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Tuesday, February 8, 2011

—
Chair

The Honourable John McKay

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•(1100)

[English]

The Chair (Hon. John McKay (Scarborough—Guildwood, Lib.)): Colleagues, I see that we have a quorum. It's 11 o'clock, so could we get started?

Before we do, on behalf of the committee, I just want to offer congratulations to Chris Warkentin and his wife on the birth of a very large boy. Congratulations.

Some hon. members: Hear, hear!

The Chair: Before I ask the minister to speak, Ms. Coady wants in.

Ms. Siobhan Coady (St. John's South—Mount Pearl, Lib.): Thank you very much.

Again, Chris, congratulations.

May I make a suggestion? I ask the chair, and perhaps the President of the Treasury Board will be in compliance—we only have an hour with the minister this morning, and I was wondering if we could dispense with his opening statement. I understand copies will be distributed; perhaps we can go right into questions. That will give us the maximum amount of time to ask questions of the minister concerning his operating budget freeze. Is that possible?

Thank you.

The Chair: No. The clerk advises me that I need unanimous consent for that, and that's the end of that.

Is this a separate issue?

Mr. Calandra...

I'm sorry, Mr. Minister.

Hon. Stockwell Day (President of the Treasury Board and Minister for the Asia-Pacific Gateway): Is it within the rules of procedure for me to speak to that, just as the person who's invited to be here?

The Chair: I suppose we could recognize the minister, yes.

Hon. Stockwell Day: I've been asked to be here for quite obvious reasons, not the least of which is to address a number of broad and sweeping statements, especially those as related to the Office of the Parliamentary Budget Officer, and I feel that not being able to open with some comments and observations would be somewhat counterproductive to me taking the time to be here. So I would appreciate the usual accord that is given to presenters and to be able to have some opening comments.

The Chair: You have the usual accord, Minister. It has to be unanimous consent for the committee to dispense with the opening statement.

Mr. Calandra.

Mr. Paul Calandra (Oak Ridges—Markham, CPC): On a separate issue, Mr. Chair, we have gone through this a number of times, and yet I think today we'll be seized yet again with an agenda that came upon us, or at least came upon me, by surprise yesterday afternoon.

I'm going to ask the clerk about this. When I saw the notice yesterday...in the second hour today we are to have the Church Council on Justice and Corrections appearing before us. I wonder if you could tell me how it is that they came to appear before us later this afternoon, if they are here to talk about the study on the budget freezes, and just explain to me how it's possible that we continuously have last-minute agenda items without the committee ever being made aware of it. Who actually sets the agenda for the committee, and why is it the members can never be made aware in advance?

I don't like preparing for a committee 10 minutes or 15 minutes before it happens. I wonder if the clerk could explain to me how it is that every time I come to this meeting there is a surprise witness.

The Chair: We'll deal with that item prior to the next witness, Mr. Calandra.

We have only an hour with the minister, and I think it would be appropriate that the minister lead with his opening statement at this point. Then we will address that issue prior to the second hour.

Is this on the same point, Mr. Cannan? You have a different point. Do you wish to raise it now or do you wish—

Mr. Ron Cannan (Kelowna—Lake Country, CPC): Yes. Thank you, Mr. Chair.

I just want to clarify if the clerk or analyst has the library report of questions. We received it at 4:20 p.m. yesterday, but I didn't receive it until earlier this morning because it went to my staff and I was in another committee meeting. I'd like to get a hard copy if possible.

The Chair: Are we talking about the minister's remarks, or are we talking about the Library of Parliament—

•(1105)

Mr. Ron Cannan: The Library of Parliament, the questions for the minister's appearance here today. I'm just wondering why we received it so late, at the end of the day yesterday.

The Chair: I don't have an answer for that.

Mr. Cannan's question is why was it distributed so late, at 4:30 in the afternoon. Do you have an answer for that?

Mr. Édison Roy-César (Committee Researcher): That was due to a translation delay. Usually we are happy when we can get it the day before the meeting.

Mr. Ron Cannan: Can't you send it out in one language and then get the other one and send it out? Why does everybody have to wait?

Mr. Édison Roy-César: It has to be sent in both languages to the committee because that's the rule—

Mr. Ron Cannan: Simultaneously—so everybody gets delayed because of the inefficiencies of the operation.

The Chair: Welcome to Parliament.

Mr. Ron Cannan: That's really efficient. I wonder why our productivity in Canada is so low.

The Chair: Thank you.

We have before us Minister Day.

Monsieur Vincent.

[*Translation*]

Mr. Robert Vincent (Shefford, BQ): I would just like to say one thing to Mr. Cannan. If he wants to have the documents in just one language, they could be provided in French. Then he would be satisfied; the problem would be solved and we would be more efficient.

[*English*]

The Chair: Yes, that works for everybody.

Any other interventions prior to the minister?

Hon. Geoff Regan (Halifax West, Lib.): Mr. Chair, can the clock start when the minister starts speaking?

The Chair: Yes, we'll start it and give the minister some extra time.

Mr. Warkentin.

Mr. Chris Warkentin (Peace River, CPC): I think the decision was to discuss this later, but I just wanted some clarity. Are the second-hour witnesses coming?

The Chair: As far as I know, yes.

Mr. Chris Warkentin: Who made the decision? This was a surprise to me, but I've been gone. Apparently it's a surprise to all my colleagues as well. I'm just wondering what the determination was.

The Chair: I'll speak to that and the clerk will speak to that at the beginning of the second hour.

Minister Day, please.

[*Translation*]

Hon. Stockwell Day: Thank you, Mr. Chair. I also want to thank my colleagues for inviting me here today to talk about the government's plan for reducing and eventually eliminating the deficit. The plan is designed to manage government spending, monitor our program results to date and establish safeguards for the future.

[*English*]

The International Monetary Fund has said that Canada is an economic miracle. The International Monetary Fund is not usually given to divine pronouncements. The OECD has said that Canada's economy shines. The World Economic Forum says that Canada has had the strongest financial platform for the last three years of any other country in the world. There are significant reports by Stats Canada of over 400,000 jobs created since June 2009. I would suggest that doesn't happen by accident but by certain policies and principles being in place, but I won't take the time to go into all of those.

I'd like to get right to the point of some questions the Parliamentary Budget Officer has raised relative to our plan and make some overriding comments.

First of all, we do have a plan. It's very clear. It's laid out in a number of budget documents. The plan is one that I think you are familiar with. We show a very clear deficit reduction. We show a deficit of \$45.4 billion in 2010-11, and then the next year you'll see a reduction, where it will drop to \$29.88 billion. Of course, you have all these documents, I'm sure, in both official languages. That will be a result largely of the end of our economic action plan—\$19 billion will no longer flow forward—and \$1.28 billion in restraint measures, including operating budget freezes.

For 2012-13, we see another drop of \$8.8 billion. That's due to \$2 billion in restraint measures and economic growth. Then in 2013-14 it moves to \$11.5 billion, finally coming to \$1.78 billion in 2014-15—

The Chair: Excuse me, Minister, there is a point of order by Mr. Regan.

Hon. Geoff Regan: Minister, these are very attractive charts, but we don't have them on screens. We don't have copies of them. We can't see what's on them.

Hon. Stockwell Day: I can certainly make those available.

I think the member would be aware that these are also produced in the budget documents, which I would have assumed you would have. They're also online.

I'll make sure you get copies of those.

The Chair: Is there any possibility of having them during the meeting as opposed to after the meeting?

Hon. Stockwell Day: Sure. I'll ask that the page be reproduced immediately.

The Chair: Thank you.

Hon. Stockwell Day: Now, in terms of the plan itself and the questions around it, Mr. Chairman, there should always be open and vigorous debate about a government's spending and its plans. The debate, however, should not be one-sided, and all facts should be brought out.

I congratulate the Parliamentary Budget Officer on being able to stand in a very isolated position and be one of a significant minority when it comes to questioning the credibility of the plan. Of course, all government plans and documentations need to be looked at, scrutinized, and examined as to their credibility.

There was one quote that was used by the Parliamentary Budget Officer related to the International Monetary Fund. Just quickly about our plan, I would like to read from the report from the International Monetary Fund, which says, “The authorities appropriately target a return to balance at the federal level over the medium run, with an ambitious and growth-friendly plan.”

Another quote, from page 3 of that report: “...Canada is the only G-7 country that virtually recouped the loss in employment (apart from Germany) and output during the recession by mid 2010...”. That’s on page 3 of the IMF report. Also, I have another quote: “The rapid turnaround of activity and vigorous domestic demand owes much to the government’s rightly-sized and well-targeted macro-economic stimulus.”

From page 13: “The mission praised the fiscal response to the crisis during 2009-10 and supported the authorities’ medium-term plans under the budget.” That is support for those plans.

I have another quote, again on page 13, that it was “noted that the March 2010 Budget was appropriately focused on balancing the budget over the medium term”.

From page 15: “From an international point of view, Canada’s overall fiscal outlook in the aftermath of the crisis stands out as among the best in the G-20.”

This is the International Monetary Fund. I would also note that the IMF predicts that the Canadian economy will return to full potential one year earlier than the Parliamentary Budget Officer predicts—that is, in 2015 rather than 2016. Finally, the International Monetary Fund predicts a much smaller structural deficit—in fact, \$5 billion—than what the PBO predicts, which is \$10 billion in 2015-16.

Mr. Chairman and colleagues, the plans and the economic forecasts of our government are based on a process that has been used since 1994. If you’ll recall, it was not a Conservative government that started that process in 1994. That process involves a well-publicized list of a variety of economists and people who do the predicting of economic interest rates, etc. It’s a well-publicized list. They’re consulted every year. From that consultation, then, a decision is made in terms of what kinds of factors will go into the budget.

Now, all of those predictors, all of those forecasters, are used, and were used, in us establishing the timeline of getting our deficit virtually to zero or close to zero by a certain point in time. It was from their predictions that the plan was endorsed. I will say that it’s one thing to be courageous, which I think the PBO is. But he is basing his questions in absolute contrast to all of the economic predictors with home government consults and a significant array of reports from the IMF and the OECD. It is absolutely his right to do that, but when talking about this, we need to understand what he is going in the face of, and we are in fact ahead of that reduction plan.

