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Co-Chairs

Mr. Peter Goldring

The Honourable Sharon Carstairs

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• (1200)

[English]

The Joint Chair (Senator Sharon Carstairs (Manitoba)): Good afternoon, colleagues. Welcome to the meeting of the Standing Joint Committee on the Library of Parliament.

Before I turn to the witnesses, colleagues, I want to give you a little bit of a game plan for the next few weeks. There seems to be some confusion as to whether Parliament will be sitting next Thursday or not. We have been told that the Senate is not sitting. Apparently you have been told that the House of Commons is sitting. However, since this is a joint committee, it is not appropriate for us to sit if in fact one chamber is not sitting. So we will not be sitting next Thursday.

The dates I want to put before you, colleagues, are May 7 and May 14. I would like your input. We must complete the estimates of the Library of Parliament. That is one of the functions we must do, and we must have the estimates done by about the middle of May. So my suggestion is that on May 7 we deal with those main estimates and any other business before us and then, on May 14, have what I hope will be the concluding meeting of this committee on the study of the Parliamentary Budget Officer, and have the chief librarian and the Parliamentary Budget Officer here. We would start with the Parliamentary Budget Officer for the first hour, and then move to the chief librarian for the second hour.

There was some discussion about having those two at the same time. I have to say to you I don't recommend that. One of them works for the other. I don't think it is appropriate to ask them to sit at the table at exactly the same time. I think they should be separate and apart.

Do I have your agreement, colleagues, for that work plan?

Some hon. members: Agreed.

The Joint Chair (Senator Sharon Carstairs): All right, we can turn to our first set of witnesses this morning. We have, from the Privy Council Office, Mr. Karl Salgo and Ms. Roberta Santi. I don't know which one of you wants to begin first, or which one of you is speaking—or if you're both speaking.

Mr. Salgo, perhaps you can tell me how we are to proceed.

Ms. Roberta Santi (Assistant Secretary to the Cabinet, Machinery of Government, Privy Council Office): Actually, I do have an opening statement, and we have provided it to the clerk. I just want to make sure that all members have a copy of that statement provided to the clerk.

The Joint Chair (Senator Sharon Carstairs): I just found it. Thank you, Ms. Santi.

Then if you would proceed with that, we would welcome you with open arms. Thank you, Ms. Santi.

Ms. Roberta Santi: Good afternoon, and thank you, Senator Carstairs and Mr. Goldring.

[Translation]

Good afternoon. In our invitation to appear before the Committee today, the Joint Clerk of the Committee asked that we speak about the difference between agents of Parliament and officers of Parliament. First, I would like to say a few words about the Machinery of Government Secretariat at the Privy Council Office where both M. Salgo and I work.

[English]

Among other responsibilities, we provide advice on the creation or winding up of departments and other entities that form the executive part of government. We do not advise on the internal organization of entities; that is, we would not be involved in how the deputy head of a department or agency chooses to structure and oversee the entity internally. And of course, the structure and operation of Parliament, such as the role of the Parliamentary Budget Officer, is beyond our mandate.

With respect to the distinction between agents and officers of Parliament, it is true that the terminology is often used in very different ways. When we refer to agents of Parliament, we mean a specific list of individuals who have oversight of the executive, or who have unique and independent functions separate from the executive, and who report directly to Parliament.

• (1205)

[Translation]

Specifically, we mean the following individuals: the Auditor General, the Commissioner of Official Languages, the Information Commissioner, the Privacy Commissioner, the Chief Electoral Officer, the Public Sector Integrity Commissioner and the Commissioner of Lobbying.

[English]

In addition to being independent of the executive, these individuals function outside the institution of Parliament, in the sense that they and their staff are not employees of Parliament.

Agents of Parliament are appointed by the Governor in Council, following parliamentary approval processes. To ensure their independence, they have security of tenure, with fixed terms, and are removable only for cause on the address of both houses.

The appointment of the Chief Electoral Officer is an exception. Reflecting his distinctive role with respect to the elected chamber, he is appointed exclusively by the House. I would also add that all agents of Parliament are accounting officers, as set out in the Financial Administration Act—something that officers of Parliament are not.

Compared with an agent of Parliament, the concept of officer is somewhat broader and more generic. However, when we speak of officers of Parliament, we refer to individuals and functions that operate within the institution of Parliament.

[Translation]

Examples of officers of Parliament include: the Clerk of the House, the Clerk of the Senate, the Law Clerks and Parliamentary Counsel of both the House and Senate, the Parliamentary Librarian, the Sergeant-at-Arms, the Usher of the Black Rod and the Senate Ethics Officer.

[English]

These individuals and their staff members are employees of Parliament. The Board of Internal Economy, the Senate Standing Committee on Internal Economy, Budgets and Administration, or the Speaker of the House of Commons or Senate, or both Speakers, consider their budgets and are responsible for their oversight.

The Conflict of Interest and Ethics Commissioner, who administers both the code of conduct for members of the House and the Conflict of Interest Act applicable to members of the executive, is arguably something of a hybrid, both an agent of Parliament and an officer of Parliament. Beyond this usage, the term “officer” is also used more generically as in the sense of the Parliamentary Budget Officer. In this context the Federal Accountability Act amended the Parliament of Canada Act to create the position of Parliamentary Budget Officer, not a parliamentary budget office.

As an officer of the Library of Parliament, the Parliamentary Budget Officer reports to the Parliamentary Librarian, who has both the direction and management of the library. Within this structure, the Parliamentary Budget Officer has been given a mandate to provide Parliament with independent analysis about the state of the nation's finances, the government's estimates, and trends in the national economy; on request by a parliamentary committee, undertake research into the nation's finances and economy or the estimates of the government; on request by a member of committee of either chamber, estimate the financial cost of any proposal relating to a matter within federal jurisdiction.

In support of this mandate, the Parliamentary Budget Officer has been given a number of legal authorities. This structure is comparable to certain models in the executive where officials have a measure of independence, such as ombudsman, or statutory authorities such as the competition commissioner, yet operate administratively as part of a ministerial department.

[Translation]

The direction and management of the Library of Parliament, including the Parliamentary Budget Officer, are wholly independent of the executive. They rest with the Parliamentary Librarian, who reports to the Speakers of the House and Senate.

[English]

Hence the executive has no role in determining how the library, including the Parliamentary Budget Officer, operates or discharges its mandate.

That concludes my opening statement. We would be pleased to respond to questions.

The Joint Chair (Senator Sharon Carstairs): Thank you very much, Ms. Santi. I think that helps to clarify the differences between one role and the other role.

Let me turn it over to members of the committee, who I'm sure will wish to put some questions.

Senator Stratton.

● (1210)

Senator Terrance Stratton (Red River, C): Thank you, Chair. Thank you very much for coming and for the clarification regarding an agent of Parliament and an officer of Parliament. I think that is really helpful for the record.

I'd like to go to a question. There have been discussions in the media by the Parliamentary Budget Officer himself about a press release issued on March 14, 2008, that states that the PBO is an independent officer of the Library of Parliament. That would suggest some sort of status like the Auditor General. However, on May 1 of last year both William Young and Kevin Page appeared at the public accounts committee on the mandate of the PBO. Mr. Young made it clear that Mr. Page had the status of an officer of the Library of Parliament, and Mr. Page specifically stated in response to a question from Mr. Bélanger from the Liberal Party that he reports to the Speakers of the House and the Senate and to Mr. Young.

As the machinery of governments experts, would you not agree that the wording in the press release and the testimony of Mr. Young and Mr. Page indeed clarifies the point that the PBO is not an agent of Parliament but indeed an officer of the Library of Parliament?

The Joint Chair (Senator Sharon Carstairs): Ms. Santi.

Ms. Roberta Santi: I think, if you look at the legislation, the legislation indicates that the Parliamentary Budget Officer is an officer reporting to the Parliamentary Librarian. I think all the signals should actually be taken from the actual legislation, and that would be my reading of the legislation.

Hon. Terrance Stratton: It says clearly: to Mr. Young, to the Speakers, thereby to Parliament itself.

Ms. Roberta Santi: Well, the Parliamentary Budget Officer, as the legislation sets out, reports to the Parliamentary Librarian, and the Parliamentary Librarian reports upward.

The Joint Chair (Senator Sharon Carstairs): Thank you, Senator Stratton.

Mr. Rickford, please.

Mr. Greg Rickford (Kenora, CPC): Thank you, Madam Chair. Welcome to the witnesses.

I have just a couple of questions today.

I would go back to the Federal Accountability Act, which amended the Parliament of Canada Act to create the position of Parliamentary Budget Officer and not a parliamentary budget office, as you stated in your speech today. We heard testimony from witnesses at Treasury Board who were involved in the drafting of the Federal Accountability Act that the decision not to make the Parliamentary Budget Officer an agent of the Parliament was in fact deliberate; the Parliamentary Budget Officer was designed to serve members of Parliament and report on legislation—indeed, I believe that's laid out quite clearly on page 5, where you expand on the mandate of the Parliamentary Budget Officer—and obviously budgetary matters of Parliament, not on the work of the executive branch.

Would you agree with that statement?

Ms. Roberta Santi: With your last statement, that it's not part of the executive branch?

Mr. Greg Rickford: Not part of the executive branch, yes.

