refuses work sometimes, presumably on the basis of some ethical criteria, but you are a company that literally held a corporate retreat down the road from a concentration camp in Kashgar, and then claimed unfamiliarity with the Uighur genocide, even though reports about it had been all over UN reports and all over the news prior to that.

Specifically, I want to ask you this. You claim that your work is guided by the Economist's democracy index. I'm skeptical about that claim. Can you tell us specifically which Russian state-owned companies McKinsey has worked for since Russia invaded Ukraine in 2014?

Go ahead, please.

Mr. Robert Palter: Let me start by restating this: McKinsey is an ethical company.

Mr. Garnett Genuis: Could you actually just answer the question, though? Which Russian state-owned companies has McKinsey worked for since Russia invaded Ukraine in 2014?

Mr. Robert Palter: McKinsey is an ethical company. I wake up every day knowing it's an ethical company. I know the 1,100 people who work in Canada know it's an ethical company—

Mr. Garnett Genuis: Yes, and I wake up every day knowing it's not, but can you answer the question I just asked?

Which Russian state-owned companies has McKinsey worked for since Russia invaded Ukraine in 2014?

Mr. Robert Palter: I'm the managing partner of McKinsey Canada. I have spent 28 years of my life in Canada. The bulk of my work and bulk of my time is leading our operations in Canada.

Mr. Garnett Genuis: Mr. Chair, can you bring the witness to order and inform him of his obligation to answer questions from committee members?

The Chair: The member has a point. If you could, get back to the question at hand, Mr. Palter.

Mr. Robert Palter: I'm trying to answer the question.

I don't know the specifics of what we have done. As I said, we—

Mr. Garnett Genuis: You don't know which Russian state-owned companies McKinsey has worked for since 2014.

• (1720)

Mr. Robert Palter: That's correct.

Mr. Garnett Genuis: Okay.

Are you aware of McKinsey's work for the China Communications Construction Company?

Mr. Robert Palter: Again, Mr. Chair, I lead the Canadian practice. The bulk of my time is in Canada.

Mr. Garnett Genuis: You're unaware. Is that what you're telling us?

Mr. Robert Palter: What I am saying is that I know we have operations in China, and I know the vast majority of our work in China is for multinational corporations.

Mr. Garnett Genuis: You work extensively for Chinese state-owned and state-affiliated companies. That's already a matter of public record. You just haven't been willing to release the names of the companies.

Are you familiar with China Communications Construction Company?

Mr. Robert Palter: I am not familiar.

Mr. Garnett Genuis: It's striking that this is a similar sort of communications tactic to what we saw from Mr. Barton, which is to say he wasn't aware of a lot of things.

It's striking to me that I seem to know more about McKinsey's clients, or at least the names of the clients from media reports, than some of the McKinsey executives or former executives we've had before the committee.

Let me ask you a question I'm fairly sure you can answer, though. Have you personally worked on Government of Canada contracts?

Mr. Robert Palter: Yes, I have.

Mr. Garnett Genuis: What's your hourly rate when working on those contracts?

Mr. Robert Palter: McKinsey doesn't have an hourly rate. We're actually only allowed to charge on firm fixed-price contracts.

Mr. Garnett Genuis: Approximately, given the amount of time you spent working on Government of Canada projects, what does that equal on a per-week equivalent?

Mr. Robert Palter: Again, we price on the basis of deliverables and every engagement is different.

Mr. Garnett Genuis: All right. I think there are a lot of questions about what the deliverables are.

Do you have a fee schedule for your analysts?

Mr. Robert Palter: Again, our pricing, according to the procurement rules of the federal government, is firm fixed-priced contracts. We are paid on the basis of delivering the deliverables stipulated in the contract at a price agreed to by a competitive process.

Mr. Garnett Genuis: Okay.

Sir, you said in your opening statement that McKinsey followed all the rules and that these were competitive contracts assessed by public servants. All the rules were followed. That's a similar line we received from ministers.

The problem is that your talking points aren't up to date, because the government released a press release on Friday that said, "there are indications that certain administrative requirements and procedures were not consistently followed". I don't think the government would issue a press release admitting that they didn't follow all of the rules in their procurement with McKinsey if they weren't sure that they hadn't followed the rules. The government wouldn't release a press release like that, saying that they had failed to follow the rules if they had been following all the rules.

Do you want to acknowledge that certain administrative requirements and procedures weren't consistently followed, and do you want to share with us why that happened?

The Chair: I'm afraid you're not going to get an opportunity this round. Perhaps you will in the next round, or perhaps you can address it in someone else's round.

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

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

A colleague across the table questioned the integrity and ethics of McKinsey. I just wanted to provide you, Mr. Palter, with an opportunity to answer that charge and that question.

Mr. Robert Palter: Thank you for the opportunity.

As I said, McKinsey is an ethical company. Part of being an ethical company, as I alluded to, is that we acknowledge we've made mistakes and we've learned from them. I think the consequence of that is that we have made dramatic changes in our firm over the last 10 years in relation to ensuring compliance with all policies and all procedures for all of our clients, everywhere, around the world.

As I've said, we've invested \$600 million in building first-class systems, training people and changing our compliance processes, whereby people have to undertake compliance training before they can receive their bonuses. It's all core to our DNA.

The second thing I would say is that, as a company globally, we take great care in trying to improve the communities in which we operate and adding value back to the communities in which we operate. For example, in Canada last year, McKinsey did over 7,000 hours of pro bono work for a variety of organizations. Most of our partners sit on the boards of hospitals, food banks and the like, trying to make the communities better where we operate.

As I said, everybody wakes up every morning knowing that we are an ethical, values-driven company with very high integrity.

Mr. Irek Kusmierczyk: I know it's a tough question, but can you give us a sense in some way of how many contracts McKinsey won in 2022? Are we talking hundreds? Are we talking thousands or tens of thousands?

Can you provide us with a bit of an understanding?

Mr. Robert Palter: Is that a question about contracts with the federal government or...?

• (1725)

Mr. Irek Kusmierczyk: It's about contracts in general.

Mr. Robert Palter: I don't know, but as I alluded to, at any given time, McKinsey has 4,000 to 4,500 client teams working. Does that translate to 4,000 to 4,500 contracts? No, I can't say that, but that's roughly the scale of our firm.

Mr. Irek Kusmierczyk: You mentioned thousands. Is that fair to say in any one year?

Mr. Robert Palter: That would be fair to say, yes.

Mr. Irek Kusmierczyk: How many times has McKinsey relied on the intervention of elected officials to win those contracts, in your opinion?

Mr. Robert Palter: None.

Mr. Irek Kusmierczyk: It's zero. Okay, great.

My colleagues across the aisle have suggested that the government shouldn't do any business with McKinsey at all. Can you tell us what countries have a blanket ban on business with McKinsey? How many countries have that?

Mr. Robert Palter: None.

Mr. Irek Kusmierczyk: It's zero.

What would be the consequences of such a position, for example, in terms of the skills or value that McKinsey brings to governments like the Government of Canada?

Mr. Robert Palter: As I alluded to, McKinsey has global expertise on a variety of issues that I think are quite important as the government tries to execute its ambitious and complex agenda. I think the government could benefit from the access to that expertise.

Mr. Irek Kusmierczyk: There are over a hundred countries that use McKinsey's services, as I understand it, and McKinsey has worked with a number of Canadian departments. Defence and IR-CC are some of the larger ones.

The world, of course, is changing quickly. It's becoming much more complex. What common challenges do you see that are facing ministries and departments—not just Canadian ones but American ones, Australian ones and others around the world?

What are some of those key challenges that McKinsey can help with?

Mr. Robert Palter: I think there are probably two significant challenges among many. The list could be long. I'm going to focus on two.

The first one is this rapid evolution of technology. The private sector, as everyone appreciates—be it banks, insurance companies, retailers, consumer packaged goods companies or energy compa-

nies—is rapidly evolving technology. ChatGPT is the latest example of that. That's going to upend just about all of our lives.

Related to that is digitization. How do you take services and digitize them in a world where we have people with very diverse needs? We have language issues. We have issues with disabilities, time zones and broadband access. Trying to solve all of those problems is core to what McKinsey does as a firm and core to the issues that the government faces. That's one.

The second is trying to find a way to do more with less. Every organization is trying to figure out how to do more with less. The demands always go up.

Mr. Irek Kusmierczyk: You don't replicate, replace or duplicate the work of the public service—do you?

Mr. Robert Palter: No.

The Chair: I was going to say give just a brief answer, but thank you for being ahead of me.

It's back to you, Mr. Genuis, for five minutes.

Mr. Garnett Genuis: Thank you, Mr. Chair.

Of course, we know you work with governments around the world. You work with the Government of Russia, the Government of Saudi Arabia, the Government of China and entities that are affiliated with them.

You told your employees not to attend a pro-democracy protest in support of Mr. Navalny in Russia. Again, you may not be aware of those things, sir, but those things are of course matters of public record.