Now, Mr. Chair, we talked about how we are going to get there. Basically, we are into, now, a three-year operational freeze of government spending. That \$54 billion of operational spending—which goes across the board—we are freezing for the next three years. We also have, as you know, in place a strategic review every year, where we ask a certain number of departments and agencies to do an overview of all of their expenses and look for 5% savings,

prioritizing in each of those. We are continuing to have success in that particular program.

These are the basics of the elements we are using to make sure we stay on track, a process that, as I have said, is still to this point largely endorsed by the IMF and by all of the predictors with whom we work.

• (1110)

Mr. Chair, I would just close by saying, in light of comments made by the Parliamentary Budget Officer on one thing that seems to have grasped some media attention of late, that the amount of attrition we have in the federal government service—that is, public servants leaving the federal government—is largely due to retirement. It’s not entirely so; they go on to other professions or leave for other reasons. Depending on which year you’re talking about, it’s just over 11,000 people.

Now, Mr. Chair, in his own statement of February 1, 2011, the PBO challenged that. It’s certainly his right to challenge it, of course. But I want us to question and think about the accuracy of the challenge, because it’s not based on fact. He makes the comment:

The President of the Treasury Board has noted that public service attrition will be a primary mechanism to achieve the operating freeze savings targets....

Well, I didn’t say that, but I did say, as he said here,

...approximately 11,000 public servants vacate their positions each year.

He said I said that. I did.

Then he goes on to say, in his next point:

Using publicly available data for 10 relatively large departments from the 2010-2011 reports on plans and priorities documents, we

—meaning, that is, he himself—

note that the cumulative reduction over three years amounts to about 1100 employees.

Some people, Mr. Chair, say that in the “1100”, he was talking about something different. Well, he wasn’t, because in his final sentence on that point he goes on to say: “This figure is well below the 11,000 annual attrition figure highlighted by Minister Day.”

Mr. Chairman and colleagues, a cursory survey of all documents will easily show to somebody who is not even an expert in surveying documents that the attrition rate in the federal public service is over 11,000 a year. The PBO is insisting it is 1,100. He is grossly wrong. I am not saying he has done that intentionally. I have no idea why he would perpetrate a figure like that, but when somebody is so off base—over 1,000%—on an easily attributable and documented number of over 11,000, then you have to question the methodologies. I do not question the intent; I certainly question the methodologies.

Mr. Chair, we are on track. I'm happy to report, as I have, the observations from around the world about the Canadian economy. We hope it continues. We are in a fragile global recovery, so we are proceeding with caution, but we are on track and we are going to get there, and not by slashing programs to people, not by slashing health care, not by slashing provincial transfers—we are going to maintain the transfers, and in fact, we increase them by 6%—but by freezing our own government operations, by continuing to reduce corporate taxes for small business and medium-sized and large job creators, and by maintaining efficiency in terms of our own spending.

I believe we'll get there, barring a cataclysmic fiscal global event, and that's the path we are proceeding on.

Thank you for your interest. I look forward to your questions.

•(1115)

The Chair: Thank you, Minister.

The first question is from Madam Coady.

Ms. Siobhan Coady: Thank you very much, and thank you, Mr. Minister, for making yourself available for a short time this morning. Because I only have a short time, I will be concise in my questions, and I would appreciate, Mr. Minister, your being concise in your answers, just to get as many of the questions that need to be answered in as possible.

I agree with the minister on one point. I think the Parliamentary Budget Officer is indeed courageous. He's courageous to continue asking the questions that he needs to ask in order to get the answers for the Canadian people that he thinks are appropriate to ask this government for, because he has concerns about this.

You mentioned the IMF and you also mentioned the Parliamentary Budget Officer. The minister will know, and he can certainly attest to this, because it's in a public document, that the IMF also questions the financial outlook in five years' time—the plan is a whole other issue, because I don't think there is one—saying that the International Monetary Fund disagrees with the government and that we will still be in deficit.

My first question to the minister concerns the 11,463 civil servants you mentioned in question period and again this morning. You will know that the Parliamentary Budget Officer went out to talk to 10 different departments. Those 10 departments make up about half of the operating spending of the government; they are your largest departments. They represent about 160,000 public servants.

In response to the Parliamentary Budget Officer, those departments came back to his office and indicated that they have 1,133 individuals who would leave their positions. So either the department is misleading this committee and the Parliamentary Budget Officer or the government is.

That's my first question: are you talking about net? If every year 11,000 leave their positions, then we would certainly be without public servants by now. We know that you have been adding public servants.

My first question is, what departments are you referring to when you talk about those 11,463 civil servants. Is that net? And how do

you mitigate the risk, if we're having 11,000 civil servants leaving this year and you have not rehired any of them?

•(1120)

Hon. Stockwell Day: Mr. Chair, there are a number of significant inaccuracies in what my friend has just talked about.

First of all, with respect, I think it's one thing to say, "I totally disagree with the government plan"; it is a factual inaccuracy to say there is no plan. We have a plan; it's documented; it's published for all to see and criticize. We have a plan. To say you disagree with it... Absolutely. But it is factually inaccurate to say we don't have a plan.

Also, my friend talked about something the IMF said relative to five-year projections. The IMF made a number of statements, in some of which it's asking the government to look at numbers. But if she could give to me the document that says they significantly question our five-year plan, I'd like to see it. It may be there, but I haven't seen it.

Mr. Chair, on the element of attrition, I have simply and plainly said that it has been over 11,000—I think I gave the figure in question period along the lines of what—

Ms. Siobhan Coady: It was 11,463.

Hon. Stockwell Day: I actually double-checked that. For last year, I believe it was 11,154.

Then the PBO came out with a statement—

Ms. Siobhan Coady: Can you give us the net number, please?

Hon. Stockwell Day: —saying with regard to 1,100 employees: "This figure is well below the 11,000 annual attrition figure highlighted by Minister Day."

The media and others, quite rightly and understandably, posed that as if there is, as I believe there is, a giant gap between the two offices: first of all, the number we have through the public service, which is over 11,000, and the PBO's, saying that it's only 1,100.

I'm saying to the PBO—

Ms. Siobhan Coady: Minister Day, would you kindly answer my question about whether it's net?

Hon. Stockwell Day: I'm answering the question. I've said 11,000 is the attrition figure.

Ms. Siobhan Coady: The attrition figure. Now, when we look at the numbers of the requirement for this year alone in order for you to meet your fiscal outlook, we are going to have to have some serious discussions about what departments and how you're going to get to the attrition figures you require—the 11,000 overall—in order to meet your fiscal outlook.

What the PBO said, 1,133 individuals, is from your departments, Mr. President. So how could the PBO's numbers, when they're talking to those 10 departments saying they're not going to meet the attrition rates required by the time specified...?

This committee is studying the budget freeze and its effects, so my first question is this. The departments have told us in the fiscal outlook that there will be 1,133 individuals net whom they will lose in order to make their budget predictions. That's one thing. That's not the number that was required to meet the fiscal outlook you gave.

Hon. Stockwell Day: What's the number that was required?

Ms. Siobhan Coady: You said 11,000 over time.

The second question is, how are you mitigating the fact that you're going to be losing that number of positions, and in which departments? That's the question we're studying. For example, if we're losing a tremendous number of people in the coast guard, is that not a concern as to how service will be delivered to Canadians?

Hon. Stockwell Day: Mr. Chair, there still seems to be some confusion on this point. My friend keeps saying "the number that we require". We're not requiring people to leave. We simply reported that over the last two to three years we have seen an attrition rate of over 11,000 people. We don't require it; we don't demand it; we don't push people out the door. We simply said there will be over 11,000. That's not a number... I don't know; maybe this is an example, when you have something as misleading as you have from the PBO, of a case in which members would have some confusion over this.

Let me be clear on it: we have never, ever required that any number of people leave. We have never required that over 11,000... We simply stated that over 11,000 have left, and our prediction is that this year it will probably be over 11,000. We have not required it. It is up to each department to settle and to manage.

I would ask my friend—she talked about the coast guard—whether she has received a number from the coast guard saying how many people they're going to have next year.

• (1125)

Ms. Siobhan Coady: That is the problem, Mr. Chair. That is the problem, indeed—that this committee is having a gross number of challenges trying to get some information that will allow us to make some determinants on the operability of this budget freeze and the impact it's going to have on Canadians.

I'm going to move on to another question—

Hon. Stockwell Day: Okay, so you have not received anything, a number, from.... I just want to clarify that.

Ms. Siobhan Coady: —so that we can ask some good questions about the \$300 million target that this government has for this year.

In this particular year, this government has a target of a \$300 million reduction. We do know, for example...and have seen the \$180 million reflected in the estimates.

I'll give a hat tip to the Parliamentary Budget Officer, who in his November report gave us the 51 reductions that are occurring, the efficiencies that are occurring. I think that gave clarity to this issue.

First of all, I'd like to ask about the \$120 million still outstanding to be saved.

To the President of the Treasury Board, are you going to achieve the reduction that you indicated this year, the \$300 million? If so, will that \$120 million be reflected in supplementary (C), and could you tell us where those savings are coming from, please?

The Chair: Unfortunately, Madam Coady has run overtime. Those are important questions, and possibly over the course of the morning you could work your answers into it.

I'm going to turn now to Madame Bourgeois, for eight minutes.

[Translation]

Ms. Diane Bourgeois (Terrebonne—Blainville, BQ): Thank you, Mr. Chair.

Good morning, Minister Day, and thank you for being here.

During your presentation, you seemed to be on the defensive as far as the Parliamentary Budget Officer was concerned. I was surprised by how often you referred to him in your remarks.

Does that mean you do not put much stock in the work of the Parliamentary Budget Officer?

Hon. Stockwell Day: I would say it was one person's point of view that I was on the defensive. I would also say that some people probably think I was optimistic today, given the figures I mentioned, which, in my opinion, will help us to reach our goal of eliminating the deficit. Furthermore, I am absolutely convinced that some of the figures released by the gentleman you referred to show that he is wrong.

Ms. Diane Bourgeois: Would you not say, Mr. Minister, that you would have greater confidence in the Parliamentary Budget Officer's work and that he could do a much better job that was more to your liking if he had access to the numbers he was asking for?

Twice we introduced a motion to help the Parliamentary Budget Officer obtain those figures. He is never able to gain access to them. Why is that?