Ms. Roberta Santi: I think that's accurate, that it is not part of the executive branch. Again, I would go to the legislation in terms of the reporting mechanism.

Mr. Greg Rickford: Fair enough. Thank you.

The Joint Chair (Senator Sharon Carstairs): Are there other questions, members and colleagues?

Senator Jaffer, please.

Senator Mobina S.B. Jaffer (British Columbia, Lib.): Thank you for your statement.

I've been reflecting on the Parliamentary Budget Officer's position. I've also gone back to some of the announcements that were made when the Parliamentary Budget Officer was put in place.

To refresh your memory, the Prime Minister said that he had created an independent position, that this position was approved by Parliament, which was responsible for managing it; and then he said again, on September 16, 2008, that the budget officer was an independent officer.

I'll also read this quote from John Baird:

The parliamentary budget officer is designed not so much as the academic you quoted...but...to better equip members of Parliament to hold the government accountable through Parliament, the public, the media and through involvement. That accountability is a good thing.

From that, then, and seeing where we are now, looking so quickly at the role and the mandate of the Parliamentary Budget Officer, it is not clear to me that the position is independent and, further, that the budget officer should be communicating his analysis directly to Canadians. As stated by John Baird, Minister Van Loan, or, on the other hand.... Some members of this committee last time were critical of Mr. Page commenting in the media. It appears to me that he was merely fulfilling his mandate under the letter and spirit of the legislation. The direction was expressed in clear statements made

before he was appointed by the Prime Minister, and then when he was appointed.

So is there a change now in the thinking of what the Parliamentary Budget Officer should be within the PCO?

• (1215)

Ms. Roberta Santi: I think the statement that the Parliamentary Budget Officer is independent is accurate in the sense that the Parliamentary Budget Officer is independent from the executive branch of government and therefore is in a position to provide, through the Parliamentary Librarian, independent analysis on financial and economic proposals, if you will.

I think the issue about whether the Parliamentary Budget Officer should be reporting directly to Canadians or communicating directly to the media is a matter for Parliament to determine, in the sense that this individual works for, is an employee of, the Parliament of Canada. I don't think it's fair for me to comment on that aspect.

Senator Mobina S.B. Jaffer: Just so I understand—things are moving fast today—basically you're saying it's not for the executive to decide, it's for Parliament to decide. Am I getting that correct?

Ms. Roberta Santi: Yes, I'm saying that. And I would say that very often when we talk about independence, we sometimes attach to it some kind of absolute meaning. I think the concept of independence is one that could be looked at along the spectrum.

In terms of how we delineate between officers of Parliament and agents of Parliament, I would say that the agents of Parliament are among the most independent individuals within that family. I think we have essentially the same degree of independence even within the executive, for example, where we would have, within the executive, entities such as quasi-judicial tribunals, who have complete and total independence on their decision-making authorities but don't have complete independence on their administrative activities.

So the concept of independence is quite nuanced but very often used as an absolute term, and thus can be somewhat confusing.

Senator Mobina S.B. Jaffer: To clarify what you're saying, the Parliamentary Budget Officer is not as independent as the Auditor General. Is that correct?

Ms. Roberta Santi: I think that would be a fair statement.

The Joint Chair (Senator Sharon Carstairs): Thank you, Senator Jaffer.

Mr. Christopherson, followed by Mr. Malhi.

Mr. David Christopherson (Hamilton Centre, NDP): Thank you, Chair.

Thank you very much for your presentation.

I certainly agree with your comments around the idea of the confusion as to what's independent and what isn't. The concern, at least on the part of opposition—and let's be clear, how you see this depends a lot on where you sit—is that it's more parliamentary gymnastics than confusing. What it boils down to is an analysis of exactly what “independent” means. Of course, former U.S. President Bill Clinton spent a fair bit of time arguing what the definition of “is” is. We can spend a lot of time on this, and I think that's ultimately where we're going to end up.

Here's my problem. One of the mandates is to "provide Parliament with independent analysis about the state of the nation's finances"—and I'm reading that directly from your presentation. I don't think you need to have a doctorate in political science to understand that if you don't have the resources available to get the information you need to provide an independent analysis, de facto it's not an independent analysis because it's limited by how much research the officer was able to do.

Can you give me your thoughts on that?

Ms. Roberta Santi: I would reiterate that this position is an independent officer of the executive, number one, reporting to the Parliamentary Librarian.

On the issue of resources, as you can appreciate, I don't want to comment directly on this in my public service capacity, but I'll talk about it in a more generic context of what one would find within the executive branch.

There are always tensions around bodies that have a certain level of independence. There's tension around resource issues, that a person needs a certain amount of resources to do their job. The reality in public administration is that there is always a challenge function, a management function, and administrative oversight on the use of resources. I think one can say that the provision of resources is not infinite, it's finite. I think everybody would like more resources to do their job. I would like more resources to do my job.

I respond that way with all sincerity. An office has to have sufficient resources to its job, but there's a point...especially since the Parliamentary Librarian has the management and direction in law with respect to the Parliamentary Budget Office. There's a responsibility for the Parliamentary Librarian, as I read the legislation, to have a role in the administration of that function, which does not necessarily mean it makes it "not independent".

• (1220)

Mr. David Christopherson: It also doesn't necessarily mean it's the right way to go, just because the law dictates that it needs to go that way. What we're trying to do is step outside the framework of the law and ask if what we have right now serves us best.

Remember, when we talk about providing independent financial analysis to Parliament, we really are talking to the opposition. There are some exceptions, I grant you, on some particular files with government members, but having sat on both sides of the House, I can tell you about the need for independent financial analysis that you can actually hold up and see the bottom line in and, from that bottom line, ask for the following or make a following point. It very much matters to opposition about the independence.

I've been at a number of these meetings, and we've dealt with it in the public accounts committee too, but I'm becoming convinced that for all the work we're doing, what it's really going to come down to is whether it's the will of Parliament that it become an independent agent of Parliament or whether it will remain under the administrative dictates of someone else. That's really where we are, and everything else is the detail about that.

I understand what you're saying and I respect that it is the process. I don't accept that it necessarily gives us what the intent of the legislation was in terms of providing all members of Parliament with

adequate information so that we can have fulsome—hopefully—somewhat intelligent debates around the issues of the day.

The Joint Chair (Senator Sharon Carstairs): Mr. Christopherson, I'm going to interpret that as a statement and not necessarily a question. I don't think our witnesses have the capacity to answer that.

Mr. David Christopherson: There are just some things you have to get out of your system, Chair.

The Joint Chair (Senator Sharon Carstairs): Absolutely, Mr. Christopherson, I agree. I do it on a fairly regular basis.

Mr. Malhi, followed by Mr. Bélanger.

Hon. Gurbax Malhi (Bramalea—Gore—Malton, Lib.): Thank you, Madam Chair.

My question is to Roberta.

We are now faced with a very strange situation involving the Parliamentary Budget Officer and the Parliamentary Librarian. Can you suggest a way of solving this problem or situation?

Ms. Roberta Santi: As you can appreciate, that's not something I really should be commenting on. This is a matter within your jurisdiction. It's important to ask yourselves what you really want. When you look at the options, ask your questions, and choose an option, will that give you what you want? Do you know the implications of that choice?

So I would respond by giving you some considerations, rather than commenting specifically on the matter at hand.

The Joint Chair (Senator Sharon Carstairs): Mr. Bélanger.

[Translation]

Hon. Mauril Bélanger (Ottawa—Vanier, Lib.): Thank you, Madam Chair.

Good afternoon, Ms. Santi, Mr. Salgo. Section 79.1 (2) reads as follows:

The Governor in Council shall, by commission under the Great Seal, appoint the Parliamentary Budget Officer to hold office during pleasure for a renewable term of not more than five years.

If you do not mind, I would like to ask a few theoretical questions. Either one of you may answer.

Can you tell me what made the government decide to take it upon itself to appoint the Parliamentary Budget Officer?

• (1225)

Ms. Roberta Santi: Is that the question?

Hon. Mauril Bélanger: That is my first question.

Ms. Roberta Santi: Thank you very much.

[English]

Many of the officers and agents of Parliament are GIC appointees, so I think you have to look at what we mean by GIC appointee. The way I understand it, in the context of our constitutional monarchy, the final sign-off on any Governor in Council appointment is the Governor General. Parliament consists of the Queen, represented in Canada by the Governor General, and then by both the Senate and the House.

In a sense the final sign-off comes within the parliamentary context, but within that, the way I read the legislation, the Parliamentary Librarian is to come up with three names that would be considered as possible nominations. So my understanding is that there is significant input, and then final GIC sign-off.

Hon. Mauril Bélanger: Am I correct in believing this section is as was proposed?

Ms. Roberta Santi: I'm sorry, but I can't confirm that.

Hon. Mauril Bélanger: That's my understanding. We'll double-check that. If I'm wrong, I'm sure someone will correct me.

So at some point in the machinery of government department someone made a decision or recommendation, or received a decision, and implemented it in drafting legislation so the Governor in Council would be the one appointing the Parliamentary Budget Officer. Is that correct?

Ms. Roberta Santi: I can't help you on that, because machinery of government didn't draft the legislation. As you know, it was part of the Federal Accountability Act, which had a number of dimensions.