I want to follow up on the end of the last round of questions I was asking. You say all of the rules were followed. The government admitted in a press release on Friday that all of the rules were not followed. Were all of the rules followed or not, sir?

Mr. Robert Palter: As I stated previously, McKinsey takes its obligation to adhere to the rules very seriously. I also wanted to clarify about the record—

Mr. Garnett Genuis: But you didn't do it...right?

Mr. Robert Palter: McKinsey has exited Russia. We exited a year ago. We have no activities whatsoever in Russia.

Mr. Garnett Genuis: Yes, but Russia invaded Ukraine in 2014, sir. It took a heck of a long time for you to realize what was happening in Crimea and the Donbass.

I'll come back to my question, which was not answered. Could you clearly tell us whether the rules were followed?

It's not about whether you take the rules seriously. It's about whether you actually follow them. The government says you didn't follow all of the rules. Did you follow all of the rules?

Mr. Robert Palter: Mr. Chair, I'd like to clarify this, because my interpretation of the press release was that it said two things. The first was that there was no political involvement in the selection of McKinsey for contracts. The second was that the rules were not followed. It was not clear who was or was not following the rules.

• (1730)

Mr. Garnett Genuis: That's correct. It said, "However, there are indications that certain administrative requirements and procedures were not consistently followed."

You're telling us that rules were followed, and the government is saying that rules were not followed. I didn't say that it was wholly on one party or the other. Clearly rules were not followed. Do you accept that rules were not followed in the awarding of these contracts?

Mr. Robert Palter: If you follow the word of the independent review that TBS did, it would say that some of the rules were not followed.

Mr. Garnett Genuis: Okay. I hope you believe that, but it's contrary to what you said in your initial testimony: that rules were followed.

Mr. Robert Palter: No, what I said was that McKinsey follows the rules.

Mr. Garnett Genuis: You received contracts through a process that did not follow the rules. You either didn't follow the rules or you benefited from the government's not following the rules.

You talked about digital transformation. Did you advise the government at any point on the Phoenix pay system?

Mr. Robert Palter: No.

Mr. Garnett Genuis: Has McKinsey done opioid work in Canada?

Mr. Robert Palter: This is an important question. The answer is that McKinsey has done no opioid sales and marketing work in Canada.

Mr. Garnett Genuis: Have you advised Purdue Pharma in Canada or any other opioid manufacturers?

Mr. Robert Palter: McKinsey has done no opioid sales and marketing in Canada.

Mr. Garnett Genuis: You don't do it, obviously, but you're advising companies that do it. Is that correct?

Mr. Robert Palter: We do not advise on opioid sales and marketing in Canada.

Mr. Garnett Genuis: Have you done work for Purdue Canada?

Mr. Robert Palter: Mr. Chair, I'm here, and I'm happy to take questions about our relationship with the federal government and the work we've done and the results we've produced.

Mr. Garnett Genuis: Yes, that's great.

I'm asking you a question. Have you done work for Purdue Pharma Canada?

Mr. Robert Palter: I do not believe we have done work for Purdue Canada.

Mr. Garnett Genuis: Okay.

Have you done work for opioid manufacturers here in Canada?

Mr. Robert Palter: I don't know.

I have been the managing partner of McKinsey since September 2022.

Mr. Garnett Genuis: Right. Okay.

Could you send a follow-up to the committee, please, about which opioid manufacturers you have done work for in Canada?

McKinsey analysts were advising the Prime Minister's growth council. Is that correct?

Mr. Robert Palter: McKinsey was providing data and analytical support to the growth council.

Mr. Garnett Genuis: Were any of the analysts who worked on the growth council also working on other paid projects for the Government of Canada?

Mr. Robert Palter: Again, McKinsey was providing data and analytical support to the growth council. I do not know the specifics of what happened to those folks after that.

Mr. Garnett Genuis: It would be very convenient if people who were doing work for the growth council were simultaneously doing work for the government on paid projects or seeking paid projects. We know from the email record that your predecessor, Andrew Pickersgill, supplied analysts for the growth council and was also involved in soliciting work for the government.

Can you confirm that's the case?

Mr. Robert Palter: McKinsey did provide analysts and analytical resources to support the growth council.

Mr. Garnett Genuis: Mr. Pickersgill provided those analysts and also was soliciting work from the government. Is that correct?

Mr. Robert Palter: Again, McKinsey was providing analysts to support the growth council.

Mr. Garnett Genuis: The same person who was providing that analysis was also soliciting work from the government.

Does that seem like a conflict of interest to you?

Mr. Robert Palter: I have a couple of thoughts.

First of all, McKinsey signed a document with the growth council stipulating that we had to adhere to the conflict of interest requirements of the federal government, which we did.

Mr. Garnett Genuis: Right, but sir, you're not answering my question.

Mr. Robert Palter: Also—

Mr. Garnett Genuis: My question is, does it seem like a conflict of interest that your predecessor, Andrew Pickersgill, was simultaneously supplying analysts and analysis to the government while also soliciting paid work from the government? Does that seem like a conflict of interest to you?

Mr. Robert Palter: Conversations between an advisory firm and the government are a routine procedure.

The Chair: Thank you, Mr. Palter.

Mr. Garnett Genuis: That's just not the question.

The Chair: That is our time.

Mr. Bains, go ahead, please.

Mr. Parm Bains (Steveston—Richmond East, Lib.): Thank you, Mr. Chair.

Thank you to our witness for joining us today.

Some have criticized McKinsey, saying that it has created a shadow public service and provides no long-term value to the public service.

Is there skill transfer from your company to public servants that they can benefit from after a contract ends?

Mr. Robert Palter: Yes, there is.

As I alluded to previously, in every contract we take on with the federal government there is a component of skill building.

For example, as I alluded to, when we did digitization work for IRCC part of our contract was to help build what they call a digital lab. This is a group within IRCC that is staffed up with digital experts, scrum masters, data scientists, data engineers, graphical user interface designers and workflow designers that could work across the rest of the government digitizing other processes without support from McKinsey.

• (1735)

Mr. Parm Bains: Okay.

Some have accused your company of working for governments and regulators while simultaneously working for corporations lobbying for change.

Can you explain to the committee any safeguards or policies your company has in place to prevent abuse or transfer of information between McKinsey staff?

Mr. Robert Palter: This, again, is a critical question.

First of all, McKinsey takes client confidences and the management of client data very seriously. It is the core of who we are. As I said previously, the fact that we have been in business for a 100 years on this model, where two-thirds of our clients are long-standing repeat clients, provides evidence that we know how to manage this data.

On top of that, we are required to comply with the federal government's requirements on data management, data integrity, data security and data protection. We have fully dedicated teams internally in Canada and globally whose sole job is to ensure that we comply with those rules and to ensure that the data is protected and secure.

Mr. Parm Bains: Okay.

When asked about how the government can reduce its reliance on outsourcing at improved capacity, Dominic Barton was blunt in saying, "My personal view is that the human resource systems are weak".

Would you agree? What suggestions would you offer to improve?

Mr. Robert Palter: I think it's best if I let Dominic Barton and Dominic Barton's testimony stand.

My personal experience in the interactions I've had is that they have been positive and terrific and that the civil service has really high-quality folks.

Mr. Parm Bains: Okay.

There has been criticism during prior committee meetings that McKinsey, rather than the public sector or ministers, is making policy decisions. How would you respond to those claims?

Mr. Robert Palter: McKinsey has not made and does not and will not make policy decisions.

As you've heard from other witnesses at this committee, they have supported that point of view.

We do not make policy.

Mr. Parm Bains: Finally, if we have time, in your view, do consulting firms have an appropriate level of accountability to Canadians?

Mr. Robert Palter: Yes. I can't comment on the other consulting firms, but McKinsey does have significant accountability to Canadians.

I'd like to offer an example. The government, when it puts contracts together with us, requires that we achieve certain performance standards for our contract to be continued. If we do not achieve the standards and the deliverables stipulated in the contract, our contract ceases. I think that's a wonderful practice to ensure that the government is getting value from its consultants.

The Chair: Thank you, Mr. Bains.

We now have Mrs. Vignola for two and a half minutes.

Go ahead, please.

[*Translation*]

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

If I understand you correctly, McKinsey provides advice, for example, to the Economic Growth Advisory Council. It provides data and analytical resources. The data is global, is anonymized, and is used in analytical tools.

Did I get that right?

[*English*]

Mr. Robert Palter: Yes.

[*Translation*]

Mrs. Julie Vignola: Very well.

So it's data collected worldwide, which is used to perform a thorough analysis of a local situation, such as Canada, as well as to follow a process that belongs to you and has been proven by your global experience.

• (1740)

[English]

Mr. Robert Palter: Yes. I'd like to offer an example to explore this. This is a great question.

For example, McKinsey has a tool called Digital Quotient. It's part of the national master standing offer. Digital Quotient is a dataset in which McKinsey has collected benchmarks on best practices, processes and structures in digital organizations. We have brought those to bear, and the federal government can get best practices benchmarking on that sort of topic.

[Translation]

Mrs. Julie Vignola: Thank you.