Hon. Stockwell Day: Once again, with all due respect, I would disagree with you, because I have here an example of some figures that we sent to Mr. Page, in addition to other documents of that nature, further to this committee's request. You asked for them. I am wondering whether you looked at them. There were many, and they were complex, but we did provide the figures.

Ms. Diane Bourgeois: We did not receive them, Mr. Minister.

That being said, Mr. Minister, according to what you said, departments would be required to reallocate money from the remainder of their operating budgets to fund scheduled wage increases for 2010-2011 and those to be negotiated for 2011-2013.

I find it a bit villainous to blame the need for budget cuts on the wage increases of civil servants.

I would like you to explain where departments could reallocate money in their operating budgets. Could you give me an example?

• (1130)

Hon. Stockwell Day: First of all, it is important to note that we reached an agreement with the largest civil servants union for this year and upcoming years, and that a bill froze, as you say, wage increases, limiting them to 1.5%....

Ms. Diane Bourgeois: Where will the money come from?

Hon. Stockwell Day: Of course, as you mentioned, we said that departments had to find the money for the increases in their operating budgets. We did not say they had to freeze their budgets, but they have to find the money for the increases.

Ms. Diane Bourgeois: Yes, but where? Give me an example.

Hon. Stockwell Day: It is not unusual for a government to say to its departments that they must find money to cover their expenditures.

Ms. Diane Bourgeois: I agree with you there, Mr. Minister. It is not at all unusual to cut spending. But where, Mr. Minister? You said earlier there were plans. I'll make you a plan.

First of all, what you gave us was not a plan; it was not a real strategy. It was simply an overview to say where we are heading, but it was not a plan.

Second of all, if you have seen the plans, tell me, Mr. Minister, where will departments cut their spending to achieve the budget envelope freeze?

Hon. Stockwell Day: It is important to remember two things here, Ms. Bourgeois. As your colleague, I think you can say you do not agree with our plan.

Ms. Diane Bourgeois: There is no plan. We have not seen one, it does not exist, Mr. Minister.

Hon. Stockwell Day: You can be opposed to a plan, but that does not mean there isn't one.

Ms. Diane Bourgeois: Which plan? Where is it?

Hon. Stockwell Day: You disagree with the plan. There is a difference here. For instance, in 2005, the Liberal government cut spending in a few areas. In 1995, the Liberals made a lot of cuts, as you know.

Ms. Diane Bourgeois: There was no plan then, either.

Hon. Stockwell Day: Yes, they made cuts. Now, it is different with us. We told the departments that we were not going to provide the money for the wages. They have to figure out how to manage their budget accordingly; it is for them to decide. Every department posts on its Web site its expenditures, its plans and the number of employees it has. The information is there. But we are not making the cuts; we are simply saying they have to manage their budgets.

Ms. Diane Bourgeois: In that case, Mr. Minister, were you made aware of the effects of the budget freeze? Were you told what impact it would have? Were you made aware of that?

Hon. Stockwell Day: The departments have made proposals. They have said they can create a program, deliver that program, cut

their spending. All departmental spending is there for the Auditor General to see, as are all the positions. It is right there.

Ms. Diane Bourgeois: Everything is like that.

Hon. Stockwell Day: Do you think I should come here to explain every expenditure for every department, line by line?

Ms. Diane Bourgeois: You are the minister in charge. Your department has to know what is going on.

Hon. Stockwell Day: We respect the departments and their employees. And that is why we told them managing their budget was their responsibility.

Ms. Diane Bourgeois: Mr. Minister.

Hon. Stockwell Day: And they will do it. This is not their first year doing it. It was the same last year, as well. All the figures are there.

• (1135)

Ms. Diane Bourgeois: Stop skating around the issue. You cannot give me an answer. There is no plan.

The Chair: Thank you, Ms. Bourgeois.

Thank you, minister.

[English]

Mr. Holder, eight minutes.

Mr. Ed Holder (London West, CPC): Thank you very much, Mr. Chair, and thank you, Minister, for attending this morning.

As I've heard the discussion to this point, it's becoming very clear to me that the dialogue is much more along partisan lines. I'd like to stick to the facts and try to be as clear as we can.

When I listen to my constituents in London, Ontario, like all Canadians, they've had to be in a position of being very mindful, because like of all us, they have gone through the worst global recession over the last couple of years. We're coming through it, I think. The jobs recovery is certainly one indication of that, and yet I still believe it's a fragile economy. What's becoming clear to me is that while Canadians have an expectation of themselves in terms of trying to balance their own personal budgets, they're asking our government, and all members of Parliament as part of the participatory process, to ensure that we restrain government spending in times of recovery.

We've been asked to provide balanced and restrained spending. My sense clearly is that the government is doing what Canadians are asking us to do.

As I reflect on this, one of the things I hear from constituents is the issue, Minister, of what is the impact on them of cutting services. I'd like to get a sense of what the government's position is relative to that. The other thing that's been fairly clear to me this time around in terms of our approach to balancing the budget—and I'm really combining two questions into one, if I may—is the issue of transfer payments to the provinces. That's the other point. It's that trickle-down concern that provinces have, that municipalities will have, that taxpayers will have.

Those are the two issues I would ask you to comment on: the issue of cutting services that Canadians expect of us and the transfer payments to the provinces.

Hon. Stockwell Day: Well, the two you've mentioned go hand in hand. We are not reducing any of what's called the statutory spending. That is spending that is required related to health care, spending on our seniors, amounts they might receive either under the OAS or the GIS. That is not reducing those types of payments to people. Canadians do not have to fear.

I'm not being partisan; I'm being factual when I say the Liberal government in the mid-1990s took a very different approach. They went after the provincial transfers. That was their right to do that. We disagreed with it, of course. I was involved in provincial government at the time. To wake up one morning and without warning get the notice that our health care transfer had been cut by over 30% was somewhat of a shock. That's a plan they chose to use. I'm not being partisan in saying that. I believe that hospitals and health care systems in some provinces are still trying to deal with that today.

To answer that question in terms of services to Canadians, we are increasing, for instance, the health care transfer by 6%. We have added to the EI program as we've gone through the global recession. There have been additions. For instance, there is the work-sharing program. As we've travelled across the country, we've found it to be very successful and very well handled by businesses that have been able to keep employees on a work-sharing basis. They keep people who have developed the training skills necessary for the job. We've seen increases there. We've seen increases in the EI program for people with what we call attachment to the workforce, people who had been employed for many years and through the global downturn had been thrown out of work.

When it comes to programs for people and those services, they are not just being maintained; in most cases, they are increased. But when it comes to government operations, how departments run their shops, that's what we've frozen for three years, and they have to accommodate that, as Madame Bourgeois has rightly pointed out, within also having a 1.5% increase. I don't think that's an easy thing to do. Our government managers and employees are working hard to do that.

Again, if you do the comparison back to the mid-1990s, it's certainly nowhere near what we saw in terms of what happened in the public service, especially in 1995-96. Some people would like us to go further. We think we can manage without doing that, especially when you consider there's been an overall increase in the public service since we have formed government. Some would say the increase in hiring has been too much. Some would say it hasn't been enough. Let's have the debate, absolutely. We have seen an increase in hiring.

For instance, in the numbers for broadly the public service in our armed services, we said we were going to increase the number of full-time people in the armed services, and that has gone up. We said we would put in place a fund that would increase the number of RCMP officers across the country by a total of at least 1,500. We acknowledge we did that. More people were hired to work on the EI programs as we went through the global downturn. Sometimes we forget these things quickly. We faced the problem in the United

States with the famous demand that all Canadians have to have passports, and the incredible pressure that put on our passport offices. More civil servants were hired.

There's been an increase in the civil service. We felt those increases were necessary. We are asking now that these departments hold the line for three years.

As you know, we're imposing also a freeze on all members of Parliament in terms of our salary. All hospitality, conference, and travel budgets are being held for the next three years at 2009 levels. We've frozen our budgets ourselves. We've just finished the budget for this year for ministers' offices. There's been an \$11.4 million reduction for ministers' offices as we move into this year.

We're taking a number of steps on the operational side to maintain the costs. We have to, we believe, get to that deficit balance position. We are on track to do that. Outside external observers say we are on track. The International Monetary Fund, as a matter of fact, says we're ahead of what the PBO says.

● (1140)

We'll know in 2014. I think we'll know before then whether we're going to be able to maintain that. The proof will be in the pudding at that point. But we are on track right now.

Mr. Ed Holder: Minister, one of my colleagues previously asked how the government could presume to have the budget without a plan and indicated that there is no plan. It seems to me, having been in business for as long as I have been, that you can't get to an end result without a plan.

I'm not sure about the comment, but I'm struck by what you said about balancing the budget. My practical question is, if I recall what you said, unless there were some kind of cataclysmic or global event that could prevent this from happening, do you have any sense what it might look like, if that were to be the case?

Hon. Stockwell Day: That is a fair question. If I could predict that, I would probably be working somewhere else, having a lot more people and a lot more income than I'm getting right now. But that is a fair question, and that's why we have to be prudent. We think we're going to be able to achieve that. There could be things that take place. There are some things going on right now in other countries that can have huge impacts on the energy supply; for example, what is going on in the Middle East right now. We have no idea where that's going to go. So we need to always be prudent in case there is something absolutely unforeseen, and I think we are following a prudent path.

The Chair: Thank you, Minister.

Thank you, Mr. Holder.

Mr. Martin, you have eight minutes, please.

Mr. Pat Martin (Winnipeg Centre, NDP): Minister, let me start with your own comment, when you opened your remarks, that the IMF complimented Canada for its miraculous recovery. You pointed out that they're not known for making divine pronouncements. To continue the religious analogy, you seem—

Hon. Stockwell Day: That was their analogy, not mine, for the record.

Mr. Pat Martin: You seem determined to beatify and even canonize our Minister of Finance, and you seem equally determined to vilify and discredit and even demonize the Parliamentary Budget Officer. I notice an aggression just below the surface in your remarks every time you speak about the Parliamentary Budget Officer.

Let me tell you, as the oversight committee for the Treasury Board—the committee that you answer to, the committee that you come to asking permission to spend money—we don't know whom to believe. The public has a right to know, Mr. President, what the government's plans are to dig us out of this deep deficit hole; yet it's been like pulling teeth to try to get that information out of your office and out of government departments.