Hon. Mauril Bélanger: You're telling me that the PCO and machinery of government were not consulted in the drafting of this legislation?

Ms. Roberta Santi: We were not involved in this particular aspect of the parliamentary budget office. That was largely handled by other parts of the public service. Our focus was on, for example, the Conflict of Interest Commissioner, because that was a substantive area of our responsibility before it was legislated. But we didn't have the substantive lead on the Parliamentary Budget Officer.

Hon. Mauril Bélanger: Who would have made that decision, then?

Ms. Roberta Santi: The decision, in terms of the actual bill that was tabled before the House, was made by the government.

Hon. Mauril Bélanger: Cabinet.

Ms. Roberta Santi: Cabinet.

Hon. Mauril Bélanger: Thank you. Do I read this properly: that the same Governor in Council could remove the Parliamentary Budget Officer from office at any time?

Ms. Roberta Santi: That's my understanding. I believe it's an appointment at pleasure, which is similar to that of other officers of Parliament, but dissimilar to the appointment of agents of Parliament, who hold positions during good behaviour.

Hon. Mauril Bélanger: Would you care to explain, for those of us who don't know, all the nuances of the difference between "at pleasure" and "during good behaviour"?

Ms. Roberta Santi: I'll explain it to you sort of as a street person explaining it to somebody else, because that's not my general area.

When you hold a position "at pleasure", there is greater discretion for your removal. When you hold it during "good behaviour", there is a higher threshold for dismissal. I think that's generally the concept.

Hon. Mauril Bélanger: Again, I presume it would be the same answer if I were to ask you if your office, the cabinet's machinery of government, consulted on whether the Governor in Council

appointment should be at pleasure or during good behaviour. You wouldn't have been consulted on that?

Ms. Roberta Santi: That wouldn't have been our area, no.

And as I say, when you look at other officers of Parliament, very often some decisions are taken based on precedent—and I can't explain the reason for that—but you will note that the appointments of the officers of Parliament are largely at pleasure, whereas the appointments of the agents are not. But appointment determination is not my area of specialty.

The Joint Chair (Senator Sharon Carstairs): Mr. Bélanger, you've used your five minutes.

Are there any other questions? If not, I'm going to allow him to continue.

All right, Mr. Bélanger, continue.

Hon. Mauril Bélanger: Thank you.

To your knowledge, do there exist other officers of Parliament who are not appointed by the Governor in Council?

Ms. Roberta Santi: I don't have that information at my fingertips.

Karl, would you have a partial list of the ones who are?

Mr. Karl Salgo (Director of Strategic Policy, Machinery of Government, Privy Council Office): I believe there are one or two.

Ms. Roberta Santi: My apologies. I believe the ones I mentioned in my opening statement are all appointed at pleasure, but I'd have to confirm that.

Mr. Karl Salgo: The majority of positions that we identify as officers of Parliament are appointed by the GIC. I believe there are one or two or several that are not. I am not certain of this, but I believe that, for example, the Sergeant-at-Arms and the Gentleman Usher of the Black Rod are not, but the majority of officer of Parliament positions are GIC appointments.

● (1230)

Hon. Mauril Bélanger: But not all of them are.

Mr. Karl Salgo: Not all of them are. There are exceptions.

Hon. Mauril Bélanger: Madame, I'll pass the baton for now. Thank you.

The Joint Chair (Senator Sharon Carstairs): Thank you.

Mr. Braid.

Mr. Peter Braid (Kitchener—Waterloo, CPC): Just to follow up on Monsieur Bélanger's comment with respect to GIC appointments, is it fair to confirm that the vast majority of GIC appointments are at pleasure?

Ms. Roberta Santi: I wouldn't necessarily say that. There are a lot of GIC appointments. I don't know what the numbers are, but there certainly is a mix. I don't have that information.

Mr. Peter Braid: Okay, you don't know what the mix looks like?

Ms. Roberta Santi: No.

Do you, Karl?

Mr. Karl Salgo: I couldn't tell you whether it was a majority or a minority, I'm sorry. There is a mix of at pleasure and term appointments.

Mr. Peter Braid: Thank you.

The Joint Chair (Senator Sharon Carstairs): Senator Jaffer.

Senator Mobina S.B. Jaffer: With everything that has been coming up, I just wanted to know if you knew, Ms. Santi, the key reasons for housing the Parliamentary Budget Officer in the library. If it was just to give the librarian more resources, then you just needed to give him more money; you didn't need to have an act to create an independent Parliamentary Budget Officer. So I am confused, because here we have created somebody independent, yet we have tied him down to the library. We are saying that he is now responsible to the librarian. If that was the case, all we needed to do was give more resources to the librarian, and the librarian would have provided the resources. We wouldn't have needed an act.

So I'm wondering if you are aware of why we would have had to do this.

Ms. Roberta Santi: The appointment or the delineation of this position in legislation was part of a number of other initiatives that the government wanted to pursue in the context of the Federal Accountability Act. There had been a lot of discussion within the committees of Parliament more generally regarding how committees and parliamentarians needed to be better supported in carrying out their responsibilities within the challenge function on the executive, and regarding how the addition of this position would support parliamentarians in this role. That was my understanding.

The Joint Chair (Senator Sharon Carstairs): Thank you.

Mr. Asselin.

[Translation]

Mr. Gérard Asselin (Manicouagan, BQ): Thank you, Madam Chair.

I think people are trying to stir up a tempest in a teapot. The government is still committed to having a Parliamentary Budget Officer who reports to the Parliamentary Librarian. The PBO should be given the budget required to hire staff and do his work according to the directives and the powers that were assigned to him when the position was created. Let him do his work without getting in his way. Without reducing the budgets of the Library of Parliament, let us give him the funding he needs to hire staff, be free and independent and do his work as efficiently as possible.

I would not like to be in Mr. Page's shoes today. He wants to do his work in a professional fashion, but he is hampered by a committee that is trying to determine whether he is doing his work properly, that is discussing what should and should not be done, and so on.

Madam Chair, this is a comment, but I would like to see the committee wrap up this subject fairly quickly. All this committee is doing, really, is nitpicking.

[English]

The Joint Chair (Senator Sharon Carstairs): Thank you, Mr. Asselin.

I will also take that as a comment for me to remind colleagues that there is in fact a motion that was introduced at the last session, and Mr. Malhi has asked that we deal with it between the two sets of witnesses. We will get to that momentarily.

Monsieur Bélanger.

[Translation]

Hon. Mauril Bélanger: Thank you, Madam Chair.

I would like to respond to the comments made by Mr. Asselin. Our committee is not nitpicking. It reports to the Library of Parliament and advises the Speakers of the House and Senate, who have requested in writing that we examine the current situation, because there appears to be some kind of problem involving the Parliamentary Budget Officer and the Parliamentary Librarian.

Instead of jumping to conclusions, we have decided to hear testimony and to put questions to people who were involved in creating the position. Before drawing any conclusions, I hope that we will also be able to hear from people who are involved in the so-called conflict. I do not agree that we are nitpicking; we are simply doing the work that was assigned to us by the Speaker of the House of Commons and the Speaker of the Senate.

• (1235)

[English]

The Joint Chair (Senator Sharon Carstairs): Before I turn to Mr. Christopherson, I would remind colleagues that we are going to have ample time to debate what we believe is the role of a Parliamentary Budget Officer. I think we should limit ourselves at this particular point to questions for the witnesses before us.

Mr. Christopherson.

Mr. David Christopherson: That was a nice way to pre-empt me.

Some hon. members: Oh, oh!

The Joint Chair (Senator Sharon Carstairs): I have a lot of experience at this, Mr. Christopherson.

Mr. David Christopherson: Yes, it's showing, I can tell you.

I pass, thanks. I take my leave from the chair.

The Joint Chair (Senator Sharon Carstairs): Thank you.

Monsieur Bélanger.

Hon. Mauril Bélanger: I have questions, again along the same line of thought.

I particularly enjoyed the testimony of Mr. Darling, because I found it to be refreshingly candid, so I'll try to copy a bit of that approach, Madam Santi, and Mr. Salgo.

Let's call a spade a spade. If the government is not happy with an appointee, any appointee, it has basically two choices, or three: not to say anything, and just to live with them; to remove them, if they're an appointment at pleasure; or to starve them.

Am I missing any other options?

Mr. David Christopherson: Legal ones.

Ms. Roberta Santi: I don't know if there are other options. There may be.

Hon. Mauril Bélanger: May we know what you think they are?

Ms. Roberta Santi: Well, I think there would be recognition that this legislation, as it currently stands, reflects the will of Parliament. I think that's very important.

Secondly, in the context of the independence of this officer, one of the things I didn't mention is that there is a specific legal or statutory mandate provided in the legislation. There is also acknowledgement in the legislation that this position should be filled by someone who is recommended, out of a list of three, provided by the parliamentary librarian.

So in this context, I don't think I would want to comment on the options available to government, because I think one would have to look at the construct of this legislation and look at the overall situation. And I really don't think I could go there, because I'd certainly like to reflect on that question a bit more, because it's not a simple question.

Hon. Mauril Bélanger: On the three options I have briefly and perhaps not very elegantly delineated, are they real options?

Ms. Roberta Santi: I have no idea if they're real.