So this is a process you could apply not just in Canada, but just about anywhere in the world.

Then how can we be sure you're using a process that's not identical to one that's being used in another country?

[English]

Mr. Robert Palter: I think we should separate the ideas of benchmarks and a process. A benchmark is a benchmark. Data has to be anonymized and it has to be secure. We respect that significantly and we have dedicated resources to ensuring that benchmarks that use proprietary data respect the proprietary nature of the data.

[Translation]

Mrs. Julie Vignola: To create the process, you used milestones, which are generalized data.

How do you ensure that the processes created from this data are not the same throughout the world?

Please provide me with a written response since my time is up.

[English]

Mr. Robert Palter: Sure.

A benchmarking tool is a diagnostic tool. It helps identify where processes need to be changed. Then it's our job, in consultation with our client—in this case, the civil service—to take the diagnostic delivered by the benchmark and to work to customize the process around those elements for the environment in which we're working, for the people or for whatever the situation may be.

I'll give you an example. With agile execution, there is a certain way in which a core agile execution happens, but it has to be customized for the department you're working in and the country you're working in. However, agile at its core is a particular model.

The Chair: Colleagues, we're going to skip the last round, but I'm going to let everyone on this round go a bit longer.

Mrs. Vignola, you have about 30 seconds.

Mr. Johns, you'll have about three and a half minutes.

[Translation]

Mrs. Julie Vignola: Thank you very much.

Earlier, we talked about your clients. Would it be possible to provide the Committee with a list of those clients?

Naturally, we could agree not to disclose it, so as to meet your confidentiality requirements.

[English]

Mr. Robert Palter: Mr. Chair, we take client confidences very seriously and are bound, in many cases—or in all cases—by legal obligations.

I'm here to comply and work with the committee. I'm happy to take that away and figure out how to think about that question.

The Chair: Thank you.

Mr. Johns, go ahead.

Mr. Gord Johns: I really appreciate, Mr. Palter, your sharing with us that you're less than 1% of the overall outsourcing that's taking place in Canada. I'll just say, for everyday Canadians, that your company had \$642,000 in consulting contracts with Canada in 2011 and now you're at \$32 million. When we look at it overall, the big six outsourcing companies have gone from \$54 million to over half a billion dollars in a decade. That's unbelievable growth.

You run a really sophisticated consulting company. You're a highly paid consultant. What advice would you give to Canada to curb this, because this is clearly growing at an extraordinary rate?

Mr. Robert Palter: I think this is great question. It's an important question. This is kind of the guts of what we're getting at.

Mr. Gord Johns: It's why we're here as New Democrats. We're not on a "gotcha" or witch hunt. We actually want to solve this.

Mr. Robert Palter: Look, consultants can add a ton of value when used appropriately: when the scope is clear, the distinctive capabilities are complementary to what the federal government needs or what any client needs, there's a clear work plan, and there are clear deliverables.

I would say that the government should ask where those situations are where they really need that expertise that we can bring to complement and stand up the civil service.

• (1745)

Mr. Gord Johns: I guess my concern is that you have a thousand employees doing a lot of work outside of the public service, so for good reason people are saying there's a shadow public service in operation right now. How do we get those jobs and that expertise back in the public service? That's where we want to go.

Mr. Bains asked a good question around accountability and transparency. Where can you improve on that, in that area? Where do you believe that McKinsey, in your relationship with Canada and the Canadian taxpayers, can improve for better transparency and accountability?

Mr. Robert Palter: I believe the procurement process that is run by the government—at least in McKinsey's case—puts an awful lot of requirements on us to ensure value for money, to ensure performance, to ensure skill improvement and to ensure all the deliverables that we commit to.

Mr. Gord Johns: I appreciate that, but I'm not really getting an answer to the question.

I have just one last question. Have you given any advice on real estate and the government's ownership of buildings and lands to potentially sell them or use them differently?

Mr. Robert Palter: No.

Mr. Gord Johns: Okay, thank you.

The Chair: Are you fine, Mr. Johns?

Mr. Gord Johns: Oh, I can go on for quite a while.

Voices: Oh, oh!

The Chair: We'll give you another minute.

Mr. Gord Johns: Okay.

Concerns have been shared, obviously, about McKinsey's role in the toxic drug crisis, in the marketing. I know you weren't there, but this is a huge issue for us in our country, as you know. We have people dying every day. McKinsey played a role in that in terms of the promotion of toxic opioids.

How do you decide when you're going to decline to do business for a potential client? I mean, this is when it comes down to the ethics of it. Your company promoted a product that went against government policy. Clearly, there was a breach in ethics and values.

Mr. Robert Palter: I have a couple of thoughts.

First of all, my deepest sympathies go to anybody who has had to deal with the opioid crisis. It is tragic.

Second, I want to clarify, Mr. Chair, that McKinsey has done no work on opioids promotion in Canada. The work in the United States was below our standards.

The Chair: Do you have one last quick question, Mr. Johns?

Mr. Gord Johns: I think it was far below anyone's standards. I really hope that in the future your company is going to answer in terms of where the bar is on what you're going to do and whom you're going to work with and take on as clients, especially when it flies in the face of public policy.

The Chair: Thank you, Mr. Johns.

We have Mrs. Kusie for five-ish minutes.

Mrs. Stephanie Kusie: Thank you, Chair.

Mr. Palter, I'm holding the internal audit of federal government consulting contracts ordered to McKinsey & Company, which, as we indicated, was released on Friday, strangely, during Biden's visit. The timing of that was very odd.

I'm looking at "Findings for Objective 2: Fairness, Openness, and Transparency". It says here, "This objective was partially met." That's not great, that it was partially met. The report goes on to state that "there were issues with the accuracy of the Statement of

Work". The report then goes on to say, "the contract may not have been in place before the vendor commenced work."

Is that McKinsey's normal practice, to begin work before the contract is signed?

Mr. Robert Palter: Mr. Chair, I have not seen that interim report. This is the first that I have heard of the specifics on this.

What I can say is that McKinsey works to follow all the policies and procurement procedures as dictated by the federal government.

Mrs. Stephanie Kusie: I would think that any serious business organization, certainly one of the standard of McKinsey, would have had a contract in place prior to beginning work. Yet, here it states in this report that this is one criterion that was not met. In addition, "given the contract date was less than 24 hours earlier than the deliverable date, with no vendor signature on the contract to establish the start date, there is a risk that the work began before the contract was in place", as we've determined here.

The report also states, "The terms of the contract were not met, because only one of the four presentations stipulated in the contract was provided by the vendor, and yet the vendor was paid the full contract amount." We've seen the bonuses handed out to civil servants recently, despite having met their objectives less than 60% of the time. Is this the normal practice of McKinsey, that you would complete a quarter of the work, 25%, and yet take the entire amount that was awarded to you?

• (1750)

Mr. Robert Palter: Mr. Chair, again, I don't know what the specifics of that situation are. I would say McKinsey follows the procurement policies—the rules, the regulations, the process—for how these contracts get awarded.

Mrs. Stephanie Kusie: It goes on to say, "The Project Authority needs to conduct effective monitoring to ensure that the delivery of services meets the provisions of the contract, including its Statement of Work, in terms of quality, standards and service levels."

As I indicated in my last round, we're clearly missing some information here, either from one of the two ministers responsible to this committee or from your organization.

It also says here, "The vendor did not provide the deliverables in accordance with the contract's Statement of Work." I just alluded to that in my last question. The report says, "First, the deck did not address all the technologies outlined in the Statement of Work (i.e., it did not cover Virtual reality and Biometrics). Second, there was no evidence on file"—this will be important to Canadians—"that the vendor submitted the presentation in French as well as English. Third, only one presentation was delivered, not four as outlined in the Statement of Work."

We addressed already the 25% of the deliverables being there. But now that the vendor submitted the presentation, there was no evidence that this was submitted in French as well as English. Were you aware of that? Is that of concern to you, since it was for the Government of Canada, where all work should comply with the rules as to our official languages?

Mr. Robert Palter: Mr. Chair, again, this is the first I've heard of this. Given that this is an interim report, I have neither seen it nor received a copy of it, so I'm not in a position to comment.

What I can say is that we abide by the rules, the policies and the procedures that are required by the federal government on all contracts.

Mrs. Stephanie Kusie: I would suggest you read it.

With that, I'll pass some time back to Mr. Genuis.

Mr. Garnett Genuis: Thank you.

Thank you, Chair.

You know, McKinsey is an ethical dumpster fire, and you, sir, are supposed to answer questions about it. There are so many things that you're unaware of. You're unaware of the work done in Russia and China. You're unaware of the fact that rules weren't followed in these contracts. You're unaware of the internal audit report that my colleague brought out. You're unable to answer questions about whether or not there was a conflict of interest when Andrew Pickersgill, your predecessor, was supplying analysis to the Prime Minister's growth council at the same time that he was pitching the government on contracts, while McKinsey, the whole time, was not on the lobbying registry.