With the economic stimulus spending, you guys were announcing it from the rooftops. You were spending a fortune bragging about how you were going to spend our way out of the recession. But the flip side of the coin, the economic strategy to dig us out of the deficit we're in now, is now a cabinet confidence; it's a deep dark secret.

So you're asking Canadians to buy a pig in a poke. You're asking us to believe you on face value with no corroborating information, because you've denied us the very numbers we need to measure the veracity of your modelling. You're asking us to believe that within one four-year election cycle, everything will be rosy, whereas the Parliamentary Budget Officer, who has no axe to grind—an independent analyst—says something wildly different. And the IMF, frankly, says something wildly different. They don't agree with the little chart and graph that you just circulated. You just circulated your ideas; you didn't circulate the contradictory ideas from the independent IMF and the independent Parliamentary Budget Officer.

So you can see how it is that we're frustrated and confused and maybe just as angry as you are at having your numbers challenged. We're angry that we're not allowed to even see those numbers. We're asked to take your word for it, when the independent Parliamentary Budget Officer whom we, as Parliament, put in place to check in an independent way the veracity of your models and your numbers... they slam the door in his face. They won't give him the numbers he needs.

And when he does manage to cobble together the numbers, they contradict yours by a long shot. So it's no coincidence that in the weeks leading up to a federal election, you're telling Canadians to give you one four-year election cycle and you will get us out of the red and into the black. Well, nobody else believes that. And in the absence of any numbers, I don't see how you can expect us to believe it.

Let me ask you a question, then, about the—

• (1145)

Hon. Stockwell Day: Expect a long response, too, Mr. Chair. Thank you.

Mr. Pat Martin: Well, you sat here and gave us a pretty good scolding and talking to, Mr. Minister.

Let me ask you, then—and I remind you that you're under oath...

Hon. Stockwell Day: Oh, please.

Mr. Pat Martin: No, I don't want any dancing around this question. Has your office or the Privy Council done a detailed estimate of the costs associated with the Truth in Sentencing Act and an estimate of the cost associated with any other major change to the Criminal Code?

It's a straight question, so let's have a straight answer.

Hon. Stockwell Day: Well, Mr. Chair, I'll give very clear answers.

The member, whom I consider a friend, is also known as a master of hyperbole. We also know that hyperbole is often the refuge we take when we don't have data to support our grandiose statements.

Mr. Pat Martin: You won't give us any data.

Hon. Stockwell Day: Mr. Chair, first I'll ask whether the member has looked at the data I've already sent. I don't want to insult him by saying that he's under oath.

Have you?

Mr. Pat Martin: Our committee certainly has.

Answer the question. Have you done a detailed estimate of costs associated with the Truth in Sentencing Act?

Hon. Stockwell Day: Pat, I'm asking whether you've looked at this. Have you looked at this?

Okay. There is no answer. Let that be on the record. Thank you.

I haven't looked at it all; I could say no. You could say that.

Mr. Pat Martin: Our committee has looked at it. You intend to hire 4,000 new prison guards. Where does that factor into your attrition?

Hon. Stockwell Day: Allow me to continue. He's made another of a number of statements. They weren't understatements; they were overstatements.

Mr. Pat Martin: I've only asked one simple question, sir.

Hon. Stockwell Day: Mr. Chair, how is it, in this age of supercharged debate...? How do we go from my saying and questioning the Parliamentary Budget Officer, who said that the attrition rate of 11,000 is wrong, that it's only 1,100...? I question that, and now my honourable friend is saying I'm demonizing him.

Mr. Pat Martin: You're trying to cut off the legs from underneath him. First you starve his budget, and then you won't give him the tools he needs to do his job. And when he comes up with contradictory numbers, you guys go ape. You go crazy trying to vilify him.

But I only asked you one question, and that is whether your office has done a detailed estimate of the costs associated with the Truth in Sentencing Act and an estimate of the costs associated with other changes to the Criminal Code. It's relevant; it's pertinent. I say it's going to add to the deficit, not help you solve the deficit. How are you going to hire 4,000 new prison guards and build \$2 billion worth of jails when you're trying to balance the budget?

• (1150)

Hon. Stockwell Day: Mr. Chair, he asked a series of questions, and—

Mr. Pat Martin: No. I asked one.

Hon. Stockwell Day: I know on a number of occasions, because I sit beside him in the House of Commons, that the Minister of Public Safety has stood and has given a projected figure on what the estimated cost will be over the next four years.

Now, I'll go back to Hansard, if my colleague would like me to do that. Certainly we'll get those numbers that he's been using.

Mr. Chair, I'm trying to say that a vigorous debate on numbers is one thing—

Mr. Pat Martin: But wildly contradictory testimony, sworn testimony by two people who I trust...and it's wildly contradictory. One has no axe to grind and is independent; the other is going into a federal election in which you want a majority, so you surely want to be able to tell people that within that four-year majority, you're going to be in the black, not in the red.

That's the only document you've circulated. Where's the PBO document that contradicts you? You didn't spread that around today.

He's independent. You're not. You're biased.

The Chair: Mr. Martin, please let the minister speak. You have 30 seconds.

Hon. Stockwell Day: As I said, hyperbole is one thing, and now trashing the document itself is document abuse, I suppose.

Mr. Chair, I questioned with data a figure of the PBO, and my friend seems to have taken that.... The PBO is not the Pope; he is an individual who works for the library, and he questions—

Mr. Pat Martin: Neither is Jim Flaherty.

Hon. Stockwell Day: —a number that has been produced by the public service.

So let's just leave that. Let's just say, as I tried to say at the start, that I have a healthy disagreement with the PBO. Is that vilifying him? I have people who question my statements every day. They don't vilify me; they're just saying that they question.

Let me deal with that last comment.

The PBO has a very distinctly singular position that is at odds not just with the government but with all of the economic forecasters and with external forecasters such as the IMF and the OECD.

Now, Mr. Chair, just on the—

The Chair: Mr. Minister, I'm sorry. Mr. Martin has gone way over his time, and I know you did not want to—

Hon. Stockwell Day: I didn't notice. I was enjoying the exchange so much that—

The Chair: I don't want to extend the religious analogy too much further, but I'll just point out that we have only one “Cannan” in this committee—

Some hon. members: Oh, oh!

the Chair: —and of course I anticipate that members will be looking forward to our second hour, with the presentations by the churches.

Mr. Regan, you have five minutes.

Hon. Geoff Regan: Clearly, Mr. Chairman, canon law doesn't apply here.

Mr. Chairman, this is through you to the minister.

Minister, your government created the Parliamentary Budget Office with great fanfare. You appointed Mr. Page as the Parliamentary Budget Officer, yet now you seem to be trying to discredit him. That gives me great concern. You won't give him the information he needs, as he's pointed out time and again.

Let's get back to this question of the attrition. Over the past five years, you've actually added over 33,000 more civil servants, more positions. The PBO is talking about the attrition of positions—not how many people actually retire each year, but how many fewer positions there are.

Surely, in the report on plans and priorities of departments, when they're talking about, and when in your budget planning you're talking about, attrition, you're not talking about what happens if Bob and Sue and John leave. You're talking about absolute numbers of positions that are reduced and the reduction overall of the civil service.

I think you're trying to fudge it here today by suggesting two different things. You're not actually responding to what he's saying.

Are the reports on plans and priorities of your government important, worthwhile documents or not? In those documents, those 10 agencies and departments that he's talked about can't identify more than 1,133 positions that they'll reduce. So are they important documents? Are they valuable? Should we ignore them? Are they useful to the public at all?

Hon. Stockwell Day: Mr. Chair, not only did we create this office for the PBO and the position, but not that long ago we increased, at his request, the amount of funds. So please, let's not say that the tools are not there.

Hon. Geoff Regan: Last year you reduced it; you know that.

Hon. Stockwell Day: There was an increase of funds, and, Mr. Chairman, we have increased the numbers of departments, agencies, and organizations, by a factor of about 70, that are subject not just to the PBO but to the Auditor General, which the former Liberal government questions—

• (1155)

Hon. Geoff Regan: My question is about attrition.

Hon. Stockwell Day: Then on attrition—Mr. Chair, I'll say this again, as clearly as I can—when we talk about attrition, and we've always been clear about this, we're talking about the number of people who leave the federal public service in a given year.

Hon. Geoff Regan: Well, then, Minister, how is that relevant—

Hon. Stockwell Day: Mr. Chair, I am asked a question, and then when I start to give the answer—

Hon. Geoff Regan: How is that relevant at all? If you're saying that your plans for reduction of spending are dependent on attrition and you aren't talking about actually reducing the number of positions, how can you possibly suggest that it's going to help you meet your targets?

Hon. Stockwell Day: Mr. Chair, if I could try to finish when I'm asked these questions....

When 11,000—last year I believe it was 11,154, but over 11,000—people will leave the public service....

Here's why that's an important figure: because it creates vacancies. If, and I'm using the word "if", a department decides that a certain program can be run with fewer people and people have already left the department because they've retired, that gives a little more assurance to people working there that they'll be able to continue to work, because yes, a program has been reduced, and maybe the number of people who are going to run it temporarily, but a lot of other people have already left, so those holes can be filled by existing....

Now, there's no guarantee that there will not be people who will have to leave the public service because of a program's changing how it operates. But Mr. Chair, I can say that the effect on the public service is going to be nowhere near as devastating as it was in the mid-nineties when, by the tens of thousands, public servants received their pink slips and were shown the door. This is a very, very different approach.

Hon. Geoff Regan: Minister, you've been in government for five years. It's time to be accountable for what you're doing, not deal with what happened 15 and 20 years ago.

Let's talk about this attrition question. You've been trying to suggest, using these numbers, that you're going to make big savings from 11,000 a year. Let me ask you: if you don't actually reduce the number of civil servants by 11,000 or more, as you've suggested, by the end of this fiscal year, will you resign?

Hon. Stockwell Day: Mr. Chair, it is not for me to tell the departments how many public servants it's going to take to run a program. They will make those decisions.