Hon. Mauril Bélanger: Can the government just live with the situation, as it has been? I imagine that is an option.

Ms. Roberta Santi: I think the government's position is that this is a matter for Parliament to resolve, and it's a mandate this committee has. In a very respectful manner, the government is looking for the answers to be resolved by parliamentarians.

Hon. Mauril Bélanger: That's obvious. But couldn't the government exercise its authority to remove if it wanted to?

Ms. Roberta Santi: I don't know. It is not my area, and I really don't want to comment on whether removal is possible. I'd like to reflect on that.

In all honesty, I can't give you a clear answer on that because—

Hon. Mauril Bélanger: I've noticed that.

Ms. Roberta Santi: I don't want to mislead you or give you an answer that has not been thought through. I don't think I have all of the available information to give you that response.

Hon. Mauril Bélanger: Thank you.

The Joint Chair (Senator Sharon Carstairs): Thank you, Ms. Santi.

Madam Bennett.

Hon. Carolyn Bennett (St. Paul's, Lib.): I would like to know a little more about the process of GIC appointments. When the list of three is presented to the cabinet office, or whatever, is there an interview with the candidates or the suggested candidates on the expectations of the position? From the time they're proposed to the time they're accepted, what is the procedure for vetting the candidates?

• (1240)

Ms. Roberta Santi: The appointments of individuals are handled by another part of the Privy Council Office. I can't really set out the steps because I don't know them. That information could be provided to the committee; I just don't have it.

Hon. Carolyn Bennett: On the proposed salary or budget, is that dealt with within the PCO?

Ms. Roberta Santi: My understanding is that the budgets for the office are sorted out within the parliamentary institution, in terms of the budget of the Parliamentary Librarian, the discussions that would be carried out with the Speakers of both the Senate and the House, and the decision-making processes within Parliament.

The Joint Chair (Senator Sharon Carstairs): Mr. Holder.

Mr. Ed Holder (London West, CPC): Thank you, Madam Chair.

I'd like to thank our guests for attending today, and for their counsel and comments.

Madam Santi, you talked about statutory mandates. Is there anything within the statutory mandate you've referenced that would allow the Parliamentary Budget Officer to hold independent press conferences with the media without the express direction of MPs, senators, or the chief librarian?

Ms. Roberta Santi: That person reports to the Parliamentary Librarian, and I think those protocols and activities need to be considered in that context. I don't see any specific reference to that in the legislation.

Mr. Ed Holder: I've looked through the legislation surrounding the appointment of the Parliamentary Budget Officer, and it's certainly my impression that he is supposed to work for members of Parliament and senators, as opposed to acting independent of them. So within the mandate, is there anything you have seen that would allow, or even suggest to allow, the Parliamentary Budget Officer to work independent of Parliament?

Ms. Roberta Santi: The way the legislation is constructed, the officer is within the parliamentary institution and the reporting structure of Parliament, and is therefore not independent or outside of Parliament as an agent of Parliament. I think that's fair from the legislation.

Mr. Ed Holder: Thank you very much.

The Joint Chair (Senator Sharon Carstairs): Thank you, Mr. Holder.

Seeing no further questions, I want to thank Mr. Salgo and particularly Ms. Santi, since you were on the hot seat, so to speak. Mr. Salgo, you got off a little bit more lightly. So I thank you both for coming and giving us the value of your very considered opinion.

Colleagues, at the last meeting we had a motion presented by the Honourable Gurbax Malhi, so we've had the required 48 hours of notice.

I want to read the motion, though, because I want to make sure we are all clear as to exactly what this motion has to say, and then I want some direction from this committee as to how you want the committee to proceed.

The motion reads as follows:

That, in the interest of ensuring accountability and transparency in government spending, as well as adequate and informed parliamentary oversight of government expenditures, we therefore regret the budgetary shortfalls faced by the Parliamentary Budget Office and (a) urge the government to increase the budget of the Parliamentary Budget Officer to previously committed funding levels, and to do so, (b) without reducing the existing resources of the Library of Parliament.

Colleagues, I want you to take particular note of (b), because I think that is extremely important. I think if you are going to vote for a motion without that, then what you are really saying is that money must be taken from the work the Library of Parliament is currently doing. I'm not sure anybody wants to say that, and I thank Mr. Malhi for putting in (b) for that particular purpose.

Colleagues, what do you wish us to do with this? Do you wish to have debate?

Senator Stratton.

Senator Terrance Stratton: I would like to deal with it, get it finished and out of the way, so I would suggest debate take place now with respect to it.

I would like to put forward the position that we have to oppose it on our side, because it is not in the government's purview to raise the budget of the PBO. It's the responsibility of the Parliamentary Librarian and the respective Speakers. The motion is effectively a notice of non-confidence in the Parliamentary Librarian and the Speakers; therefore, we can't support it.

• (1245)

The Joint Chair (Senator Sharon Carstairs): Thank you, Senator Stratton. Are there other comments?

I think for the purposes of this we should go back and forth between government and opposition.

Mr. Malhi, do you have comments, or Mr. Bélanger?

Hon. Mauril Bélanger: I want to think about what I just heard for a minute or so.

The Joint Chair (Senator Sharon Carstairs): I know there was a question put to Ms. Santi that she did not answer. But having done some work with budgets in another role in my life, within the Senate of Canada, I know that what happens in terms of the library budget is that the chief librarian is given a signal, as is the internal economy committee of the Senate, as is the internal management committee of the House of Commons, as to what would be a reasonable increase in a particular given year. The chief librarian then, somewhat within that figure—he doesn't have to stick with the figure, it's just a recommended amount—takes a budget to the Speaker of the House of Commons and the Speaker of the Senate. The two Speakers then, in consultation with the chief librarian, determine what the budget will be.

That includes clearly what the budget will be for the budget officer, and those are the estimates that we will have before us at the next meeting.

So it isn't the government per se. This is not a ministerial department that determines what this amount will be. This is a decision that has been made by the chief librarian, together with the Speaker of the House of Commons and the Speaker of the Senate. But to be fair, they have been given a signal as to what kind of increase would be reasonable.

I don't know if that helps you or makes it more complicated.

Mr. Ed Holder: Does that make this motion invalid, then? I'm just trying to get clarity around this, based on what you've just said, please.

The Joint Chair (Senator Sharon Carstairs): No, it doesn't make the motion invalid, nor does it make the motion out of order, because what I believe the intent of this motion is—and please tell me I'm wrong—is that when the discussions originally took place with respect to the Parliamentary Budget Officer, there was an amount put out there. It wasn't given in a budget; it was an amount that was discussed as a rational, reasonable amount for the budget officer. That amount has never been achieved by the budget officer, and I think the intention of this motion is to say to the government, you indicated that was your intention, and now perhaps you would like to deliver on that intention. That's what this is trying to say, as I interpret it.

Ms. Bennett, followed by Monsieur Bélanger.

Hon. Carolyn Bennett: Also unclear to me is the role of the two boards of internal economy—or the Senate's equivalent to our board—and their ability to ask Treasury Board for a specific extra amount, whether it's for digitalization...or whether they can actually ask for money from Treasury Board for a certain function.

For this motion to be in order, would it not be possible for the government to ask Treasury Board to find the money the PBO needs and give it to him?

This motion is calling on the government...and from what I understand, the boards of internal economy just ask Treasury Board for the money they've been told, wink-wink, nudge-nudge, they're going to get. So is it not possible for the government, which ran on a platform of accountability and transparency and all of that, to actually decide that Treasury Board will find the extra money to give to the Parliamentary Budget Officer?

• (1250)

The Joint Chair (Senator Sharon Carstairs): We have a number of people on the list.

I'm sorry, Mr. Braid, I missed you, so I'm going to go to you first, and then to Mr. Bélanger.

Mr. Peter Braid: *Merci.*

I have a couple of comments and a question.

First of all, I have one fundamental issue with the motion. As I recall the testimony from the chief librarian, Mr. Young, there was not a budget shortfall.

Secondly, I would suggest and perhaps inquire through you, Madam Chair, that given the nature of this motion and my understanding of the process we've established with the respect to the work of this joint committee, should this not first be discussed at the steering committee?

The Joint Chair (Senator Sharon Carstairs): That is for the will of the committee. If you wish this to go to the steering committee, then, Mr. Braid, you could move such a motion.

Mr. Peter Braid: I move such a motion.

The Joint Chair (Senator Sharon Carstairs): All right. So we now have a motion to send Mr. Malhi's motion to the steering committee for a report. Do we have debate on that motion?

Yes, Mr. Christopherson.

Mr. David Christopherson: Thank you, Chair. My argument is actually the same one I would have used on the main motion.

I'm in favour of the motion, and I don't think that comes as a shock to anybody. In fact, I'm hoping we go a heck of a lot further; but that day has yet to be upon us.

In fairness, in the hope that we're not creating a circus within a circus within a circus, because we started out with a circus and this group is meant to help unravel that and to get this sorted out.... But it seems to me procedurally—and I just pose this question to colleagues in a non-partisan way—if the committee hasn't yet concluded all of its hearings, is it not a little bit like the public accounts committee, where we have a lot of hearings and then we do our report writing, and where we really wouldn't dream of taking action or making recommendations or conclusions as a group in a final vote without completing all of our deliberations and hearing from all of the witnesses?