I would like to know, just as we wrap up today, if Andrew Pickersgill will be prepared to testify before the committee, since he was managing partner during most of the period we're covering. Perhaps he can shed some light on the things you have been unable or unwilling to answer.

Is Mr. Pickersgill available to testify before this committee?

Mr. Robert Palter: Mr. Chair, I'm here as the managing partner of McKinsey & Company, in compliance with the request of the committee. I'm here to answer the questions that are being asked to the best of my ability. I'm happy to try to continue answering the questions from the committee.

Mr. Garnett Genuis: Right, but we do need to have answers from McKinsey, and there are clearly a lot of things that you've said you can't answer or that you won't or are not able to answer. So if you can bring the message back that this committee does have the power to subpoena witnesses, we want to hear from Mr. Pickersgill specifically about the work he did for the growth council at the same time that he was working on paid government contracts.

We will have Andrew Pickersgill testify before the committee by whatever means necessary, so I hope he will make himself available to testify before the committee. I think he has important things to share with us.

• (1755)

The Chair: Thank you, Mr. Genuis.

It's now over to Mr. Housefather to finish this off.

Mr. Anthony Housefather (Mount Royal, Lib.): Thank you, Mr. Chair.

Thank you very much, Mr. Palter, for being here. Thank you for the fact that you shared so much information with the committee.

I think it is absolutely important to state that McKinsey actually complied completely with what the committee asked. I would also note that Mr. Pickersgill has not been summoned here by the majority of the members of the committee, at this point. He's not been asked to be a witness by anybody other than one person, at this point. We'll see whether or not we need to hear from him.

At this point, I believe this is about the ninth meeting the committee has had about McKinsey. We've diverted ourselves away from the larger, more important subject about whether or not the federal government is doing too much outsourcing and how we would reduce that outsourcing. The budget yesterday actually talked about reducing the amount we spend on outsourcing by billions of dollars, so we're going to have to.

Some people have tried to create a narrative that because Dominic Barton was somehow a close friend to the Prime Minister, McKinsey got all this business. As you heard, of course, when Mr. Barton was here—you said his testimony could speak for itself—we recognized that he is not a friend of the Prime Minister's. He's not even one of his 50 best friends. They've never socialized. He doesn't have his phone number. In fact, we've also noted that McKinsey's business with the Government of Canada drastically increased after Mr. Barton left McKinsey and divested all his shares. If he was trying to get business for McKinsey, he did a terrible job.

You've been subject to some real criticism, I think, of your company that was directed in a very unfair way, so I want to ask a couple of brief questions.

Can you talk about some of the volunteer stuff you do for UJA and other organizations?

Mr. Robert Palter: I'd be happy to.

I have been involved with the United Jewish Appeal of Greater Toronto for about 15 years, with a specific focus on education and helping to support our Jewish education to strengthen the Jewish community in the city of Toronto. I was for a long time the co-chair of the centre for Jewish education, which oversaw the Jewish day school system in Toronto.

Mr. Anthony Housefather: Who are your major competitors in the Canadian market?

Mr. Robert Palter: We have several competitors. It's a very competitive marketplace. These organizations are the Boston Consulting Group, Bain, Deloitte, KPMG, Ernst & Young, PwC, Accenture and the like.

Mr. Anthony Housefather: I know you can't be aware of the internal policies of all these different companies, but do you have any inkling that these companies have better policies related to ethics or better policies related to compliance than McKinsey does?

Mr. Robert Palter: I have no specific information on it. My best guess is that it's probably not better than McKinsey's. We've invested a lot.

Mr. Anthony Housefather: I'm going to come back to the compliance question in a second to talk about how you do compliance.

However, can I just reiterate the percentage of your business that you do with government in the Canadian branch of McKinsey? You said it's 5% to 7%.

Mr. Robert Palter: That's correct.

Mr. Anthony Housefather: So, in the event that you had not gotten that business—and I imagine that business is not only from the Government of Canada but also from various provinces, such as Quebec—you would have been able to, I think, relatively easily replace that business with private companies or others to make up that 5% to 7%. Is that correct?

Mr. Robert Palter: That's correct.

Mr. Anthony Housefather: So, you weren't desperately seeking the business of the Government of Canada. This was not something that McKinsey sought as a number one priority, I would imagine.

Mr. Robert Palter: No. We took on the work because many of our junior folks are inspired to try to make Canada a better place. They want to take the skills and capabilities they've learned at McKinsey and bring them to the civil service to make Canada a better place for everybody.

Mr. Anthony Housefather: We've been talking a little bit about the preliminary audit results, which, again, are the audit results on the government side, not the McKinsey side. We saw things like, for example, files that did not keep the signatories of the contract on both sides. They only had one of the signatories in the government file, or there were statements of work that were incomplete.

Did the Government of Canada ever send a notice of default to McKinsey under any one of these agreements?

Mr. Robert Palter: Not to my knowledge, no.

Mr. Anthony Housefather: Presumably, the civil servants who awarded the contracts and who determined that outsourcing was required in those cases, because the audits made it very clear there was no political interference, would have determined if they saw deficiencies in the work that McKinsey was doing under the contract and would have sent notices of default.

You're saying that nobody ever got a notice of default and that McKinsey is not aware of any breach of any of these contracts that it ever had.

● (1800)

Mr. Robert Palter: No, not to the best of my knowledge.

Mr. Anthony Housefather: Okay, perfect.

Let's go back to compliance.

My understanding is that you have a chief compliance officer based in Texas. Is there a worldwide compliance policy, or do you

also have a compliance person in Canada who reports to the person in Texas and deals with compliance in Canada?

Mr. Robert Palter: We have global compliance and Canadian compliance. It's a global function, but we do have Canadian representation. We have specifically dedicated lawyers, risk managers, contract managers, systems, policies, procedures, checks and balances for Canada.

Mr. Anthony Housefather: Presumably, you have that around the world, as well. When you see that there are issues, such as allegations related to opioids in the United States and allegations in South Africa, McKinsey's compliance department, number one, validates whether laws were followed or not and, number two, changes policies in the event that they see there are breaches or deficiencies. Is that correct?

Mr. Robert Palter: Yes. McKinsey takes the compliance with all laws, every law, very, very seriously, and we have the people, the tools, the systems and the processes to ensure that we're complying.

Mr. Anthony Housefather: When you enter into settlement agreements, for example, it costs McKinsey and partners money, so there would be a goal, presumably, not to further need to enter into settlement agreements and cost the company money. Not only from an ethical standard in terms of improvement but also from a purely financial standpoint, you would want to make sure that you are in full compliance. Is that correct?

Mr. Robert Palter: That's correct.

Mr. Anthony Housefather: Mr. Chair, do I have any time left?

The Chair: You have time for one quick question.

Mr. Anthony Housefather: No, I'm good.

I just want to thank Mr. Palter for being here.

The Chair: Thank you, Mr. Housefather.

Mr. Palter, thank you for joining us today. We appreciate your time.

Colleagues, we're going to suspend for a minute or two.

Mr. Palter, we'll excuse you and your colleagues. Again, thank you for joining us.

Colleagues, we're suspended.

● (1800) _____ (Pause) _____

● (1807)

The Chair: Colleagues, we are unsuspended.

I'm going to turn things over to Ryan for a couple of minutes. He's going to walk us through his report that we asked for.

Sir, the floor is yours.

Mr. Ryan van den Berg (Committee Researcher): Thank you, Mr. Chair.

Members will have received yesterday a document from the Library of Parliament that outlines the status of the documents that were ordered by the committee pursuant to the motion of January 18. In that motion, they had requested documents from both McKinsey and federal organizations that had contracted with McKinsey. The report you have focuses on the degree of redactions that were made to those documents.

As we have outlined here, McKinsey has since sent us 91,000 pages of documents. Those were since sent unredacted.

It also describes that there were 20 federal organizations that have sent documentation to the committee, most of which have sent that in redacted form. I think there were 16 in redacted form and four in unredacted form, as well as one that declined to send information. There is an illustrative table at the end of the report that illustrates the extent of the redactions that were made to those documents.

I will leave it there, but if members have questions, they can feel free to ask Diana and me.

The Chair: I have started a list. I have Mr. Barrett, Mr. Godin and Mrs. Vignola who want to chat on it.

Go ahead, Mr. Barrett.

Mr. Michael Barrett: Thanks, Chair.

Thanks to our analysts—

The Chair: Oh, I do apologize. I'll interrupt you for a moment.

Thank you, analysts, for that.

Mr. Michael Barrett: You didn't like that I cut your grass there, Chair.

The Chair: You did.

Mr. Michael Barrett: Thanks very much for turning this around for us.

This is good, but I think it's important, based on this report, that we do inform the House. Until we do that, the House is unaware that this has occurred.

I would like to amend or add to the end of the report. I will read two quick lines into the record:

The right to institute inquiries and demand papers is one of the privileges of the House of Commons as a collectivity.

Accordingly, the committee wishes to draw the attention of the House to what appears to be a breach of its privileges and/or a possible case of contempt of Parliament and recommends the House to take measures it deems appropriate.

That's the addition I would like to make.