Mr. Chair, I don't know whether there's just a deliberate lack of acceptance of what we mean when we say 11,000. Do we understand, when I say that 11,000 is the attrition rate, that this means some number higher than 11,000 people will leave the public service this year? Does that mean we're not going to hire any more? No, we've been hiring pretty aggressively, as the member has pointed out. Does that mean a certain department may not reduce in an area? No. I'm simply saying—

Hon. Geoff Regan: So you're not going to meet your financial target. That's the point.

Hon. Stockwell Day: Well, we and much of the rest of the world think we are.

The Chair: Thank you, Mr. Regan. Thank you, Minister.

Colleagues, it's 11 o'clock. We did get started a little late. I propose that we have a Bloc round and a Conservative round and end it at that. Is that fine? Five minutes each?

Mr. Vincent, five minutes, please.

[*Translation*]

Mr. Robert Vincent: Thank you, Mr. Chair.

I am glad I am here today, Mr. Minister, so I can tell you what I think of your plan, not as a member of Parliament, but as a citizen. We have been hearing about the government's plan or plans for a few years now, but unfortunately, we have yet to see a real plan.

You talked about reducing the deficit. To you, that may be a plan, but that tells me absolutely nothing. You talked about possibly cutting the deficit by \$15 billion, but we still have no idea how you are going to do that. It makes no sense.

In your opening remarks, you said, "I'm proud to say that our government has led by example by freezing the salaries of the Prime Minister, ministers, members of Parliament and senators." Further on, you said, "Let me be clear. This government won't be balancing the budget on the backs of hard-working Canadians."

Could you comment on the 35% increase in employment insurance? It seems to be another tax on workers and employers. Is that the money you will use to try to balance the budget?

Hon. Stockwell Day: Mr. Vincent, you asked a number of questions.

I repeat—and I believe I am right—certain people here today do not agree with our plan. But to say we do not have a plan is false. For example, you can see a clear reduction of \$20 billion for this year alone, given that we are going to put an end to the temporary stimulus plan. That is equivalent to roughly \$19 billion. Those numbers are in our plan.

You do not agree, and I accept that. But it is wrong to say that we do not have a plan. We have a plan.

● (1200)

Mr. Robert Vincent: Mr. Day, I understand your plan. Basically, I could write something similar down and call it my plan.

Hon. Stockwell Day: We are not going to increase the employment insurance fund at the level he mentioned. Instead, we rejected the board's recommendation that it be increased. We decided not to because jobs, entrepreneurs and businesses were more important.

Mr. Robert Vincent: That is what you are doing this year, but you are going to increase it again next year. Stop it.

I will give you a real example. What could these budget cuts really mean? How is it being done? There is a Canada Border Services Agency in my riding, a customs office. It will shut down, because they say they want to save a lot of money. That is in the government's plan. The customs office in Granby will be closed, but the only true savings will be the cost of the telephone line, given that the Canada Border Services Agency paid for the office space and equipment. So closing that office will not save a thing. The office will close, workers will lose their jobs, and the people in my riding who deal with that office, which, by the way, brings in \$1 million in taxes a week, will suffer. And yet, the office is being closed to save on the cost of a telephone line.

That is your plan, Mr. Minister. You would do better to jot down another on the back of some napkin, because the one you have is pretty flimsy.

[English]

The Chair: Very briefly, Minister, please, because we have half a minute.

[Translation]

Hon. Stockwell Day: A Canada Border Services Agency office may indeed be closing, as my colleague mentioned. The minister may have made such an announcement, I am not sure. But if it is true, that is an example of a plan to reduce services. And if that is the case, there is a debate that needs to happen. Will it cut costs? I do not know. I appreciate the recognition that a debate needs to happen. There is a plan. Everyone may not agree with it, but it does exist.

[English]

The Chair: *Merci, monsieur Vincent.*

Merci, Minister.

Mr. Cannan...

No, I won't say anything.

Voices: Oh, oh!

Mr. Ron Cannan: Thank you, Mr. Chair. I appreciate the name being used, and it's an honour to be here.

Thank you, Mr. President, for being here as well.

I'm going to split my time with Mr. Warkentin, our newest father of the group.

The issue is obviously a very important one to all of us around the table. We've had consultations with our constituents in pre-budget, and the number one thing I hear from constituents is that living within our own means is no different from, at home, living within our own budget. It's important to get to this balanced budget that we're working towards. I'm glad to hear from your comments today that we're on track to realize these savings.

Mr. President, I just have a quick question, one that was identified when we talked about transparency and open, accountable government, which we're all for.

And I appreciate Pat Martin in the last session...that we got Bill C-2 through.

The question has to do with releasing of documentation. I understand. We all want the information. But could you, as the President of the Treasury Board, assure our committee and members of Parliament that documentation won't be released to others before elected members of Parliament have the information?

• (1205)

Hon. Stockwell Day: Mr. Chair, this is something that is very key. I have explained to the Parliamentary Budget Officer, along with the documentation that we have sent him—piles a lot higher than the one in front of me that he quite rightly has asked for and that quite rightly we've given—that there are some things we can't give.

My colleague is saying that he wants the assurance that MPs won't be seeing stuff coming out of the PBO that they haven't had a chance to see yet. There is documentation that I've itemized for the PBO, saying that I appreciate his asking for these numbers, but that MPs haven't even had the chance, because it might be part of an estimates process in years to come—Parliament has not even had the chance—to debate or approve or vote against those numbers. And you're asking me to give them to you so that you can release them? That would be not just an affront to Parliament; it would be contempt of Parliament.

Any time we have had to say no to the Parliamentary Budget Officer, we have said very clearly why some documents can't be forwarded. I would suggest that we send him a great many documents, but we're not going to release—and I think my colleagues here on the opposition side would be the first to jump all over me, if I gave out—information that MPs haven't even had the chance to see and debate and vote on yet. Mr. Chairman, that is one of the things that needs to be addressed.

Just to come back to this issue, we should be able to have vigorous debate on plans and numbers, but really, in the session today, some of the hyperbole that I've seen.... In fairness, and with respect—that's freedom of speech, and people can dance from the rooftops while they're making their remarks, if they want—let's realize that there's a difference between a vigorous debate on numbers, plans, and even philosophies.... That's one form of debate, but some of the characterization that I've heard today is a little bizarre, and I think it detracts from some of the hard number-crunching that this committee is actually known for a lot of the time.

The Chair: Mr. Warkentin, you have less than two minutes.

Mr. Chris Warkentin: Thank you, Mr. Chair.

Minister, it's a pleasure to have you.

This last week, I understand, the C.D. Howe Institute came out with a report in which it gave great explanation as to why it felt the government would be on track to meet its targets. It also gave some ideas or suggestions as to how the process could be expedited to balance the budget. So we have yet another well-respected voice in Canada, an institution that we often make reference to, that is agreeing that the numbers are in fact in place, that the numbers are working, and that the plan is doable and can be reached.

What is interesting, in addition, when we're talking about numbers, is.... I don't want to demonize the PBO either, but I just did some quick calculations, and my estimate is that there are approximately 280,000 civil servants, not including department of defence civil servants. If there were only 1,100 people leaving the civil service, that would be an exceptional retention rate, especially as we know that the demographics within the civil service indicate that there are many people who are ready to retire—I believe the number is closer to 12%—and who could be prepared to retire in the next number of years.

So I think all members of Parliament should be aware immediately that the number 1,100 is not realistic, that it isn't in congruence with any type of reality. While I appreciate that members opposite are claiming that this is a vilification, it's clearly just not believable that there would only be 1,100 people who would be leaving the civil service.

Hon. Geoff Regan: The PBO said in his January 20 report:

The President of the Treasury Board has also noted that public service attrition will be the primary mechanism to achieve the operating freeze savings targets; observing that approximately 11,000 public servants vacate their positions each year.

I think that today the minister has in fact acknowledged that the PBO has that correct.

Mr. Chris Warkentin: If there's a point of order, I'd like to—

The Chair: That's not a point of order; it's a point of debate.

Regrettably, Mr. Warkentin has run over his five-minute allotment. As a courtesy to the minister, I'll give him a half-minute to reply. Then we'll suspend while we bring in the next witness.

Hon. Stockwell Day: What was just attributed to me by the PBO is in fact not accurate. As a matter of fact, I just pointed out to my friend from the Bloc that the primary achievement this year for budget reduction is going to be the \$19 billion that will no longer be spent on the stimulus program. It has nothing to do with attrition at all; it's just that this money is not going to be spent.

I would simply like the PBO to be more careful in his publications and statements and I would certainly appreciate his simply saying, all other things aside, whether he was talking about net or not net, that the government is correct when they say that attrition this year will be something over 11,000 people.

That's all. If he would just say that, it would be great.

• (1210)

The Chair: Thank you, Minister.

Before I suspend, Madam Coady, did you have something you wished to say?

Ms. Siobhan Coady: I wish to table something. When I was speaking earlier, the minister questioned where I was getting the figures from. They are from the International Monetary Fund. Page 28 of that report indicates that the budgetary balance will be in deficit in 2015-16 by \$5.4 billion, which is different from what the government is saying.

So I'd like to table this report for the minister to review.

Hon. Stockwell Day: I appreciate that. It's half of what the Parliamentary Budget Officer is saying. He's saying \$10 billion.

The Chair: Thank you to both of you.

I'll suspend for a couple of minutes while our next witnesses come.

On behalf of the committee, thank you, Minister.

• (1210)

_____ (Pause) _____

• (1210)

The Chair: Colleagues, on behalf of the committee, I'd like to welcome the Church Council on Justice and Corrections to the meeting. We have roughly 45 minutes.

Do you wish me to respond to the point of order that you raised earlier or...?

Well, we had a meeting last week in which we tried to set the agenda. We have had a very active clerk trying to fill in all the blanks in the agenda. We had four two-hour sessions to fill. There was an anticipation that we would have Madame Bourgeois' witness on corrections at this time. We were unable to fill that, and these folks became available. It seemed to be an appropriate discretion on the part of the chair to fill that particular hole.

I see Mr. Warkentin first, then Mr. Martin, and then Mr. Regan.

• (1215)

Mr. Chris Warkentin: Mr. Chair, I appreciate the fact that the clerk is doing his utmost to get the spots filled, but I think if members of this committee had been consulted about who we should bring in today, there would have been some suggestions that might have been wide-ranging in terms of the different folks. As you know, we have limited opportunities to hear from people. We obviously don't want to have witnesses who are redundant and whom other committees have already heard from. But we do want to concentrate on the issue at hand.

