



**REPORT ON THE
*SUPPLEMENTARY ESTIMATES (B), 2015–16***

Standing Senate Committee on National Finance

FIRST REPORT

Chair

The Honourable Joseph A. Day

Deputy Chair

The Honourable Larry Smith

December 2015

1 INTRODUCTION

The [2015–16 Main Estimates](#) were tabled in Parliament on 24 February 2015. The [Supplementary Estimates \(A\), 2015–16](#) were tabled on 14 May 2015, and the [Supplementary Estimates \(B\), 2015–16](#) were tabled on 7 December 2015.

The *Supplementary Estimates (B), 2015–16* include additional information broken down by organization: [allocations from Treasury Board central votes](#), [budgetary expenditures by standard object](#), [estimates by strategic outcome and program](#), and [statutory forecasts](#).

During its study of the *Supplementary Estimates (B), 2015–16*, the Standing Senate Committee on National Finance (the committee) heard from representatives of several federal organizations and one immigration law specialist, over the course of three meetings held in December 2015.

On 9 December 2015, the committee heard from the following officials:

Treasury Board of Secretariat

- Brian Pagan, Assistant Secretary, Expenditure Management Sector; and
- Renée LaFontaine, Assistant Secretary, Corporate Services Sector.

Parliamentary Protective Service

- Chief Superintendent Michael Duheme, Director;
- Jean Forgues, Administrative & Personnel Officer; and
- Sloane Mask, Deputy Chief Financial Officer.

On 10 December 2015, the committee heard from the following officials:

Citizenship and Immigration

- Tony Matson, Assistant Deputy Minister, Chief Financial Officer;
- Sidney Frank, Director General, Syria Refugee Project;
- Mike McDonald, Director General, Operational Management and Coordination.

As an individual

- Jamie Chai Yun Liew, Professor, Faculty of Law, University of Ottawa.

2 OVERVIEW OF THE *SUPPLEMENTARY ESTIMATES (B), 2015–16*

According to the *Supplementary Estimates (B), 2015–16*, “Given the timing of the dissolution and reconvening of Parliament, *Supplementary Estimates (B), 2015–16* has been limited to items for which

specific authority through the appropriation act is required before March 2016 and which could not be funded through existing appropriations.”¹

As shown in Table 1, the *Supplementary Estimates (B), 2015–16* request \$810.1 million in voted budgetary appropriations, and indicate an increase of \$2.7 million in forecast statutory expenditures, which are outlined in the Treasury Board Secretariat’s (the Secretariat) document – [statutory forecasts](#).

Table 1 – Main Estimates and Supplementary Estimates, 2015–2016 (\$)

	2014–2015	2015–2016			
	Estimates to Date	Main Estimates	Supplementary Estimates (A)	Supplementary Estimates (B)	Proposed Authorities to Date
Budgetary					
Voted	93,350,224,915	88,184,096,852	3,135,266,064	810,104,813	92,522,470,804
Statutory	148,103,181,994	153,390,199,856	19,766,670	2,705,939	153,456,244,783
Total	241,453,406,909	241,574,296,708	3,155,032,734	812,810,752	245,978,715,587
Non-Budgetary					
Voted	71,103,005	71,103,001	–	–	71,103,001
Statutory	- 9,804,042,407	933,446,071	–	–	933,446,071
Total	- 9,732,939,402	1,004,549,072	–	–	1,004,549,072

Sources: Table prepared using data from the Treasury Board of Canada Secretariat, [Supplementary Estimates \(A\), 2015–16](#); and [Supplementary Estimates \(B\), 2015–16](#).

The voted funding would be provided to:

- Treasury Board Secretariat;
- Citizenship and Immigration;
- House of Commons; and
- Parliamentary Protective Service.

2.1 Treasury Board Secretariat

The Secretariat manages several central votes on behalf of the Treasury Board to provide funding to all departments and agencies. Its Government Contingencies Vote 5 would supplement other appropriations “to provide for miscellaneous, urgent or unforeseen expenditures not otherwise provided for.”²

The Secretariat is requesting \$519.6 million to replenish its Government Contingencies Vote 5. The Secretariat provided funding to 17 organizations through the vote, and the specific requirements are outlined in its document: [allocations from Treasury Board central votes](#) (see Appendix A).

¹ Treasury Board of Canada Secretariat, *Supplementary Estimates (B), 2015–16*, Ottawa, 2015, p. 1–2.

² Treasury Board of Canada Secretariat, [Allocations from Treasury Central Votes](#).

2.2 Citizenship and Immigration

In order to fund activities related to the government's stated goal of bringing 25,000 Syrian refugees to Canada by February 2016, Citizenship and Immigration is requesting \$277.9 million, which would enable the department to conduct security and health screening, transport selected refugees to Canada, and provide immediate essential services and long-term settlement support.