This wording, although I would like to tell you that I just wrote it up now, Chair, is lifted from similar reports that have gone from committees to the House with respect to similar breaches of privileges with respect to requests or orders for production of documents. I think it would be appropriate to include it here.

• (1810)

The Chair: Mr. Godin, you wanted to comment.

[*Translation*]

Mr. Joël Godin (Portneuf—Jacques-Cartier, CPC): Yes, Mr. Chair. Thank you for giving me the opportunity to speak.

I am not a member of this Committee, but I am the Conservative official languages critic.

It has been brought to my attention, and one of the analysts mentioned it as well, that McKinsey provided 91,000 pages of documents for the Committee's study of the report. Various government departments and agencies also provided documents.

According to *House of Commons Procedure and Practice*:

Federal departments and agencies must submit their documents to committees in both official languages. Any other individual, including a member of Parliament, may submit written documents in either official language.

So this is not about the 91,000 pages provided by McKinsey; rather, it is about documents provided by departments.

The clerk received a letter on March 25 from the Department of Employment and Social Development indicating to the Standing Committee on Government Operations and Estimates that they were unable to provide their documents in both official languages.

I will read part of that letter, signed by the Deputy Minister of Employment and Social Development, Jean-François Tremblay:

Please be advised that in order to meet this commitment, certain concessions were made with regard to the sequencing of the documents contained in the French instalment [...]

I would remind you that *House of Commons Procedure and Practice* stipulates that documents presented to committees must be provided in both official languages. The procedural guide does not state that concessions must be made.

As you know, the Standing Committee on Official Languages is currently studying Bill C-13, which aims to modernize the Official Languages Act. In Canada, there are two official languages, but only one is in decline: French. In my opinion, this information should be included in the report.

I consider it unacceptable to make concessions with respect to one of our two official languages, whether it be English or French. In this case, it is French. This will be a sensitive issue as long as Canada remains a bilingual country. I emphasize the word "bilingual"; in Canada, that includes English and French. I remind you that though the Governor General of Canada is bilingual, she does not speak French.

It is important that the clerk and members of the Committee realize that the rights of members who speak only French are being violated. Yet this is a parliamentary right. As a Member of Parliament, I believe that the very least we can do is respect that right.

I will continue reading the Deputy Minister's letter. It explains why the French documents were not provided in time by saying that it is "due to the technological limitations that cannot be addressed within the current time constraints."

What kind of behaviour is that? How can the members of the Committee accept this situation? Parliamentarians' rights are being violated, and that indirectly affects respect for one of our two official languages.

I would like this to be reflected in the report or for the study of this report to be postponed, since not all parliamentarians who work in French have had access to the same information, which is unacceptable.

• (1815)

I thought it was important to share this with you, Mr. Chair. Indeed, as long as Canada is a bilingual country, we are obliged, as parliamentarians, to ensure that the use of both official languages is respected and that House of Commons procedures, which require all federal departments and agencies to provide documents in French and English, are respected as well. This should not be done by making concessions or reducing the text.

Take the example of a document you received here, which contains 800 pages in French and 1,000 pages in English. An analysis of translated documents tells us that the French version of a document that was translated from English contains 10% more words. In this case, the document would therefore be at least 300 pages short.

Which parts of this information are not available to French-speaking Members of Parliament?

I think it is important that this be brought to your attention and taken into consideration to prevent such a situation from recurring. In my opinion, the drafting of the report should be postponed until all members of this committee have access to all the documents, both in French and in English. They will have to be translated in an acceptable manner so as to respect the meaning or interpretation of each word.

That is all, Chair. I apologize, I don't mean to be...

[*English*]

The Chair: I assume you mean the McKinsey report and not this report that's being translated.

[*Translation*]

Mr. Joël Godin: Thank you, Chair.

[*English*]

The Chair: You were referring to ESDC. Thanks.

Mrs. Vignola.

[*Translation*]

Mrs. Julie Vignola: I want to talk about when I read the letter from the deputy minister, Mr. Tremblay. I know I have a certain temperament, so I realize I can be a bit hotheaded. Nevertheless, I want to say calmly how dismayed and disappointed I was when I read the letter, which suggests that it's more acceptable to speak only English than to speak only French in Canada. Basically, the deputy minister seems to be saying that French speakers should be able to read English because that is the language spoken by the majority. Francophones can figure it out. It's no big deal if the metaphors and such go over their heads.

It's time to stop treating us like second-class citizens.

Has there ever been a time when documents weren't translated into English, when English speakers didn't receive materials at the same time as their French-speaking counterparts or when they received fewer documents than their French-speaking colleagues because of a decision to make concessions on the English translation? I'd be curious to know the answer to that, because as far as I recall, that's never happened in Parliament.

I can see some of my fellow members are paying attention, but I can also see others who are on their phones or computers. Their actions merely prove my point. Some unparliamentary language comes to mind, but I will refrain from using it.

I take the time to read every single document. I even have to read documents in both official languages because sometimes the French versions are more redacted than the English ones, or because the French translation is frankly pitiful. Do you have any idea how much work that is? I do it because I care about making sure that taxpayer money is spent well, that it's not squandered. If, at the end of the study, all that effort helps me come to the conclusion that public funds were not squandered, I'm pleased and satisfied with the work I've done.

However, I want you to understand what it means for a francophone to have to do double the work because something was only partly translated or not translated at all. It's an insult. It's unacceptable. It's the ultimate slap in the face. This needs to be written in the report, and that report needs to go to the House. Enough is enough.

Quebec isn't the only place with francophones. They live all over the country, and each and every one of them is entitled to respect. These documents may not necessarily be in the public domain, but even when they are, the same problems arise. I'm not even talking about the grammar or syntax errors. I'm talking about glaring errors and incomplete documents. Enough is enough.

Here's what I think of a letter like that, and I'm going to say it in English so it's perfectly clear.

• (1820)

[*English*]

It's a piece of crap.

[*Translation*]

Sorry, I know it's unparliamentary language, but that's exactly what it is. It has to be said.

Thank you.

[*English*]

The Chair: Thank you, Mrs. Vignola.

Yes, I agree with the second part. It had to be said. I appreciate that.

Colleagues, are we ready to discuss Mr. Barrett's motion or move forward on it?

Go ahead, Mr. Housefather.

[Translation]

Mr. Anthony Housefather: Mr. Chair, I'd like to say something, because I think there are two issues, here.

The first issue is what Mr. Godin and Mrs. Vignola talked about. It's not acceptable for the French version to have more redactions or for it to be incomplete. Nor is it acceptable for a deputy minister to use language like that. He doesn't seem to be aware of the fact that he has an obligation to provide the committee with the documents in both official languages. Clearly, that's a problem. Perhaps we should ask the person who signed the letter to appear before the committee so we can explain it to him.

The second issue has to do with the fact that we asked organizations across government for thousands of documents at the same time. Depending on the government's contractual policies, those documents aren't necessarily available in both official languages at the time that the committee requests them, obviously. Under one policy, the subcontracting business with the company can be carried out in the official language of the company's choice. A company could very well have a series of contracts in French or in English, so any contracts and related materials requested by the committee would need to be translated. In this case, we are talking about having hundreds of thousands of pages, if I'm not mistaken, translated into French or English.

Clearly, that isn't easy to do, so the committee should take that into consideration. If we are going to set tight deadlines, it's almost impossible for an organization to provide the committee with properly translated documents. If the committee's priority is to ensure that organizations meet the deadlines we impose or that they provide a wide array of documents—as opposed to specific documents—it can make things worse. That's what happened here, with the translation of all these documents.

I think the responsibility here is shared between the departments and the committee, because of the deadlines we set and the huge number of documents we requested.

However, with respect to translation quality and the deputy minister's intent in his letter, I think we should ask him to appear before the committee to explain his letter. We can report to the House on the translation issue, because it's important.

• (1825)

[English]

On the question of the documents themselves, Mr. Chair, I want to make sure. I think it's mostly you I'm hoping will have the action item here. To me, there are a couple of questions.

McKinsey originally delivered documents that were redacted. Then we went back to McKinsey and we said to McKinsey, “No, that is not acceptable. Please provide us with documents that are not redacted, and we will give you a chance to justify to us what shouldn't be made public based on the documents you now give us”, which McKinsey then agreed to.

I am not 100% sure, but it doesn't seem to me that we've clearly stated that to government departments. My request to you, Mr. Chair, is that I think the next step would be to go back to the government departments and say, “We asked you for non-redacted doc-

uments. We sent the same letter to everybody, and you have not delivered non-redacted documents. McKinsey has delivered all the documents in non-redacted format. PSPC, the main department, has delivered their documents in a non-redacted format. We fully expect you to comply with this order and deliver us non-redacted documents. In the event that you believe some of the provisions should not ever be made public, please provide the committee with all of the reasons that part shouldn't be made public, and we would be delighted to consider all of your requests. Provide us with this by X date.”

If they don't comply at that point, I'd be happy to say that it would get referred, but I would like to give a clear directive to the chair to go back to the departments with a very clear message to each of the departments that has not complied, exactly as you did with McKinsey.