There are a whole lot of people I would like to have heard in this hour, had we known it was available. We didn't know, Mr. Chair, that this hour was available. We didn't have an opportunity to give suggestions as to who we would fill this hour with. We gave suggestions—apparently there were a number of suggestions or thoughts—as to who we would hear from in this hour, but the group that is presenting today wasn't included in that list. This wasn't even a suggestion.

I believe the subcommittee has a responsibility to look at and make determinations based on what is in the interest of this committee. I think it's important that all committee members have an opportunity—that every party, at least, has an opportunity—to weigh in as to who will be at these meetings and who will give testimony to this committee. It's an issue of decency and courtesy to members who are part of this committee that we be consulted when it comes to witnesses who will be heard from at this committee.

The Chair: Mr. Martin.

Mr. Pat Martin: Very briefly, it's also a matter of courtesy to hear the witnesses who are here to speak to us today.

But just for the record, I raised this organization with the chair when I learned about their work while I was researching a recent article by Newt Gingrich in *The Washington Post*, in which he cited a similar prison reform movement sweeping the United States with faith groups and right-wing politicians, such as New Gingrich, and a number of other leaders from that right-wing side of things. I raised this with the chair, and I was impressed when the chair, with the clerk, managed to seek them out and invite them on such short notice. So I'm partly responsible for the lack of notice in this particular case.

The Chair: Mr. Regan.

Hon. Geoff Regan: Is it correct, Mr. Chairman, that the Department of Human Resources and Skills Development actually refused to appear before this committee, and is that one of the reasons why we had the opening?

The Chair: I'll let the clerk respond to that.

The Clerk of the Committee (Mr. Marc-Olivier Girard): The Department of Human Resources has not refused to appear. They were unable to do so because their main public servant responsible for the file was abroad this week. They will be appearing on Tuesday of next week, February 15.

The Chair: Thank you.

We'll hear one final point by Mr. Calandra.

Mr. Paul Calandra: We'll obviously be hearing from them and we obviously have no ability as a committee to influence what is going to be going on here.

We have future business. I'm not sure why we actually bother putting future business on an agenda, since you just really decide on the spur of the moment who you're going to put on as witnesses. We have nothing from the Library of Parliament with respect to who they are and what they stand for, other than a letter they sent to the Prime Minister.

As a member of the committee, I have no understanding of whether these people can effectively speak to what we're talking about, which is departmental budget freezes. I'm not really interested in their policy perspectives. I'm interested in whether, as part of this study, we can narrow down the focus to departmental budget freezes. We have a draft report, which I thought we were going to start talking about in this hour.

It strikes me that this is just a continuation of the absolutely positive lack of respect that you have for this committee. It's either yourself or the clerk.... Somebody is continuously throwing in witnesses, not allowing us to prepare. If the committee is going to continue to simply proceed on the basis of what the Liberal Party thinks might score a cheap political point, then by all means they can continue in this way, but it would certainly be nice to have the ability in advance, out of respect for the committee, to know who's coming—not at 2:30 in the afternoon the day before—and to have information from the Library of Parliament concerning who the witnesses are, why we need to sit down and hear from them, and to know in the future whether they actually can bring a perspective on the budget freeze.

I'll leave it with—

•(1220)

The Chair: Thank you, Mr. Calandra, for that observation.

We'll hear Mr. Holder very briefly; then we'll hear from the witnesses.

Mr. Ed Holder: Thank you very much.

This is perhaps briefly an extension of Mr. Calandra's point, but it is from the standpoint of respect for this committee, insofar as I was the person who sat in on behalf of the government side at the last steering committee. In that session we talked about a variety of witnesses. This group did not come forward, but what's really strange, Chair—I would really be grateful for your insight into this—is that at that last meeting, when we had our steering committee, I spoke very specifically on this issue, because we had another circumstance, as you'll recall, in which the chair made a determination to bring someone in without notice, although at least in that circumstance, I would say, we had a lot of background on the individual. But at the point of not being able effectively to do our research, it becomes a one-sided dialogue.

I would just come back to the chair and say to you that the reason we have a steering committee is so that we can determine our path. It feels that this has been disjointed, for whatever reasons, and it strikes me that to assist us in our planning and preparation, sufficient notice must be given. It has to be done through the steering committee. I have to say that this is now the second time I have brought this forward within what is days, in my view.

I would come back to the chair and say, please remember why we have a steering committee. It's helpful to all of us to be able to do our appropriate preparation, and, frankly, if this is an appropriate group to bring forward, it allows us all to then be thoughtful in our research, which Canadians expect and we as parliamentarians should demand.

The Chair: Thank you, all, for your observations.

May I now call upon Madam Berzins or Monsieur Champagne.

Please introduce yourselves, and then go ahead.

Thank you.

[Translation]

Mr. Laurent Champagne (President, Church Council on Justice and Corrections): Good afternoon. My name is Laurent Champagne, and I am the president of the Church Council on Justice and Corrections.

I would like to begin by introducing the church representatives who are with me today: Dr. Richard Haughian, on behalf of Mgr. Gary Gordon of the Roman Catholic church; Rev. Ann Salmon, on behalf of the Anglican Diocese of Ottawa; Rev. Jane Griffiths, on behalf of the United Church; and Paul Heidebrecht, on behalf of the Mennonite Central Committee Canada. There is also the Evangelical Lutheran Church in Canada, which wrote a letter to the Prime Minister but could not be here today.

I will now read you the letter I wrote to the Prime Minister.

The Church Council on Justice and Corrections (CCJC) is most concerned that in this time of financial cuts to important services, you and the government of Canada are prepared to significantly increase investment in the building of new prisons.

Proposed new federal laws will ensure that more Canadians are sent to prison for longer periods, a strategy that has been repeatedly proven neither to reduce crime nor to assist victims. Your policy is applying a costly prison response to people involved in the courts who are non-violent offenders, or to repeat offenders who are mentally ill and/or addicted, the majority of whom are not classified as high risk. These offenders are disproportionately poor, ill-equipped to learn, from the most disadvantaged and marginalized groups. They require treatment, health services, educational, employment and housing interventions, all less expensive and more humane than incarceration.

The Canadian government has regretfully embraced a belief in punishment-for-crime that first requires us to isolate and separate the offender from the rest of us, in our minds as well as in our prisons. That separation makes what happens later easier to ignore: by increasing the number of people in jail for lengthier sentences, you are decreasing their chance of success upon release into the community.

Increasing levels of incarceration of marginalized people is counterproductive and undermines human dignity in our society. By contrast, well-supervised probation or release, bail options, reporting centres, practical assistance, supportive housing, programs that promote accountability, respect and reparation: these measures have all been well-established, but they are underfunded. Their outcomes have proven to be the same or better in terms of re-offence rates, at a fraction of the cost and with much less human damage.

Public safety is enhanced through healthy communities that support individuals and families. We, therefore, respectfully ask you to modify your government's policy taking into consideration the impact it will have on the most disadvantaged, its lack of effectiveness, and its serious budgetary implications.

●(1225)

[English]

Ms. Lorraine Berzins (Community Chair of Justice, Church Council on Justice and Corrections): I would like to say a few words before we open it up for questions.

The Chair: Okay, but I just want to point out to both of you that we did start late. We do have another committee coming in at one o'clock.

Ms. Lorraine Berzins: Yes. I will be brief.

The Chair: Okay. I appreciate that accommodation.

Thank you.

Ms. Lorraine Berzins: First of all, we are here to talk about costs and budgets. We have sent this letter to leaders of the opposition as well, so this is not a politically partisan issue for us. It's about the general direction of all the legislation that's going in the direction of putting more people in prison, and the cost of that, which has really reached a tipping point.

We've known for a long time that this is a bad investment of public funds. I draw your attention to what we have distributed, "Towards a smarter sentencing policy", which you should have in both languages. We've known for a long time what works better, and how it costs less, and how it helps victims better as well.

As we know from the U.S. experience, and I know that you know this, they've had a disaster down there in pursuing the same policy of more people in prison. They have found that they really have to change direction at this point.

What I think many people don't know is the very latest data that has come out through studies in the States from the Pew foundation. I would like to talk about two things related to that. They have done a very careful study of the data related to the impact of a sentence of incarceration—down the road, for generations to come—on the people who have suffered that and their communities. They have very specific data that show a number of things: that there are lifelong impacts on the economic stability of those people and their families and their children; that with their massive incarceration policy, there's a huge increase in children who have a parent behind bars; and that this affects their own economic survival during that time but also lifelong. When the father comes out of prison and cannot take care of the family—a great percentage of them were supporting the family before—who has to pay? It is the community and society who have to pay.

We also know from their data—and this is specific data, not rhetoric or ideology—that these children are significantly more likely than other children to be expelled or suspended from school. Education and parental income are well known to be strong indicators of children's future economic stability. The data show how entire communities, because often this is concentrated in some communities, are suffering the effects of this kind of policy with a lower standard of living, lower economic development, and poor education and health care services. It's creating the very conditions that breed more crime.

We know this will be true for Canada as well. We already know this from the data, but I don't think we're paying enough attention to this.

We know also that this is not just a question of federal costs. The provisions you're approving are going to lead to a great deal more cost to be carried by provinces. There will be a lot more court time, and longer trials. More personnel will have to be hired, with more people in pretrial detention. I won't go into it in detail, because you're pressed for time, but you should find out about that.

Canadians don't just care about what the federal government is going to pay; we care about what the downside effect is going to be on our provinces, on our communities, on the citizens of our cities. We care about the costs we have to bear because of all the services we need to provide around that, and about what it does to the relationships in our communities and the causes of more crime.

We know that it's affecting the most vulnerable people in our society. We know that it's affecting against certain racial groups and people with certain handicaps and difficulties. As the *Ottawa Citizen* recently noted in an editorial, "If any politician were to say that poor and aboriginal Canadians should spend extra time in jail when charged with crimes, that politician would be vilified." Yet that in effect is how our system of justice works now. And if you don't know that, you should find that out, because statistically that is true in terms of pretrial detention and at many other levels as well.