The only thing I'm asking is whether or not we should set this aside for now. Are we getting ahead of ourselves? To the best of my knowledge, I know the Auditor General is not in until one o'clock. I don't believe Mr. Page has been here yet. I stand to be corrected, but if he hasn't—and I don't know if the librarian has been here or not—and we're still to hear from some of the main principals, to me it just makes sense that if we are going to try to come to a conclusion that we can all live with and can get on with business, sending the motion to the steering committee would be an awful lot of time and effort for a procedural thing, really.

Having said that, I just leave it with colleagues that maybe the best thing to do is have this thing wait, and then when we get into report writing, then we can thrash out all of these things and find out what the majority and minority positions are.

I leave that for colleagues to consider. Thanks, Chair.

The Joint Chair (Senator Sharon Carstairs): Thank you, Mr. Christopherson.

Mr. Bélanger.

Hon. Mauril Bélanger: Thank you, Madam Chair.

Mr. Christopherson and I agree on this. That was the position I took when Mr. Plamondon put forward a similar motion, and it is that, given that we've been asked by the two Speakers to look into a difficult situation, we should perhaps finish that exercise before coming to any conclusion. I think that stands by itself.

It may very well be that at the end of the day this committee will want to recommend an increase in the current allocations for the library or for the Parliamentary Budget Officer or for both. It may very well be that the committee may choose to do that on the condition that there are protocols set in place for the use of current resources of the library by the budgetary officer. So there may be a bunch of things we may conclude, but we haven't yet concluded that.

So I'm very much in favour of the suggestion of Mr. Christopherson.

• (1255)

[Translation]

There is no rush, it is not a national emergency.

[English]

We will have a meeting, I gather, Madam Chair, with the budgetary officer in early May, is that right?

The Joint Chair (Senator Sharon Carstairs): May 14.

Hon. Mauril Bélanger: May 14, and that would be at the time. And I'd be prepared to move that one before the estimates. It would make even some sense to have that meeting on May 7 as opposed to May 14, so that we can finalize this and then get to the estimates. But I'll leave that with you for now.

On the matter of the confidence and on confidence being expressed vis-à-vis the Speakers, should we adopt such a motion, I would like an opinion, an expert opinion, from somebody on that. This is not to say that my honourable colleague Senator Stratton is not an expert himself. I understand the concept of—

Senator Terrance Stratton: Thank you.

Hon. Mauril Bélanger: But he might be a little biased in this, as may I. But the notion that we may be expressing a vote of non-confidence if we make a recommendation, which is all this is, to the government of increasing a budget, it seems to me, is stretching things a little bit. If we were to recommend a diminution of resources, I think that would definitely be an expression of non-confidence. But I may wish to say that we have such confidence in the ability of the Speakers and of the chief librarian that we want to increase their resources, and I think I can make that application stick as well.

It's an interesting twist that was thrown at us. If we do agree with Mr. Christopherson that perhaps we need to give ourselves the time to complete our working before coming to a conclusion, then let's use that time to also get an opinion or some expert delineation of what interpretation could be given to such a vote.

Thank you, Madam Chair.

The Joint Chair (Senator Sharon Carstairs): Colleagues, I know there are two others who have indicated they want to speak, Mr. Braid and Mr. Jaffer, but if we were to accept Mr. Braid's motion to refer this to the steering committee and we had a steering committee meeting prior to our next meeting, then we could perhaps set out a framework for how we deal with this particular motion. Is there general agreement to proceed in that way?

Monsieur Plamondon.

[Translation]

Mr. Louis Plamondon (Bas-Richelieu—Nicolet—Bécancour, BQ): What will the subcommittee do? It will just bring the motion back here. We will have to vote on it eventually in any case. The subcommittee can't do very much. It cannot dispose of the motion or amend it; all it can do is bring it back to the committee as a whole after having discussed it. If we defer it to the end of committee business, as Mr. Bélanger and our friend from the NDP have said, that's fine, but otherwise, let's vote and get it over with. I am in favour of deferring it until after we hear the two witnesses referred to by Mr. Bélanger.

[English]

The Joint Chair (Senator Sharon Carstairs): All right, colleagues, I think we should make a decision as to whether we are going to send this to the steering committee. I'm not suggesting we send it to the steering committee; I'm asking for a vote on that, because we're going to end up now with five or six motions before us. So in order to deal with the motions before us, let's vote some up and some down, or whatever you want to do with them.

Mr. Christopherson, very quickly.

Mr. David Christopherson: I will be quick, Chair, but in fairness, I had my name on the list prior to your wanting to move on, but I respect that.

I was just going to say that if we just send it to the steering committee without resolving the issue of whether or not we want to vote before the hearings are concluded, we're just again spinning more wheels. Ultimately, it all has to go to the steering committee, and they would give a recommendation, I would hope, as to how we are proceeding, including the finalizing, ultimately, of our report.

But it seems to me, Chair, with great respect, that the issue before us is this: are we going to be voting on recommendations and positions throughout, or will we hold them all off to the end, or will they be a hybrid of one-offs? I would suggest that we take a position that says all recommendations and decisions will be voted at the report-generating stage and ask that the steering committee be empowered to coordinate that, which is their role anyway.

But I really think if you just send it without our deciding that, Chair, we're going to be back here again with or without a recommendation.

The Joint Chair (Senator Sharon Carstairs): Mr. Braid, are you prepared to withdraw your motion?

Mr. Peter Braid: Yes, I am. I think that's a fair compromise. I also wanted to seek some clarity on the remaining witnesses that we have on our list and the expert testimony we still have to hear.

The Joint Chair (Senator Sharon Carstairs): Yes, I'll give that.

Senator Jaffer, I know you have been on the list.

Senator Mobina S.B. Jaffer: He's just withdrawing the motion.

• (1300)

The Joint Chair (Senator Sharon Carstairs): All right. Mr. Braid has agreed to withdraw the motion. Can I now ask for a motion, from Mr. Christopherson perhaps, to defer any discussion of this motion until we have completed our hearings on the Parliamentary Budget Officer?

Mr. David Christopherson: With respect, I'll try just a minor variation, Chair, if you'll accept it. I would propose a motion that we defer this and all recommendations and decisions until all of the witnesses have been heard from and the committee moves into the report writing stage.

The Joint Chair (Senator Sharon Carstairs): Senator Jaffer.

Senator Mobina S.B. Jaffer: It's just a question of clarification. Are we planning to do a report for June?

The Joint Chair (Senator Sharon Carstairs): It would certainly be your co-chairs' desire to do this. We think this issue must be dealt

with sooner rather than later. The present working plan that you agreed to earlier in this meeting was to do the estimates on May 7, so we can put those aside. By the way, I think that would be an interesting time to ask the chief librarian exactly how he goes about performing and developing his budget. That's an important part of that estimates and an important question that I think we need to put before him.

Then on May 14 we would hear first from the Parliamentary Budget Officer and then from the chief librarian. Then it would seem to me we would have the material necessary to draft a report and hopefully be able to table that before Parliament rises.

Senator Mobina S.B. Jaffer: I just have this one hesitation, and I don't know if the steering committee can look into it. What we are doing is important. We are looking at an issue. The Parliamentary Budget Officer is a new position. My concern is that while we're doing all this, his work is being hampered. It would make me feel more comfortable if the steering committee could come back next week and say whether he is still able to continue the work that we were hoping he would do or whether he is waiting for our report.

The Joint Chair (Senator Sharon Carstairs): I think that's a question you have to put to the Parliamentary Budget Officer. Is he able to function? He certainly has a certain number of staff. He certainly has access, should he choose to use it, to all of the librarian staff. The only person who can actually answer that question is your Parliamentary Budget Officer.

Ms. Hughes.

Mrs. Carol Hughes (Algoma—Manitoulin—Kapusksing, NDP): I'm going to move the motion that was brought forward by my colleague Dave Christopherson, because I am on the committee.

Mr. David Christopherson: I'm not technically substituted in, but Ms. Hughes will move the motion.

The Joint Chair (Senator Sharon Carstairs): I'm sorry. So Ms. Hughes is actually the official mover of the motion.

(Motion agreed to)

The Joint Chair (Senator Sharon Carstairs): All right, colleagues. We are now ready to hear from our next witness, the Auditor General, who I understand has arrived.

Colleagues, we are very privileged to have before us now the Auditor General of Canada, Ms. Sheila Fraser. I want to indicate to members of the committee that this is no less than her eighth meeting this week before Parliament.

We do indeed appreciate very much that you were willing to fit one more in, Madam Fraser. I think your committee is particularly interested in learning from you what your role is as an officer of Parliament as opposed to, for example, that of others who serve as agents or other vehicles within the parliamentary setting.

With that, welcome.

• (1305)

Ms. Sheila Fraser (Auditor General of Canada, Office of the Auditor General of Canada): Thank you very much, Madam Chair.

We are very pleased to be here today to participate in your study of the Parliamentary Budget Officer. Joining me at the table is Doug Timmins, Assistant Auditor General. My opening remarks will be very brief. I have read with interest the transcripts of the committee's debates so far, and there are two points we would like to discuss.