To me, on that part, on the documents part, Mr. Chair, I'd like to see that as the next step as opposed to just sending this report to the House.

Thank you, Mr. Chair.

The Chair: I'll address that.

We have had lots of problems with the departments. I think ES-DC is just the cream on the top adding to the issue of refusing to comply with Parliament. We've extended lots of opportunities and written several times to each of the departments that have refused. We heard in committee from two different deputy ministers when their ministers were here that they didn't believe they needed to comply.

The correspondence coming back from the departments is almost.... Ms. Vignola talked about not wanting to use unparliamentary language. I'm at that point right now as well. It's almost at a level of arrogance. We've had them quoting law, how it violates the Constitution to obey an order of Parliament and how they were following a past practice of ignoring Parliament in refusing to hand over these documents. One of the departments out and out said “No, we are not going to give you anything.”

This committee, I believe, has bent over backwards and been accommodating. A lot of it has arrived late. It's like, okay, we wish you would comply with an exact date. We've extended dates. By and large, these departments....

We've written several escalating letters, from polite to less polite to even less polite and more direct, reminding them of the motion and very clearly of what the powers of committee are. They have responded by saying, “No, we'll follow the ATIP rules,” or “We're not providing it.” We heard, I think, CBSA say in this committee, “We'll take it under advisement” and that they had to balance it.

I'm sorry for being on the high horse here. We've given these departments every opportunity to do this. Then, today one of the departments comes back with a slap in the face.

My French is, frankly, quite horrible. I've spoken French twice in the House in seven years here. I've tried, but it's not good. However, our rules and our laws are that it's both languages. Our rules and our laws also say, in the green book, very clearly, the powers of committee.

It's not once. Sometimes we have sent three or four letters demanding this. We quite literally just get a "No, we're not interested. We don't believe we have to."

I'm happy if it's the will of the committee to make one more attempt, but we've given them several clear, unambiguous statements of what is required of them. If it's the will of the committee, I will do that.

It's Mr. Godin, Mr. Barrett, Mrs. Vignola and then Mr. Kusmierczyk.

• (1830)

[*Translation*]

Mr. Joël Godin: Thank you, Mr. Chair.

In response to the honourable member, I would say that it's not about doing things the easy way. Canada is a bilingual country. We speak English and French. This isn't about how easy something is to do.

In his letter, Deputy Minister Tremblay asks the committee for indulgence. It's as though speaking French and having equal access to the information is asking for charity.

I think this goes beyond what's easy. This has to be a priority.

I have a suggestion. Although I'm not a regular member of the committee, I would like to propose an amendment that the report be updated to reflect the official languages issue. I think it's important to have it in there. We could refer to the documents provided by Employment and Social Development Canada, or ESDC, to illustrate the point.

[*English*]

The Chair: I'm sorry, but without being a permanent committee member, you cannot move the amendment. I think Mr. Barrett is up next, and I'm sure he might be willing to. If not, then Mrs. Vignola will.

Let's just deal with Mr. Barrett's original motion to begin with.

Mr. Michael Barrett: Right. I'm happy to move the appropriate amendment once we've dispensed with the amendment that is currently on the floor, but I don't think I can amend my amendment.

I guess I'd just ask one very quick thing.

I appreciate your intervention with respect to the fairness that has been offered to the departments. It's included in the letter. It talks about the March 6 motion the committee passed, and then the letter that was sent two days later to all the committees. It was at that time that members of the committee raised the question of privilege, and the chair suggested, if memory serves me, that more correspondence be sent. The correspondence was sent.

Once is the correct number of times we need to ask to get what the departments are legally obligated to provide to us. They've had multiple opportunities and ample time. They've demonstrated, as evidenced in multiple letters, an unwillingness or a refusal to comply.

We are where we are not for a lack of opportunity being given by this committee, and that's evidenced in the report prepared by the analysts.

Chair, we're past 6:30 p.m. I'd like to know how much time we have left. On this important issue, I think we're able to dispense with it today, because we'll be weeks further down the road before we have an opportunity to deal with this again. I wouldn't want to see us lose resources before we resolve it.

The Chair: Let me find out quickly, and then I'll let you continue.

We have maybe about 20 minutes.

Mr. Michael Barrett: Okay.

I have my motion on the floor. I look for support for that.

The Chair: We have Mrs. Vignola, then Mr. Kusmierczyk and Mr. Johns.

Please keep in mind the time.

• (1835)

[*Translation*]

Mrs. Julie Vignola: Thank you.

May I move Mr. Godin's proposed amendment to the report?

[*English*]

The Chair: I'm sorry. Give me one moment.

Yes, that's fine, Mrs. Vignola.

[*Translation*]

Mrs. Julie Vignola: First, I'd like to respond to the member's comment about the deadlines being tight and the documents taking a long time to translate. At the end of the day, francophones are always the ones who pay the price. French is always sacrificed. You would be just as angry if the deputy minister had asked the same indulgence of anglophones in the letter.

Let me be clear. I am not pitting anglophones against francophones. This isn't 1759 and the battle of the Plains of Abraham. That's over. It's a subject we could discuss at length.

No one would accept the deputy minister's comments had it been French documents that weren't translated into English. We are always being asked to show indulgence and make concessions. As I said, francophones are always the ones who pay the price. We exist, and we will continue to exist. We matter. Until there is evidence to the contrary, we are part of what we currently call Canada, and we are entitled to respect like everyone else.

I'm going to push for the update because this involves a formal and official request. That is the reality and this is about respect through and through.

For that reason, I am asking that the report reflect the issue with official languages and the translation of the documents. ESDC's letter could be attached to illustrate the point.

We matter. Thank you.

The Clerk of the Committee (Ms. Aimée Belmore): Sorry to jump in, but I have a question.

Mrs. Vignola, did you want to just mention the letter, or did you want to add it to the report?

Mrs. Julie Vignola: When the analyst drafts the report, I want it to mention that organizations are not respecting their official languages obligations in providing us the requested documents. That is true for the redacted content and for the quantity and quality of the translated content.

The Clerk: Very good. Thank you.

I was wondering whether you wanted to include the letter as an attachment, but if not, that's fine.

Mrs. Julie Vignola: Perhaps it's not necessary to attach the letter, but I would like the report to mention it as an example, please.

The Clerk: What you would like, then, is for the report to address the official languages issue and mention the ESDC letter.

Is there any specific language you would like to include, or do you just want me to ask the analyst to address the matter?

Mrs. Julie Vignola: I trust the analyst to accurately render the feelings I expressed earlier, perhaps in somewhat of a more reasonable tone. The point is to make sure that documents are translated in full.

Thank you.

The Clerk: Just to confirm what you're asking, Mrs. Vignola, I'd like to know whether the analysts have permission to come up with a paragraph on the matter, as opposed to including specific language in the report. Since Mr. Barrett had asked about including specific language, I want to make sure we carry out your intentions faithfully.

● (1840)

Mrs. Julie Vignola: As I said, I would like the analyst to add a paragraph on the matter and to put into words the feelings I expressed. I think that would be a much more reasonable approach than to cite anything specific I said earlier.

[*English*]

The Chair: Go ahead, Mr. Kusmierczyk.

Mr. Irek Kusmierczyk: Thank you, Chair.

I just want to say that I think we are all united around the committee table in terms of understanding and recognizing how serious both of those issues are: the issue of bilingualism and the issue of making sure that departments respond to the requests of this committee.

I support Madame Vignola's subamendment and request to have that included in the report.

I would put forward an additional step, if that's okay, or an intermediary step, before we send the report to the House to give, again, the relevant ministries an opportunity to comply. What I would suggest is that we explicitly state in the communication.... What I'd like to see is a letter, correspondence to the ministries, informing them of our intent to bring this report to the House so that the ministries understand that the committee is prepared to take the step to bring

this forward directly to the House of Commons. It would signal the seriousness of the situation, and it would also give the ministries a clear understanding of what our intent is and what we are prepared to do in terms of the next step. It also gives them an opportunity to comply.

It's an added step. It's responsible, it's pragmatic and, again, it clearly communicates to the departments how seriously we're taking this. It clearly signals that our intent is to bring this issue up before the House, and it gives them a final opportunity to comply.

I think that is something sensible, so I wanted to bring that forward for the committee's consideration.

The Chair: I appreciate that, Mr. Kusmierczyk.

We are discussing, though, the amendment to Mr. Barrett's motion. We can deal with that, and then come back to you for that, but it's off the issue of the amendment.

Mr. Irek Kusmierczyk: That's not a problem.

The Chair: Mr. Johns, go ahead, please.

Mr. Gord Johns: First, the documents shouldn't be showing up here unless they're in both official languages. I'm sorry, but this is not acceptable.

We've already extended this thing and it's been drawn out, so what is Mr. Kusmierczyk proposing in terms of how much more time he's hoping to give them? We've given them a month.

Are you talking a few days, or what does it look like?