We know that a majority of Canadians do not want this, contrary to what we're being told more impressionistically. The latest poll shows that 58% against 36% of Canadians prefer prevention programs and education rather than tougher punishment as a way to combat crime.

We don't understand how you can spend all this public money without regard for the costs that we're all going to pay down the line. We are informing our constituency about this, and many others are encouraging the people they're in contact with to find out more about this. We're still at a point where we could stop it, and it's a tragedy that we're not paying attention to that.

• (1230)

I'm finished.

The Chair: Thank you, Madam Berzins and Monsieur Champagne.

We have a mathematical impossibility here. We have 30 minutes left, but with four parties at eight minutes each, that equals 32 minutes.

Could I perhaps cut it back to seven minutes?

Some hon. members: Agreed.

The Chair: Okay.

Madam Coady, you're first. You have seven minutes.

Ms. Siobhan Coady: Thank you very much.

Thank you to you who are presenting, as well as to all of you for coming here today to lend your viewpoints on this very serious issue. I've heard it in my community as well. With regard to the polling data, I've had people come to me on this very issue of prevention versus incarceration.

Of course, we've seen in California, in the United States, some of the ramifications of incarceration. Dan McGettigan is the founder of Turnings in my community, which runs four circles of support and accountability for ex-offenders. He talks about continuity of care, and he foresees that what will happen with this truth in sentencing is that you'll put somebody in prison, and eventually you'll let them out, but there won't be this continuity of care to ensure that they do not reoffend. There won't be the kind of care in the community to ensure that they won't reoffend—let alone the prevention, which is the beginning of this.

I have several questions, but there's one other point I'd like to make. Truth in sentencing, which I think you focused on originally as the piece of legislation that you're concerned about—not only the costs for more prisons but also the fact that it'll be driven to the

provincial level—is just one bill. There are many crime bills. We've costed out, through the Parliamentary Budget Officer, the cost of that one bill. There are many that are going to drive up the costs.

You talk about modifying government's policy. What exactly would you like to see happening? If you could say today, in talking to government, "This is what is preferable to what you're doing", what would it be?

Ms. Lorraine Berzins: Well, I think we already know that we incarcerate a large number of people for non-violent offences. That is something that should be reviewed very carefully before new sentences are brought in. We think that the kinds of new policies and laws that bring in stronger, longer sentences for more people, and that make it without flexibility because it's mandatory, is very bad human decision-making.

So we would certainly like the plan to build more prisons to have a moratorium put on it for a while. We're certainly not saying that nobody should be in prison. Perhaps prisons could be much different, more preventative and less punitive, but we all know that there are people who we have reason to fear. We all want protection from that, and there isn't any one of us who doesn't. There are just many, many, many there who do not need to be there.

So we would really like to take the investment for which you clearly feel you have money and to reallocate it to the options in the community that we know about that can do a much better job at lesser cost.

Perhaps Laurent would like to answer that further.

• (1235)

Mr. Laurent Champagne: I would like to add that reintegration is very important. I work in that area in Montreal, and it's so important to have people working with them. It is prevention: reintegration is the best promotion of prevention in crime. It works. It's something that works. But we need more money in the community for reintegration.

Ms. Siobhan Coady: I agree with you that continuity of care, as Mr. McGettigan told me, is incredibly important to ensure that we just don't keep incarcerating the same people or the same families continuously.

You mentioned a poll. Could you—

The Chair: Excuse me, Madam Coady. Mr. Calandra apparently has a point of order.

Mr. Paul Calandra: On a point of order, are we going to be getting actually to the departmental budget freeze with respect to public safety, or are we just going to be talking about policy with respect to how we incarcerate people in the communities? I'm wondering if we're getting to that soon with the specific departmental budget freeze.

The Chair: These witnesses are saying what these witnesses are saying, as the question—

Mr. Paul Calandra: So we won't be getting to the departmental budget freeze today?

The Chair: That's not a point of order, Mr. Calandra.

Ms. Siobhan Coady: How much time do I have left?

The Chair: You have three minutes.

Ms. Siobhan Coady: Thank you very much.

You mentioned a poll saying that Canadians prefer prevention and education. We are dealing with increased expenses to public safety, a cost to provinces, a cost to the federal treasury, in terms of the policies we're now putting in place.

You talked about what you would prefer to see done with those moneys. I didn't get the name of the poll you mentioned.

Ms. Lorraine Berzins: I'll give it to you very specifically here. It's the latest Focus Canada survey by Environics Institute. It came out last week; at least it was reported in the newspaper last week. They have been around for many, many years. They're a very credible polling—

Ms. Siobhan Coady: They are.

And to my honourable colleague's point, one of the things we've just learned is that Corrections Canada will be hiring an additional 4,000 people for security. From a budgeting perspective, you are suggesting that money should be reallocated to other plans and priorities within that department.

Ms. Lorraine Berzins: Yes, this is clearly from a budgeting perspective. For example, you asked for options, and I just read that 15 conditional sentences save the system more than \$1 million per year.

Ms. Siobhan Coady: I'm going to turn it over to my colleague.

The Chair: For a minute and a half.

Hon. Geoff Regan: Thank you, Mr. Chair.

Thanks to the witnesses for coming today.

The President of the Treasury Board, Mr. Day, was here today. He was asked if he could give us the cost for even one of the criminal law bills the government has brought forward, let alone all of them. He was unable to do that.

Can you tell us anything about what you see are the long-term financial impacts of the kind of legislation the government has been bringing forward in the criminal law area?

Ms. Lorraine Berzins: We're not forensic accountants; we're citizens of Canada with a concern about the kind of community we know we need. We know the conditions of victims, offenders who are being sent to prisons, and their families.

We know from the U.S. experience that the likely estimates and projections of what this is going to cost are far higher than what we have heard quoted here to date. We know that Kevin Page has had a great deal of difficulty getting the kind of data needed to make a different assessment. We know it already costs too much. And we know, for example—and I believe you were given this information graph that gives some of these facts—that the cost of housing and supervising an offender in the community, federally, is \$24,000, instead of \$83,000 or \$101,000, depending on the level of security.

The Chair: Ms. Berzins, I'm sorry to cut you off at this point. We are running the clock very tight.

Madame Bourgeois.

● (1240)

[Translation]

Ms. Diane Bourgeois: Thank you, Mr. Chair.

Good afternoon ladies and gentlemen.

I want to start off by congratulating you for daring to stand up and talk about problems you are facing and about problems destitute people are facing. In his 2009-2010 report, the Correctional Investigator of Canada painted a rather bleak picture of what he said were over three quarters of the prison population. I don't know whether you have seen this report, but it stated that there was a very high number of incarcerated women and aboriginals. According to the investigator's study, there are women and aboriginals with mental illnesses, but there are also financially destitute aboriginals in prison.

You are the ones experiencing the poverty first hand. Financial, but also mental poverty cause people to commit acts that lead to imprisonment.

That's why I wanted to congratulate you on the stand you have adopted. The fact that you are several representatives from a number of churches adds credibility to your testimony.

Mr. Champagne, two sentences jumped out at me, but you didn't read the following one because you hurried to get through your letter:

We are called to be a people in relationship with each other through our conflicts and sins, with the ingenious creativity of God's Spirit to find our way back into covenant community.

This is very important. We are a community that should take into consideration people who are more financially and psychologically destitute and provide them with services.

Here's what worries me about the freeze on budget envelopes. When a decision is made to freeze the Correctional Services budgets, an additional 4,400 CXs, or prison guards, must be hired. Where will the cuts be made inside prisons? Would the governments not be likely to make cuts to reintegration programs, substance abuse programs, skills-building programs?

Money is in short supply at Correctional Services. For those who are not aware of this fact, at Correctional Services, they teach women how to do needlepoint, but they don't provide them with the skills to improve their financial situation. At least they are kept busy, but even these programs will be cut.

Do you think that this is where the cuts will be made?

Mr. Laurent Champagne: I would say that Correctional Services makes the best of what it has.

Ms. Diane Bourgeois: I completely agree.

Mr. Laurent Champagne: I congratulate Correctional Services on that. I am part of the system to an extent, since chaplains are contract employees. I think that a lot of effort is being made in this regard. However, we should really focus on people with mental illnesses, isolated people, battered women who at some point take revenge on their husbands and end up in prison.

So, a new community needs to be formed. When we say “covenant community,” we are referring to a community in which we live in harmony with each other.

Just appearing today before you is more intimidating for me, someone who is used to working with hardened criminals, than dealing with people behind bars.

Ms. Diane Bourgeois: There really is no need for you to feel that way.

Mr. Laurent Champagne: This is true because I'm not used to dealing with you, and you're not used to dealing with prisoners.

• (1245)

Ms. Lorraine Berzins: If the number of people in prison that don't need to be there were greatly reduced, much better work could be done with those who do need to be there. Much would be learned, and more progress would be made.

Ms. Diane Bourgeois: So, what you have told us today is that, instead of spending money on cement blocks, on systematic imprisonment, we should simply help both the people who need the programs, those who are imprisoned, and the communities, by investing in them instead of in building more prisons.

Ms. Lorraine Berzins: Yes, and research data confirms this. A lot of research is being conducted on desistance from crime, factors that make a person who has committed a crime head in a new direction, which is the complete opposite of what happens when people are imprisoned. What enables criminals to have a family life and a social network is contact with the community and the ability to get reintegrated. These are values that go beyond the boundaries of any particular religious group.

Ms. Diane Bourgeois: Do you understand that your ideas are very pro-active, very progressive ideas, which are difficult to implement in certain communities?

What worries me immensely are the imprisoned aboriginals and women. Have you conducted any studies on what will come of this? Will adopting the “tough on crime” approach, as is planned, result in more people in those two groups ending up in prison?

The Chair: Pardon me, Ms. Berzins.

Ms. Lorraine Berzins: We work with the groups conducting those studies, and your assumption is correct.

The Chair: Unfortunately, Ms. Bourgeois' allotted time for questions has expired.

[English]

Mr. Warkentin, go ahead, please, for seven minutes.

Mr. Chris Warkentin: Thank you very much, Mr. Chair.

Unfortunately, we have a short period of time, so I'm going to keep the questions short.