The first refers to questions raised about whether or not the Parliamentary Budget Officer should be situated within the Office of the Auditor General. The act clearly states that the Parliamentary Budget Officer provides research and support to committees and individual members of the House or the Senate. Therefore, it is entirely appropriate for the Parliamentary Budget Officer to be located within the Library of Parliament and not within my office.

The mandate of the officer also includes assisting committees when they consider the estimates of government. I understand that this was one of the main reasons for creating this position, and we believe it to be a very important role. Over the years, we have commented that parliamentarians need that type of in-house support in order to fulfill this very important function of Parliament.

[Translation]

Related to this is the question of independence. Like us, in order to be credible, the PBO must be independent of government. Clearly, the Library is independent from government. Consequently, the current arrangement with the PBO residing within the Library also protects the independence of the PBO.

The second point that I believe deserves attention is how the Parliamentary Budget Officer reports his work. While the mandate as described in the Parliament of Canada Act is silent on this issue, there are procedures within the Library of Parliament that govern the release of information. The committee may wish to provide guidance to the PBO on this issue.

For example, in our case, the Auditor General Act specifies that we may report up to four times per year, and our reports are tabled only when Parliament is sitting. Further, we have our own external communications practices that are designed to ensure that we are perceived as non-partisan. They include, among other things, guidance about our external communications during elections. We would be pleased to discuss our practices with members of the committee.

[English]

With that, I would like to conclude my opening remarks. We would be very pleased to answer any questions committee members have.

The Joint Chair (Senator Sharon Carstairs): Thank you, Madam Fraser.

I will begin with Mr. Braid.

Mr. Peter Braid: Madam Auditor General, thank you very much for being here with us this afternoon and for this very helpful background.

I want to start by zeroing in on this really important issue of your external communications practices. Could you please outline what those practices are, the protocols you follow, and why they are so important?

Ms. Sheila Fraser: Thank you.

The overriding principle that guides us is to say nothing publicly that we have not already said to Parliament. For example, when we release a report, we have two lock-ups preceding tabling of a report—one for media, and one for parliamentarians. I always make my presentation to parliamentarians before I ever address the media.

We have a policy on speeches. We have selection criteria on which organizations we will talk to. We will only discuss reports that have been tabled. We are even very cautious talking about audits that may be under way if we have not already informed parliamentarians of that fact. During an election campaign, as a general rule we do not make speeches. We may on occasion give one. I can remember giving one to a group of internal auditors, but it was very clear there would be no media present, no journalists, no one, and all requests would be vetted by our communications group.

We are also very careful to never comment on policy and party platforms, and to never give people the perception that we may be partisan in some way.

Mr. Peter Braid: Very good.

On your dealings with the media, is there anything specific that you wish to elaborate on?

• (1310)

Ms. Sheila Fraser: After the tabling of a report there is obviously a fair bit of media activity. I am the spokesperson during the week of a tabling, unless I designate someone else. But staff will not give interviews by themselves. We try to collaborate and help the media do their jobs by providing them background information and clarification, but it will always be related to an audit that has been tabled in Parliament and made public.

Mr. Peter Braid: Do you believe your external communications practices are effective?

Ms. Sheila Fraser: Yes, I believe they are. As we said, the overriding principle is that we work for parliamentarians and we should not disclose anything publicly that we have not already disclosed to Parliament. I haven't received any letters of criticism from parliamentarians, so I take that as a sign we haven't gone over the line.

Mr. Peter Braid: And finally, would you agree that the external communications practices that you use and apply should be considered by this committee as a model for the Parliamentary Budget Officer to perhaps consider?

Ms. Sheila Fraser: I would certainly be very glad to share them with the committee, and then I think it would be up to you, of course, in your study to determine if you believe they are appropriate or not.

Mr. Peter Braid: Thank you very much.

The Joint Chair (Senator Sharon Carstairs): Thank you, Mr. Braid.

For the purposes of our final report, Madam Fraser, I think it would be very useful if you would make those available to us.

Mr. Christopherson, followed by Mr. Mali.

Mr. David Christopherson: Thank you very much, Chair.

Hello, again. We see a lot of each other, the public accounts committee and the Auditor General. You already know where I'm coming from on this, so I'm not going to attempt to be coy or anything.

One of the key things to your independence, your sovereignty if you will, I would assume is your ability to manage your budget as you deem appropriate. You make the ultimate executive decisions within your operation as to where the money goes, correct?

Ms. Sheila Fraser: I would say essentially yes. We obviously do that as an executive group within the office.

Mr. David Christopherson: Understood, but for purposes of looking at it from a thousand feet, you're the one who calls the shots.

One of the issues for us keeps coming back to independence, and one of the things I see happening is that we move our focus from what maybe would be the best, and then we hover back over to what's the answer under the structure we have. Both are important, but both are very different, and one does not necessarily negate the other. Just because we're doing it that way doesn't mean it's the right way to do it. It just means it's the right way according to the current structure.

So we're into this issue of independence. I know that a lot of us have in our minds—and you can't avoid it because of the influence—the Congressional Budget Office, which is seen as sort of a beefed-up version of what you do in terms of pre-budget analysis. In fact, I would mention to colleagues—I wish I could remember the country, and maybe someone who has been around longer than I have would know—there's at least one country where their independent budget office actually analyzes election platforms. Think about that for a moment. I wish I could remember. It's in the Commonwealth.

I understand you have the communication things and the Parliamentary Budget Officer doesn't, but that doesn't mean we shouldn't create one that's similar to what you had before that. I'm coming back to the independence again, and I'm having a great deal of difficulty as an independent member being on public accounts, where we deal with accountability. This is our one opportunity to get new information for non-government members. Hopefully an educated Parliament is a better decision-making Parliament. Yet we have an example, and it's not just theoretical, where budgets were cut, yet the mandate still remains independent.

When I or a committee I'm on ask for a piece of analysis, I expect that you or any other agent or officer of Parliament will have the resources to do the job totally, or they're going to come back and say, I can't give you everything I'd like because I don't have the funds. And that's where we are. The question for us is whether we're going to leave in place a structure where someone other than the actual Parliamentary Budget Officer calls the shots, or whether we're going to create more independence. Whether that's ultimately an agent of Parliament remains to be seen, but to me that's the issue. Just analyzing and getting down in detail how the current system works is not the issue.

I keep coming back to this independence. If they don't have independence of action, if they don't have independence of financing, how much actual independence do they have?

●(1315)

Ms. Sheila Fraser: You are, of course, proposing a very different model from what is in legislation right now. I think the point we're trying to make is that in order for it to be credible, be it an audit function or a Parliamentary Budget Officer, it must be independent from government, so that the person, for example, is not hired or fired by government, and government doesn't control their staffing or who they hire. For example, we're a separate employer.

But at the end of the day, all of the finances have to be allocated by government. At the end of the day, the Parliamentary Budget Officer... I can't say that I want to double my budget; it has to fit within the fiscal framework. We have a mechanism, which we established fairly recently, where we have a parliamentary panel overseeing officers of Parliament. But at the end of the day, I have to go through the Treasury Board; I have to deal with analysts like any other department and I have to justify the money. If government comes in and says, all your staff are subject to a 1.5% increase in their pay, I have to live with that.

Yes, you have to have sufficient funds to do the work that you do. Our remedy, I guess, is that we go to the parliamentary committee, the public accounts committee, to say that our funding is insufficient. Parliament can make a recommendation or not; but at the end of the day, it is government that has to decide how it allocates the funds.

If I could use the example of the Commissioner of the Environment and Sustainable Development, who is in our office and reports to me and for whom we have a certain budgetary allocation, I would certainly hope that if the commissioner ever felt he wasn't not getting enough money, we would deal with that internally, rather than having, to be quite frank, a dispute in public or before Parliament. As you know, there's only so much money given to an organization; it's a question of how you allocate it within that.

Mr. David Christopherson: Agreed. I understand that, but again, I'm coming back to this—

The Joint Chair (Senator Sharon Carstairs): I'm sorry, Mr. Christopherson, but your five minutes are up. I'll put you on a second list.

We have Mr. Malhi, Mr. Holder, Ms. Bennett, and Senator Jaffer.

Mr. Malhi.

Hon. Gurbax Malhi: Thank you, Madam Chair.

Madam Fraser, first of all, I am very impressed by your straightforward policy; when you speak, you are very straightforward.

I had the following question for the previous witness today, and before that for those on April 2. So I am asking you the same question because I am not satisfied with the answers so far.

We are faced with an awkward situation involving the Parliamentary Budget Officer and the Parliamentary Librarian. How do you suggest we can solve this problem?

Ms. Sheila Fraser: Well, I think it would be very helpful if the committee gave more clarity as to how the mandate should be interpreted, because it would seem, fundamentally, that there is a difference of interpretation as to the role of the Parliamentary Budget Officer. It really is for Parliament to decide how they would like that function to operate and report, and the nature of the relationship with the Library of Parliament.

Hon. Gurbax Malhi: Do you have any other suggestions besides that?

Ms. Sheila Fraser: In many of these questions, accountabilities have to be very clear. So it would be helpful, I think, if it were very clear to whom the Parliamentary Budget Officer actually reports and who has authority over the Parliamentary Budget Officer.

Then there are probably some operational details to consider, and perhaps some recommendations might be made on those. But I think it essentially goes back to an interpretation of how the mandate is to be carried out, and the accountability of that position.