Mr. Irek Kusmierczyk: My suggestion would be two weeks. In that case, I want them to be fully informed of what our intent is, what our next steps are, so they comply with this request. It gives them an opportunity—a final one.

The Chair: I appreciate that, Mr. Johns.

Mr. Kusmierczyk, I appreciate the feedback.

We really need to move back to the motion at hand.

Mr. Barrett, go ahead.

Mr. Michael Barrett: If we could address the two motions that are on the table, the amendment and the motion, that would be great.

The Chair: I would suggest we do that. Let's address the amendment and then we can go back.

On the amendment Mrs. Vignola put forward, I sense that we're all in favour.

(Amendment agreed to [*See Minutes of Proceedings*])

The Chair: Now we're on the motion as amended. Is anyone against?

● (1845)

Mr. Anthony Housefather: I don't understand. We voted on Mrs. Vignola's—

The Chair: And now we're voting on the motion as amended.

Mr. Anthony Housefather: But I want to come back, Mr. Chair.

I have no objection, if we're actually referring the matter to the House, to adding the language Mr. Barrett proposed, but I want to make sure, as per Mr. Kusmierczyk's suggestion, which is similar to what I said before, that this goes back to the departments with the letter from you. The House isn't sitting for two weeks, so giving them the two extra weeks before the House resumes before referring it to the House seems normal.

I want to understand how that would be voted on.

The Chair: I think we have to be clear on that before we can get to Mr. Kusmierczyk's suggestion.

Mr. Anthony Housefather: I want to make sure it's not unreceivable at the point that we adopt the wording from Mr. Barrett, which says that we're referring it to the House. I want to make sure that by adding those words, we're not putting ourselves in a position where we cannot say a precursor to this would be doing this, because then the report would have to change, obviously.

The Chair: Yes, I understand what you're saying, but no, it doesn't. We accept the amendment, and we vote on the original motion, but that's not the vote to send it to the House.

Mr. Anthony Housefather: Can you read it again, Michael?

Mr. Michael Barrett: Sure. It reads:

The right to institute inquiries and demand papers is one of the privileges of the House of Commons as a collectivity.

Accordingly, the committee wishes to draw the attention of the House on what appears to be a breach of its privileges and/or a possible case of contempt of Parliament and recommends the House to take measures it deems appropriate.

The Chair: So agreeing to this is not sending the report to the House.

Mr. Anthony Housefather: Got it.

The Chair: Are we fine on that, then? Can we move forward?

I see that's the will of the committee.

(Motion as amended agreed to [*See Minutes of Proceedings*])

The Chair: Mr. Barrett, go ahead.

Mr. Michael Barrett: It's really important, I think, based on the time period that we won't be here.... If we're going to be hung up on giving a fifth or sixth opportunity or whatever it is for the departments, and signal an awareness, and if the committee wants to give that direction, I think we should also have a trigger point. For any departments that have not provided the documents in accordance with the order of the committee by the date the committee decides, let's say by April 10, the report is referred to the House.

Mr. Irek Kusmierczyk: Okay.

Mr. Michael Barrett: Every department has another opportunity, and then, if anyone has failed to comply, the House is notified.

I'm just looking for a compromise before we run out of time, Chair.

The Chair: Do you mind just repeating that? The clerk and I were conferring about one last thing that we have to make a change on. I'll bring it up after you.

Go ahead.

Mr. Michael Barrett: My suggestion, Chair, was not worded as a motion. Mr. Kusmierczyk and Mr. Housefather had asked if the departments could have more time. In the interest of getting this resolved, the committee would set a date, let's say two weeks from today, which would be April 12. If any respondents have not complied with the committee order by April 12, the report would be referred to the House, or something to that effect.

• (1850)

The Chair: That actually cleans up the language that I was going to suggest.

Go ahead, Mr. Kusmierczyk.

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

I appreciate my colleague compromising on this issue and trying to find an accommodation. On April 10 we won't be here, obviously. We won't be sitting as a House and we won't be here in committee. I'm wondering if my colleague would entertain the possibility of simply allowing us to have a meeting as a committee on the Monday we come back, which would be April 17. At that point, we will see what the status is of our ultimate request and then make that decision.

It just allows us to get information and to see what the final situation is. I don't feel comfortable if we're making this decision that a trigger point happens when we're not sitting and we are not aware of what the status is of that request.

Would my colleague accept the fact that we would simply make that decision on April 17? I think you would get unanimous support behind that motion. Again, it underscores just how serious this issue really is.

Mr. Michael Barrett: In fairness, we were looking for this to happen today. We've given the departments multiple chances. Giving them another two-week period to comply.... If everyone says it's inappropriate for departments not to comply with an order of the committee, that will be true tomorrow, and it was true yesterday. So if we're just giving a second and third chance, there's no more information they can provide. They must provide the documents unredacted. If this is simply a misunderstanding and they didn't realize that we were going to refer it to the House, well, now they know. In terms of us coming back and burning more time on it, nothing will have changed between today and then.

Just to be clear, I think referring this to the House is overdue. I think we promote what we permit. By not having dealt with this already, we're encouraging more bad behaviour. I think the time is nigh.

If it would give comfort to other members of the committee that a week is sufficient.... Two weeks drew disorder from some of my colleagues, saying it was too long. I don't think we need to come back to when we're sitting. The first day the House is back, the chair of the committee has the opportunity to inform the House.

I think that's reasonable.

The Chair: Go ahead, Mrs. Vignola.

[*Translation*]

Mrs. Julie Vignola: I'm usually quite a patient person, but how many more times are we going to let the departments slap us in the face before we say enough is enough? It feels as though the committee is being treated like one of those doormats that says "Welcome" where people wipe their shoes before coming in the house, and I don't like it.

You can vote on another compromise. Would it be the third or the fourth? I can't keep track. Usually I'm the one who finds a compromise we can all agree on, but not this time. This has to be reported to the House of Commons. Enough is enough.

[*English*]

The Chair: Mr. Jowhari, go ahead.

Mr. Majid Jowhari: Thank you.

Madame Vignola, we 100% support the addition of the language you talked about to the report. I think that will be communicated one way or another.

What I would like to suggest to my colleagues is, let's keep the date of the 12th, and let's have the subcommittee meet on the 12th for 10 or 15 minutes via Zoom to ensure that, yes, we are ready to send this out to the House or no, we are not. Upon the outcome of the subcommittee meeting, we could decide to move forward.

• (1855)

The Chair: The subcommittee can make recommendations, but it still has to be adopted on the 17th by us.

Mr. Kusmierczyk, go ahead.

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

I just wanted to reiterate that we absolutely support both pillars of the motions that were brought forward here. The seriousness of the situation in terms of making sure that there is appropriate bilingual translation of all documents is absolutely critical. It's fundamental, and it's foundational, not only to the work of this committee but to the work of all Canadians, as a bilingual country.

At the same time, I absolutely do take seriously the need for us to send a message to make sure that departments and ministries comply with our requests to make sure we see all the information that is unredacted. That was the original request that we made. We're serious about that.

I do think we're missing one step, which is sending a final letter to ministries and departments to make our intent clear to all ministries and departments. The intent of this committee is to send a report to the House of Commons underlining that certain fundamental rights of this committee have been breached.

What I would like to see, and what I think would give that letter additional force and meaning, is having unanimous support behind it and making sure we can say that, at every turn, at every step, the ministries and departments were informed of our intent, informed of our plan, and given every opportunity to comply with that request.

The reason I'm saying Monday... I know it's a couple of days' difference, but it does two things. One, it gives 10 business days for

the ministries to comply, which means that at that point they have absolutely no excuse. They know full well and with full knowledge that they were not in compliance with the request, that they were in breach of the request.

It also gives this committee an opportunity to sit, to view the request, to see which ministries actually did not comply and discuss the outcome of this final correspondence in open session for all to see.

I think that's what it does. It provides maximum accountability. It provides maximum transparency. It allows us to make that decision as a committee, and hopefully unanimously, to send a real, strong message to the House that such practices are unacceptable. I think there is unanimous support here.

I would like to give the ministries, as I said, 10 business days. The House is not sitting. We come back on Monday. We see what the results of that letter are. Then we make that decision unanimously as a committee. I think that would only highlight and emphasize the seriousness of the situation for all members of Parliament, for all committees and for the House of Commons.

Again, I want to recognize the flexibility—

The Chair: Can I interrupt for a second?

Mr. Irek Kusmierczyk: —of my colleague, but I want to emphasize that if we could just make that small accommodation, I think you're going to see unanimous support for his motion.

The Chair: I'm going to interject. I will give you back the floor.

Just very quickly, I'm seeking everyone's permission to give the analysts the ability to make formatting changes and provide contextual info on the motion. I'm sure we'll agree to that.

Some hon. members: Agreed.

The Chair: I apologize, but we are running out of resources, and Mr. Johns has to leave. Can we finish this up really quickly?

Mr. Irek Kusmierczyk: Mr. Johns can go ahead.