You speak, in the letter, about different initiatives this government and Parliament in general are undertaking that you feel are not necessary. When I look at the list of new initiatives being brought forward by the government, I see that the majority of them include protection against those people who are involved in sexual crimes, protection of children against those people who would rape or engage in incest with them. I see provisions to protect Canadians

from gun crime. I see an ending of sentence discounts for multiple murderers. I see a mandatory reporting of child pornography on the Internet. I see a Combating Terrorism Act. And I see ending house arrest for serious, violent criminals. These seem to be issues that Canadians universally believe we need to be protected from.

Of those initiatives, which ones do you believe should have reduced prison time?

Ms. Lorraine Berzins: I feel that the language you're using to describe the initiatives—

Mr. Chris Warkentin: I'm using the language—

Ms. Lorraine Berzins: No. I'm—

Mr. Chris Warkentin: I have a very short period of time. I'm using the language that's included in the bill.

Ms. Lorraine Berzins: Yes, I realize that.

Mr. Chris Warkentin: Which initiatives do you believe there should be?

Ms. Lorraine Berzins: The goals are very noble, and Canadians certainly identify with the goals. The tools you're proposing will not work.

Mr. Chris Warkentin: Do you believe that prison time is necessary for those people who rape children?

Ms. Lorraine Berzins: I would not use the word “rape” in this context.

Mr. Chris Warkentin: You wouldn't use the word “rape” when we're talking about people who sexually molest children?

Ms. Lorraine Berzins: I'm saying there are many kinds of offences that occur against children that have to be looked at in terms of individual circumstances.

Mr. Chris Warkentin: No. I'm asking a specific question. Do you believe that people who rape children should be put into prison?

Hon. Geoff Regan: Mr. Chairman, point of order. Would you ask Mr. Warkentin to stop badgering the witness? He's not in criminal court here.

The Chair: If we could limit it to short questions and short answers, it would be helpful for everyone.

Mr. Chris Warkentin: It's a “yes or no” question. Do you believe that people who rape children should be put into prison?

Ms. Lorraine Berzins: I do not necessarily.

Mr. Chris Warkentin: Okay.

Ms. Lorraine Berzins: May I say why?

Mr. Chris Warkentin: Madam, I appreciate that, and that, I think, just defines the difference between you and me. As a father of two young girls and now recently a young son, I can see no greater responsibility for me as a father, as a member of Parliament, as a neighbour to my community than to ensure that people who are raping children are put away and taken out of society so that we can ensure that there is protection.

Ms. Lorraine Berzins: I think it's very important to take it seriously and to do what is needed to reduce it. I know from experience that this kind of attitude and approach to it could drive a lot of the disclosures of this underground.

• (1250)

Mr. Chris Warkentin: We know—

Ms. Lorraine Berzins: Because there are many victims who are struggling with many problems in their entire life who do not necessarily want the prison sentence to be the outcome for what they need—

Mr. Chris Warkentin: I appreciate that, and I'm going to go on.

When I think of the cost of crime in Canada as estimated over \$70 billion, not including the pain and suffering, I think the pain and suffering is truly what we have to get to.

When I look at the people who have been raped over the years and the generational impacts that has on their communities, on their individual lives, and their capacity to be constructive within their own communities, I know there is a far greater cost to our country and to our communities than can ever be estimated in increasing the capacity within our prison systems.

I believe it's absolutely essential, if these investments are made, to ensure that children in this country—our most vulnerable in this country—are protected, because we know that sexual offenders of children are more likely to offend than pretty much any other offence that's out there.

Ms. Lorraine Berzins: It's worth putting all the money we can into something that will work to reduce the crime and help the victim. But if you're just going to say that flying someone to the moon, even though it costs a lot of money, is worth doing, it has absolutely no connection to how you're going to help the victim—

Mr. Chris Warkentin: We know that people in a prison don't rape children.

Hon. Geoff Regan: On a point of order, Mr. Chairman, if Mr. Warkentin believes this strongly in what he says, then you ought to hear the arguments on the other side, from this witness. He ought to hear from this witness and allow her to answer.

The Chair: I have a counter point of order.

We're running a clock. I would just ask that if we could let people ask questions and answer them, and if we could minimize the statements of belief and actually get to some statements of fact, that would be really relevant.

Mr. Chris Warkentin: The fact is, Mr. Chair, that a person who rapes children, who is in prison, is not able to rape more children.

The cost to our society of children who are raped is unbelievable, insurmountable, and is in no relation to what it actually costs to put people into prison.

The Chair: Does anyone have a response to that?

Ms. Lorraine Berzins: It's not a question of words. It's a question of action that will truly, in the community and for human lives, make a difference. Simply, the use of the words "prison for rape" does not correspond to a reality that is meaningful for a lot of victims.

I think it's important to listen to the victims—

Mr. Chris Warkentin: I am.

Ms. Lorraine Berzins: —and some of them will benefit from this and want this, but for many, it's not what they want.

Mr. Chris Warkentin: Many in your congregations know the pain and believe that putting these people behind bars is absolutely necessary.

Thank you.

Ms. Lorraine Berzins: Sometimes that's true. Sometimes that's true, absolutely.

The Chair: You have two minutes left, Mr. Warkentin.

Mr. Chris Warkentin: I believe that Mr. Cannan has a question.

Mr. Ron Cannan: Thank you, Mr. Chair, and thank you to our witnesses for being here.

I share your concerns. We want to make our communities safe for all Canadians, and we've found different ways of working together. I've worked on restorative justice programs in our own community. I've worked with the prevention, treatment, education, and enforcement. It's a continuum of care, and it's something we believe in.

I know that our federal staff who work within the prisons look at each individual. There's more that needs to be done on mental health, fetal alcohol syndrome, for aboriginals, as you mention.

While some of the investment we're putting into infrastructure is updating the infrastructure and also adding on, it's also ensuring they have the facilities so that they can properly train these individuals and give them the skills so that when they are released they can be positive contributors to society.

Going to the issue of sentencing, I had the opportunity to meet Reverend Schiemann. His son was one of the four Mayerthorpe RCMP officers who were murdered approximately five years ago—on March 3, 2005, to be exact.

Reverend Schiemann stated this past week in the *Edmonton Journal*, on February 4, that:

"We need to look past Roszko..."

—who is the fellow who shot all four—

"...because, as we've noted, there are thousands of others out there like him," Schiemann's father, Rev. Don Schiemann, told the inquiry during his address. "Some are better, some are far worse."

And it said:

The families recommended that the courts take a tougher stance on witnesses who fail to come to court to testify....

And then they said:

The families also recommended higher sentences overall, changes to the parole system, and broader risk assessments that could be shared by police, the courts and correctional agencies.

How would you help us with that?

Ms. Lorraine Berzins: I had a hard time following all of that. I'm sorry, it was said quickly.

The main point is that this person is saying....

• (1255)

Mr. Ron Cannan: He's a reverend; his son was murdered.

The Chair: Unfortunately, both of you will be unable to explore this point inside of this committee, but you may be able to explore it outside of the committee.

Mr. Martin has to compress seven minutes into five.

Mr. Pat Martin: Thank you to all of you for trying to bring the voice of reason into this debate. We appreciate both the tone and the content of your presentation. But you can see from Mr. Warkentin's intervention what we're up against every time we try to have that debate. All of their bills and all of their arguments seem to be based on the basest instinct of revenge. They would have the public believe—and believe me they advertise in our ridings; they carpet bomb our ridings with these leaflets that say Pat Martin wants Clifford Olson to be out on the streets again. They want to shape policy based on the most extreme examples they can find and that way garner support.

Let me ask you to elaborate a little bit more on the American experience. We now know from 30 years of empirical evidence that if tougher sentences and more people in prison meant safer streets, then the Americans would have the safest streets in the world, because they incarcerate at the highest rate of anybody in the world. Can you perhaps spend the few minutes we have expanding on what you're seeing from the United States and the prison reform movement there?

Ms. Lorraine Berzins: I think there's a lot of data and a lot of people looking at it closely who are concluding that it's been a terrible waste of money. Several states are finding that they can't afford it any more. When they've compared jurisdictions that have incarcerated fewer people with jurisdictions that have incarcerated more, they have not seen that incarceration has led to less crime. As a matter of fact, it's been the opposite in some of the states they've compared. So people were all in favour of it for very noble reasons of wanting to reduce crime, which is what we want to do, but they've concluded that it was a mistake and that it is much more important and better for the whole of society to use options other than putting people in prison.

I'm sorry that I didn't understand what you said, but I think there are some victims of crime who certainly feel the anguish of what has happened to them and may really need certain things and need to have carefully considered what their own needs are. But there are many victims of crime who, in wanting the same thing, are finding that what matters is not a sentence of incarceration, and especially

not across the board as a rule for all people based on the word in the Criminal Code that is used to describe the offence; it's the human thing that has happened and what needs to be done to repair it that matters. At a time when we see that the money is really needed for other things like victim services, several victim service groups are saying this isn't going to help us; this is taking money away from what we need most.

Mr. Pat Martin: If I could bring it down to a narrow specific point in the budget—

The Chair: You have one minute, Mr. Martin.

Mr. Pat Martin: —in the minute I have left, the youth gang prevention funds are being cut right across the country. Four of them are being cut in my riding alone. For the cost of keeping one person in prison for one year, one of these programs could continue. Are you aware of this youth gang prevention program, and do you have a view on whether that money should be renewed or extended?

Ms. Lorraine Berzins: I'm aware that there are some very good initiatives that have been effective. It's important to work at the grassroots level of the community on this issue. Families of victims of youth gang violence are very close to each other and sometimes even to the families of the offenders. Approaches that really start from what victims most want and need and that consult communities on what they want to see happen in their community are the ones that are the most effective.

The Chair: Mr. Martin, I want to thank you for your time.

Witnesses, I want to thank you for your time. I apologize for the shrinkage of time. As you can see, another committee is going to take over this room immediately after us.

Just so colleagues know, we are inviting Madame Bourgeois' witness for the afternoon of the 15th, Tuesday. She's a witness who has been on the agenda for a while on this very subject.

I know Madam Coady wants to raise another issue.

● (1300)

Ms. Siobhan Coady: I just want to make sure that during committee business on Thursday we will have some time for the motion I tabled quite some time ago.

The Chair: All right. We can set aside a few minutes for that.

Thank you. We're adjourned.

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