The Joint Chair (Senator Sharon Carstairs): Thank you, Mr. Malhi.

Mr. Holder.

Mr. Ed Holder: Thank you, Chair.

I would like to thank you, Madam Fraser, and Mr. Timmins, for coming today.

Ms. Fraser, I think you do very good work. I appreciate your candour and I think it's helpful.

If you were auditing the role of the Parliamentary Budget Officer in the present circumstances, what would you report?

• (1320)

Ms. Sheila Fraser: Hmm....

Some hon. members: Oh, oh!

Ms. Sheila Fraser: No, I think I would report that there is a pretty serious disagreement about how the mandate is to be conducted, that there needs to be clarity around it, that I would suspect there's probably a lack of understanding of accountabilities: who really is the boss? Then I'm sure we would look at things like operational procedures, although I'm not sure that's what would particularly interest the committee at this point.

There are other issues. The legislation is very broad about who can request work. How do you set priorities? How do you deal with those sorts of things? Is the Parliamentary Budgetary Officer required to do all of the work that is requested? If not, how does he or she then decide what to do and when to do it?

Those would be the kinds of issues I think we probably would look at.

Mr. Ed Holder: Ms. Fraser, it has been my experience—I've seen some of the work you do—that you go from the general to the specific. I think your comments on the general, what you have just said, are fair. But is there anything on the specific that would strike you in terms of your completing that report?

Ms. Sheila Fraser: I will make reference to another audit that we do, which is governance in crown corporations.

Boards of directors are appointed to crowns. They are Governor in Council appointees. The president is also a Governor in Council appointee. We have pointed out that there can be, at times, difficulty; when the board has actually no ability to assess the performance of the president, when the president may at times feel that he or she does not actually report to the board, it makes for a very difficult governance arrangement.

I think there needs to be clarity about the roles of the chief librarian and the Parliamentary Budget Officer. They are both GIC appointees. Does one actually report to the other? Or is it simply an administrative kind of accountability? I really think that needs to be clarified.

Mr. Ed Holder: Again, that was a general comment; I appreciate that. And don't think that I'm trying to put you on the spot, because I wouldn't presume to do that.

Has it ever been within your mandate to review the work and practices of the Library of Parliament?

Ms. Sheila Fraser: We did an audit of the Library of Parliament that reported in 1991 or 1992. We did audits of the House of Commons and of the Senate at the same time.

Mr. Ed Holder: If I may—I truly don't know the answer to this—was that done at the request of someone? Was that done because at that time the Auditor General felt it was a good review to do?

Ms. Sheila Fraser: I think it was felt at the time that it was a good review to do. Of course, very extensive discussions occur with Parliament before we do an audit.

As some of you are probably aware, we are currently in discussions to do an audit of the administration of both the House of Commons and the Senate. Those are very preliminary discussions that are ongoing now.

Mr. Ed Holder: If that were the case, would the Library of Parliament be included as part of that?

Ms. Sheila Fraser: Potentially.

Mr. Ed Holder: Does anyone ever direct you on what to do? Can anyone tell you what to do?

Ms. Sheila Fraser: We can receive requests, but at the end of the day, it is up to the Auditor General to decide.

Mr. Ed Holder: To make that determination.

Ms. Sheila Fraser: That's right.

Mr. Ed Holder: Is there anything within the system, as you see it thus far, that would compel you to look in the direction of the Library of Parliament to review its practices?

Ms. Sheila Fraser: Well, the current situation is obviously very problematic. I'm not sure if an audit would be helpful at this point in time.

Once we receive an agreement to go ahead with an audit of the House and the Senate, then we will have to assess whether or not we will include the Library of Parliament in that.

Mr. Ed Holder: I think you're very diplomatic.

Thank you, Madam Chair.

Ms. Sheila Fraser: Obviously, if a committee recommends certain actions, we do try to accommodate those requests.

The Joint Chair (Senator Sharon Carstairs): Colleagues, four of you are now on the list. We'll begin with Ms. Bennett.

Hon. Carolyn Bennett: Thank you.

In terms of the parallel drawn with the environment commissioner, is that a GIC appointment as well?

• (1325)

Ms. Sheila Fraser: No. I select the environment commissioner.

Hon. Carolyn Bennett: That is very interesting. In terms of how you get your budget, I think you answered the question I was going to ask, so I'll ask you to fill it out a little bit more. If you want more money or think you need more money, do you go to public accounts?

Ms. Sheila Fraser: That's not quite how it works.

Hon. Carolyn Bennett: Let's go the other way. If the environment commissioner thought they needed more money, what would they do?

Ms. Sheila Fraser: They would have to make the case that they would require more funds in the budget allocation within my office. That would be an internal discussion. Hopefully if the commissioner did not receive all the funds they thought they needed, we would be able to arrive at some sort of solution internally rather than having a debate before a parliamentary committee.

If the commissioner could justify a need for more money, we would likely put it through a funding request. In that case, we would go through the Treasury Board Secretariat, as would any other department, with a submission. That submission and the analysis by the Treasury Board Secretariat would be presented to a panel of oversight of parliamentarians of the House of Commons. There would be a discussion there.

That panel is chaired by the Speaker. There is then a recommendation to the President of the Treasury Board. Even then the President of the Treasury Board has the right to say they don't have it, or they can't give them all of it.

Through the discussions with the secretariat officials, we try to arrive at some agreement on the funding level and the additional funds that we may require.

Hon. Carolyn Bennett: Is that a similar process for crown corporations?

Ms. Sheila Fraser: Crown corporations wouldn't have the oversight panel, but crown corporations would go through the funding submission.

Hon. Carolyn Bennett: In your experience, have you ever known a public servant or someone working within Parliament, before the estimates have been tabled, to go to the media with the fact that their budget is too small?

Ms. Sheila Fraser: No, I'm not aware of any other situation.

Hon. Carolyn Bennett: Obviously this is a difficult situation. Would it be easier if the Parliamentary Budget Officer wasn't a GIC appointment and wasn't appointed by the Prime Minister?

Ms. Sheila Fraser: I think that issue involves the accountability. Obviously in departments there's the deputy minister, associate

deputy ministers, and the assistant deputy ministers, and I believe they are all GICs. At least the associates and the deputies are. They seem to be able to work out how they will work together.

I think it just makes the accountability much clearer. For example, in my case, if I hire and can fire the Commissioner of the Environment and can determine performance pay, the accountability is very clear.

The Joint Chair (Senator Sharon Carstairs): Thank you.

We have Senator Jaffer, followed by Mr. Boughen and Monsieur Bélanger.

Senator Jaffer.

Senator Mobina S.B. Jaffer: I would also like to welcome you. I endorse all the comments as well.

As I have listened to you, some things have become a lot clearer. That has always been your forte.

The mandate of the commissioner who is located in your office is very clear. He is not a GIC appointment; he reports to you.

Here—and I think the fault lies with us parliamentarians—we have created a position that is a GIC appointment. We have given him a mandate very openly—and I won't repeat it—that said he was independent, etc. Yet we are asking him to do both. We are asking him to go through the librarian.

I have some questions. With the commissioner, do you hire his staff? Do you have the authority to fire his staff? Do you decide who his staff is going to be? Do you make your other staff available to him?

• (1330)

Ms. Sheila Fraser: The staff of the commissioner is the staff of the Office of the Auditor General. There is no office of the Commissioner of the Environment. There is a position created within our office, much like the Parliamentary Budget Officer. There is a position of the officer created within the Library of Parliament, but the act does not create an office of the Parliamentary Budget Officer.

So staff members who work for the commissioner are employees of the Office of the Auditor General, as is the commissioner. The commissioner has a significant role and will hire people for his unit, but we have a policy of rotation within the office. The people he hires will end up working for another assistant auditor general or another group, so there is this exchange. There is a great deal of exchange of staff between different groups. The commissioner uses all the services of the office—accounting, communications reports, IT—so everything is available to the commissioner. The commissioner uses all those support services, as would any other person in the office.

Senator Mobina S.B. Jaffer: Your work is more specialized than in the library, where the librarian has to look after many different topics. The Parliamentary Budget Officer's work is very different from that of somebody doing research who's also placed in the library. So they would not be able to have the kind of ease of transfer that's in your office. I don't know enough about it; maybe I'm not being clear.

Ms. Sheila Fraser: There's a little exception to that, because the commissioner's work is very much specialized in environment and sustainable development. We have other groups that are more specialized in aboriginal issues, national defence, human resource management, and financial audit, but at the end of the day, underlying every one is that they are auditors.

Even though there are specialists within the office, we expect them to be able to move. In the Library of Parliament, I'm sure many of the researchers are quite specialized, but I expect there is some movement among them for their own variety and development in their professional careers. So you can have certain specialists, but there are also basic researchers who probably move as well.

Senator Mobina S.B. Jaffer: You have said that the commissioner is not a GIC appointment, so we are really comparing oranges and apples. It's not fair in a way for me to ask you to do this, but you are very experienced.

Under the act, the sole responsibility of Mr. Page, the Parliamentary Budget Officer, is to do independent analysis. He has to do it independently, you would agree, even from the library. He has to do that analysis on his own with the staff he has.