Mr. Gord Johns: From what my understanding is—I'm having some conversations over here—we're willing to support Mr. Barrett's proposal reluctantly—very reluctantly—given that Mrs. Vignola has been violated in terms of her privilege. I think that if we can all agree to support what Mr. Barrett is putting forward, we can carry on. It's a compromise that he's put forward.

Mr. Irek Kusmierczyk: Monday is all I'm asking. That's it. We would support that 100%. You'll have unanimous support.

Mr. Anthony Housefather: I'm sorry. The one thing that is different, I think, is not necessarily the date. It's the fact that the committee will be unaware on the 12th of what happened.

• (1900)

Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC): Because you don't get emails....

Mr. Anthony Housefather: Right, I don't know how to read emails. That's exactly it, yes.

No, it's the fact that we wouldn't have the opportunity to discuss it. We would just have to take somebody's word for what was there. I believe it is important that we come back to the committee and have an understanding at the committee of what has happened over that period of time—who has complied and who has not complied—and then I'm fine to go ahead, but I want to know.

The Chair: I'll turn the floor over to Mr. Barrett.

Mr. Michael Barrett: A compromise has been offered, a full-on compromise. You know what? We should just vote down.... I'm prepared to vote against my own motion. Just vote for this to go to the House right away.

This was offered in good faith, and then to have another meeting, to have an additional meeting to discuss this issue.... If we take the issue of Mrs. Vignola and other members' privilege seriously, if we take the issue of this committee's privilege seriously, it should be referred to the House forthwith. Delaying is...simply to expedite this and to remove any doubt on whether or not there was a filibuster, but it looks like we're just going to talk it out. If this thing doesn't come to a vote before we run out of resources, it's because government members did not want this to come to a vote.

The Chair: Go ahead, Mr. Kusmierczyk.

Mr. Irek Kusmierczyk: Mr. Chair, that is misrepresenting our position here. We are in support—

Mr. Michael Barrett: We want to come to a vote.

Mr. Irek Kusmierczyk: We are absolutely in support in terms of recognizing the seriousness of the situation, both on the language issue and on the issue of making sure that when the committee asks ministries to bring forward unredacted information, the information comes back unredacted.

What we are simply proposing is that we send a penultimate letter to the ministries and the departments, the relevant ones, the ones that have not responded to our request, to let them know that this is our intent: If they do not comply within 10 business days, we will send a report to the House of Commons.

That's what we're asking for, that step. What we're asking for is simply to convene as a committee on the Monday when we return from the Easter break so that we can fully understand which departments have or have not responded. We can discuss it and then we can come to a vote, and come to a vote unanimously, to support that motion—if that is in fact the case, if there are ministries or departments that have not complied with our request.

I think this is a pragmatic step, a sensible step. It gives the ministries clarity in terms of what we expect. It gives them clarity on what our game plan is. At that point, if they don't comply, the seriousness of that is what we will convey to the House of Commons, and there will be no shred of doubt that they had a full understanding of our intent and how seriously we take this situation.

All I'm asking for is really a difference of five days so that this committee has the opportunity to convene and see what is the status of our ultimate request to the ministries and departments that are not in compliance. That's all we're asking for, giving them 10 business days.

Again, I absolutely respect and acknowledge my honourable colleague for being flexible. I ask for a little bit of flexibility on this. I think it will only strengthen our position moving forward in terms of the message that we want to send and the report that we want to send to the House of Commons. That's what I'm asking for at this point, a little bit of flexibility, and we're ready to vote on it today.

The Chair: Can we move to a vote, colleagues? Perfect.

Mrs. Julie Vignola: What are we voting on? Are we voting on moving it to the House now or—

The Chair: We've adopted your amendment—

Mrs. Julie Vignola: It's just on this motion.

The Chair: —and now it's Mr. Barrett's motion to move it to the House.

Mr. Irek Kusmierczyk: Before that, is it possible to put forward an amendment at this point?

The Chair: I think we've already moved past that. You gave up the floor and I heard a call for a vote. I didn't see anyone else on the speaking list.

Mr. Anthony Housefather: What are we voting on?

The Chair: We have accepted the amendment from Mrs. Vignola. We've accepted Mr. Barrett's.... It was a vote to move it to the House.

• (1905)

Mr. Anthony Housefather: No, I'm sorry. That's not what it was. We're definitely not at a point where we voted to move it to the House.

Mr. Barrett put on the floor giving them an extension until April 12.

Mr. Michael Barrett: I made a suggestion.

Mr. Anthony Housefather: You made a suggestion. That's fine.

If it wasn't a motion, we should be bringing forward a motion as to how we want to amend this thing, but nowhere did we say it was just going to a vote to refer it to the House.

The Chair: I'm sorry. Bear with me for two seconds. It'll make you feel better.

Mr. Gord Johns: Mr. Chair, I have a point of order.

The Chair: Yes.

Mr. Gord Johns: I have to be in the House in one minute, or I lose my speaking spot.

The Chair: I realize that, Mr. Johns, but we have our committee.

Mr. Gord Johns: Yes, we do.

The Chair: We are continuing. That may be the case; you may lose your spot, I'm afraid.

I'm sorry, colleagues.

We were at Mr. Barrett's motion, which said two weeks from today. That's April 12. The clerk will further correspond with the departments to have them comply with the order from the committee. Those that don't submit in two weeks will be reported to the House.

Are we comfortable with that motion?

Mr. Michael Barrett: Okay, so you've received that as a motion.

The Chair: That was from your amendment.

Mr. Michael Barrett: Okay.

The Chair: Are you ready for that?

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

I made it clear that I wanted to bring forward an amendment. I yielded the floor to Mr. Johns, because I assumed we were coming to a compromise, so that's—

The Chair: We are losing our interpreters.

I am going to adjourn the meeting.

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

SPEAKER'S PERMISSION

The proceedings of the House of Commons and its committees are hereby made available to provide greater public access. The parliamentary privilege of the House of Commons to control the publication and broadcast of the proceedings of the House of Commons and its committees is nonetheless reserved. All copyrights therein are also reserved.

Reproduction of the proceedings of the House of Commons and its committees, in whole or in part and in any medium, is hereby permitted provided that the reproduction is accurate and is not presented as official. This permission does not extend to reproduction, distribution or use for commercial purpose of financial gain. Reproduction or use outside this permission or without authorization may be treated as copyright infringement in accordance with the Copyright Act. Authorization may be obtained on written application to the Office of the Speaker of the House of Commons.

Reproduction in accordance with this permission does not constitute publication under the authority of the House of Commons. The absolute privilege that applies to the proceedings of the House of Commons does not extend to these permitted reproductions. Where a reproduction includes briefs to a committee of the House of Commons, authorization for reproduction may be required from the authors in accordance with the Copyright Act.

Nothing in this permission abrogates or derogates from the privileges, powers, immunities and rights of the House of Commons and its committees. For greater certainty, this permission does not affect the prohibition against impeaching or questioning the proceedings of the House of Commons in courts or otherwise. The House of Commons retains the right and privilege to find users in contempt of Parliament if a reproduction or use is not in accordance with this permission.

Also available on the House of Commons website at the following address: <https://www.ourcommons.ca>

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

PERMISSION DU PRÉSIDENT

Les délibérations de la Chambre des communes et de ses comités sont mises à la disposition du public pour mieux le renseigner. La Chambre conserve néanmoins son privilège parlementaire de contrôler la publication et la diffusion des délibérations et elle possède tous les droits d'auteur sur celles-ci.

Il est permis de reproduire les délibérations de la Chambre et de ses comités, en tout ou en partie, sur n'importe quel support, pourvu que la reproduction soit exacte et qu'elle ne soit pas présentée comme version officielle. Il n'est toutefois pas permis de reproduire, de distribuer ou d'utiliser les délibérations à des fins commerciales visant la réalisation d'un profit financier. Toute reproduction ou utilisation non permise ou non formellement autorisée peut être considérée comme une violation du droit d'auteur aux termes de la Loi sur le droit d'auteur. Une autorisation formelle peut être obtenue sur présentation d'une demande écrite au Bureau du Président de la Chambre des communes.

La reproduction conforme à la présente permission ne constitue pas une publication sous l'autorité de la Chambre. Le privilège absolu qui s'applique aux délibérations de la Chambre ne s'étend pas aux reproductions permises. Lorsqu'une reproduction comprend des mémoires présentés à un comité de la Chambre, il peut être nécessaire d'obtenir de leurs auteurs l'autorisation de les reproduire, conformément à la Loi sur le droit d'auteur.

La présente permission ne porte pas atteinte aux privilèges, pouvoirs, immunités et droits de la Chambre et de ses comités. Il est entendu que cette permission ne touche pas l'interdiction de contester ou de mettre en cause les délibérations de la Chambre devant les tribunaux ou autrement. La Chambre conserve le droit et le privilège de déclarer l'utilisateur coupable d'outrage au Parlement lorsque la reproduction ou l'utilisation n'est pas conforme à la présente permission.

Aussi disponible sur le site Web de la Chambre des communes à l'adresse suivante :
<https://www.noscommunes.ca>