Ms. Sheila Fraser: I don't read the act exactly that way. He has to do independent analysis, and I interpret the independence as being independent of government; that government cannot influence his work inappropriately. But the library is independent from government, and I don't see why being within the library would create an issue around the independence, the quality of the work, and the objectivity of the work that is being done.

Senator Mobina S.B. Jaffer: I will go to a place that is very dangerous, but I'm going to do it anyway.

People have criticized the Parliamentary Budget Officer for his release of the Afghanistan report during the campaign. There are pros and cons to it, but everyone asked for the report to be released, from my recollection, and so he released it. Maybe that isn't the way everybody else remembers it.

You said something very profound, in the sense that you don't release anything until you come to Parliament. But when everybody tells you to release something, do you still wait until you go to Parliament? I just want to understand that.

Ms. Sheila Fraser: We can only release a report if it is tabled in Parliament, if Parliament is sitting. That is very clear.

I may be going too far, but I think it would be interesting to know when those requests to release were made, if they were made publicly, and whether people could have refused to release the report publicly.

• (1335)

The Joint Chair (Senator Sharon Carstairs): Thank you.

We have Mr. Boughen, followed by Mr. Bélanger.

Mr. Ray Boughen (Palliser, CPC): Madam Fraser and Mr. Timmins, I would echo my colleagues' comments in welcoming you here this afternoon. Thank you for taking the time out of your busy day to be with us.

I'm going to ask you, Madam Fraser, your opinion on something regarding the Parliamentary Budget Officer. Do you feel that maybe the act is in dispute or there is some fault in the act? Or, in your opinion, is it the carrying out of that act that has created some degree of difficulty?

Ms. Sheila Fraser: I believe it's the interpretation of the act. Obviously the current situation might indicate there needs to be more clarity in the act. But I think, as with many acts, you don't want them to be so specific as not to be able to adapt to their time—and much of that is the interpretation of how they should be implemented. So perhaps simply guidance from this committee would help to clarify that. If not, and if there's a need, then obviously legislative change might be required.

The Joint Chair (Senator Sharon Carstairs): Thank you, Mr. Boughen.

Mr. Bélanger.

[Translation]

Hon. Mauril Bélanger: Once again, greetings, Ms. Fraser. This is our second committee meeting together today.

You stated earlier—and I'm translating—that to protect and preserve the independence of agents and officers of Parliament the latter should not be appointed or dismissed by the government.

Would it be true to say, then, that the independence of the Parliamentary Budget Officer has been compromised because he was appointed by the government and because he could be dismissed by the government?

Ms. Sheila Fraser: That's an excellent question. I know, for example, that I am an agent of Parliament, and thus the government cannot dismiss me. That would require a resolution from Parliament. Of course, that depends on the duties entrusted to the individual. Since they are basically staff members of Parliament, these duties should, in my opinion, be carried out within Parliament itself.

Hon. Mauril Bélanger: Within Parliament itself?

Ms. Sheila Fraser: It would have to be the Parliamentary Librarian or the two Speakers. I'm not sure that it should be the two Speakers, but the responsibility to appoint the individual and oversee his or her performance should perhaps fall to the Librarian.

Hon. Mauril Bélanger: Okay. That was my first question.

Do you yourself have trouble obtaining information from departments or agencies when you conduct an audit?

Ms. Sheila Fraser: Sometimes. We had to insist at length, even to the government, in order to obtain access to certain documents that it had classified as Cabinet confidences. We managed to agree, and a new directive was issued, but the discussions continue to this day.

Hon. Mauril Bélanger: Is this directive or policy something you could share with our committee?

Ms. Sheila Fraser: Yes, absolutely.

Hon. Mauril Bélanger: If you would, then, thank you.

[English]

In the act I will refer you to subsections 79.5(1), 79.5(2), and 79.5(3). Subsection 79.5(1) states: “The Parliamentary Budget Officer may, in the performance of his or her mandate, enter into contracts, memoranda of understanding or other arrangements in the name of his or her position.”

Do you have any comments?

Ms. Sheila Fraser: I must admit I'm not exactly sure how the contracting authorities work in the Library of Parliament. I presume they are based a bit on the authorities that we have. I have the right, for example, to contract for professional services without having to go through the contracting authorities of Public Works.

Hon. Mauril Bélanger: Does the environment commissioner?

Ms. Sheila Fraser: Well, the environment commissioner, being part of our office, does, yes.

Hon. Mauril Bélanger: Does the environment commissioner have that authority?

Ms. Sheila Fraser: Not specifically, but because the environmental commissioner is part of the office, yes.

Hon. Mauril Bélanger: Then subsection 79.5(2) states: “The Parliamentary Budget Officer may engage on a temporary basis the services of persons having technical or specialized knowledge necessary for the performance of his or her mandate.”

Do you have any comments?

● (1340)

Ms. Sheila Fraser: I presume that's the same thing, the ability to contract professional services.

Hon. Mauril Bélanger: The one I'm really after is the next one. It states: “The Parliamentary Budget Officer may authorize a person employed in the Library of Parliament to assist him or her to exercise any of the powers under subsection (1) or (2), subject to the conditions that the Parliamentary Budget Officer sets.”

When I read that the first time, I wrote

[Translation]

in the margin: “Possible or potential source of conflict.”

[English]

Would you agree with that?

Ms. Sheila Fraser: Yes. I'm not quite sure, actually, what that means. Is it to designate someone who works for him to do the contracting? I'm not sure what that means, quite frankly.

Hon. Mauril Bélanger: Would you mind, as the Auditor General, looking at that particular section? That's a request. I know I can't force you to do this. Would you share your opinion on the administrative side only? To my mind, if it refers to the entire staff of the library, this is a serious source of potential conflict. You can't serve two masters.

I'd appreciate it if you, as Auditor General, Madam Fraser, would put some thought to this and share it with the committee before we conclude our work.

Ms. Sheila Fraser: We will try to see if we can find any interpretation. Mr. Timmins is just indicating to me, is it not simply an ability to delegate the authorities that are given?

Hon. Mauril Bélanger: I don't know.

Thank you.

Merci madame.

The Joint Chair (Senator Sharon Carstairs): Thank you, Mr. Bélanger.

Mr. Rickford.

Mr. Greg Rickford: Thank you, Madam Chair.

Welcome again. Like Mr. Bélanger, we've spent the better part of the day together.

I want to go over two issues in your remarks earlier today with respect to reporting for work and maybe a hypothetical around your mandate. I have to rewire myself, because obviously in private practice silence on an issue or lack of clarity is what keeps us in business. In this case, we're acting in the interests of the public purse and transparency. So bear with me.

You expressed a concern about how the Parliamentary Budget Officer reports his work and that the mandate as it's laid out in the Parliament of Canada Act is silent on this issue. Would you agree that within the Library of Parliament's procedures for reporting there isn't a lack of clarity as to how the Parliamentary Budget Officer would report?

Ms. Sheila Fraser: I understand that the Library of Parliament does have procedures as to reporting. Yes.

Mr. Greg Rickford: Thank you.

We'll move to the mandate.

Hypothetically speaking, if you had a concern about certain powers or your mandate overall, would you consider it appropriate to send letters requesting or proposing changes exclusively to opposition members as a general practice?

Ms. Sheila Fraser: It has happened to us in the sense that the government may have been considering changes to our mandate and we would certainly engage in a dialogue with government. We have also had private members' bills that were proposing changes and we would certainly give our comments. There has been legislation proposed before several committees that would give a role to the office. We obviously review all that. In those cases we always communicate with the committee that is studying that legislation. We are very careful to make sure we are always communicating to Parliament or a committee in an all-party setting.

Mr. Greg Rickford: You start out mentioning government, but in fact you're talking about, if those kinds of things were an issue with respect to your powers or mandate, the appropriate thing to do being to go to the committee, which is comprised of all members of Parliament, including the government.

Ms. Sheila Fraser: Even before that, I think there's a responsibility to attempt to resolve in a less public forum, with a minister or whoever, whatever the issue might be and to work on trying to find a solution to it.

Mr. Greg Rickford: This really goes back to the issue of perception that we talked about from the outset, which I think one of my colleagues was exploring.

Would you not agree that actions like that would be one-sided and have a motivation that might not be in the best interests of parliamentarians as a whole?

● (1345)

Ms. Sheila Fraser: We live in a very political world and we have to be very careful of the actions we take not to be perceived as being political. We have to always ensure that we maintain and we are perceived to maintain an objective, non-partisan approach to all of our work.

Mr. Greg Rickford: In having concerns for powers and mandates—and they may be very legitimate—in the ordinary course

it would be appropriate to consult the committee at plenary with respect to those concerns or issues.

Ms. Sheila Fraser: I would say yes.

The Joint Chair (Senator Sharon Carstairs): Thank you.

That ends every name I have on our first list. Mr. Christopherson, did you want to go on a second round?

Mr. David Christopherson: I'm good, thanks.

The Joint Chair (Senator Sharon Carstairs): All right. Is that it, honourable colleagues?

Thank you, Auditor General, as always for your very coherent presentation. Thank you, Mr. Timmins. Although we didn't put any questions to you, I'm sure the Auditor General enjoyed having you sitting by her side.

Thank you, honourable colleagues.

We are adjourned now until May 7.

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