2.3 House of Commons

The House of Commons is requesting \$9.5 million in voted appropriations, \$8.3 million of which would be for the carry-forward of its operating budget. Other items include: \$467,727 for wireless telecommunications services revisions, \$385,700 for salary increases, and \$339,150 for the Electronic Petition System.

2.4 Parliamentary Protective Service

The [*Economic Action Plan 2015 Act, No. 1*](#) established the Parliamentary Protective Service, which will have responsibility for physical security throughout the Parliamentary Precinct.

The Parliamentary Protective Service is requesting \$3.1 million for security enhancement.

3 STUDY OF THE *SUPPLEMENTARY ESTIMATES (B), 2015–2016*

3.1 Treasury Board of Secretariat

Officials from the Treasury Board Secretariat explained to the committee why it was necessary to use the Government Contingencies Vote 5, which would be replenished in *Supplementary Estimates (B) 2015–16* by \$519.6 million.

In normal circumstances, the Secretariat uses its Contingencies Vote to provide funding to federal organizations that have cash flow pressures, urgencies or unforeseen requirements that cannot wait until the next supply period. During an election, the normal business of supply is interrupted and before the government can use Governor General's Special Warrants, it must exhaust all voted appropriations, including departmental votes and central votes.

Officials explained to the committee that before providing access to the Contingencies Vote, departments had to demonstrate to the Secretariat that the funding was for a pre-existing program, that they did not have funds within the department that could be reallocated, and that there was funding available within the budgetary fiscal framework.

Several of the items included in the Contingencies Vote, such as funding provided to Atomic Energy of Canada Limited and the Canadian Air Transport Security Authority, were announced in Budget 2015.

Members of the committee wanted to ensure that use of the Contingencies Vote provided an appropriate balance among parliamentary control, transparency and managerial flexibility. Officials noted that the Secretariat only provided access to the Contingencies Vote to departments after ensuring that its criteria were met and established practices were followed.

Additionally, some members noted the importance of ensuring that federal funding achieves concrete, demonstrable results. Officials noted that a priority of the new government is to improve its performance information and the use of evidence in decision-making. The Secretariat will be working with departments to improve departmental reporting on results.

Answering a question from the committee, officials also noted that the \$1 billion contingency reserve built into the budget is included to accommodate variances in expected revenues or expenses and is distinct from the Contingencies Vote.

3.2 Parliamentary Protective Service

Officials from the Parliamentary Protective Service explained to the committee that the \$3.1 million was being sought for the mandatory training associated with arming its officers, the salary premium for armed members, an economic salary increase of 1.5% and administrative costs associated with making the transition to a new service.

The Parliamentary Protective Service is responsible for providing security to 34 parliamentary buildings. It has 556 staff, with 137 members from the RCMP—though not all positions are filled, 313 members from the former House of Commons security service, 95 members from the former Senate security service and 11 new members. The budget for the Service from July 2015 to 31 March 2016 is approximately \$40 million. The final budget of the Service will be determined as management reviews its security posture and staffing needs.

Officials also explained that the Parliamentary Protective Service, other than RCMP members, will be moving to a common uniform in 2016, and it will fully integrate its members into one service, with common training, response protocols and standard operating procedures.

Officials noted that one of their challenges will be moving to a single bargaining unit and collective agreement. Additionally, in response to a question, they observed that there may be a need to adjust pay scales towards parity, as all members will be conducting similar tasks and receive common training.

Some members of the committee stressed the importance of complying with the Official Languages Act. While the officials did not have information on the current number of bilingual members, they noted that a bilingual workforce is an important goal for them.

3.3 Citizenship and Immigration

Officials from Citizenship and Immigration provided the committee with further information and background on the \$277.9 million in costs associated with the government's plan to bring 25,000 Syrian refugees to Canada by February 2016.

Officials noted that the government will need to request further funding for other organizations, such as the Canada Border Services Organization, the Royal Canadian Mounted Police and the Department of National Defence, as part of this initiative.

Officials from Citizenship and Immigration noted that the entire Canadian federal response to Syrian refugees, would last approximately six years, involve 15 to 20 other departments and cost \$677 million.

Appendix A
Allocations from Vote 5 – Government Contingencies

“Subject to the approval of the Treasury Board, to supplement other appropriations and to provide for miscellaneous, urgent or unforeseen expenditures not otherwise provided for, including grants and contributions not listed in the Estimates and the increase of the amount of grants listed in these, where those expenditures are within the legal mandate of a government organization, and authority to reuse any sums allotted and repaid to this appropriation from other appropriations.”

Organization	Amount (\$)
Atomic Energy of Canada Limited	232,800,000
Canadian Air Transport Security Authority	26,800,000
Canadian Environmental Assessment Agency	6,383,000
Canadian Institutes of Health Research	3,337,740
Citizenship and Immigration	1
Courts Administration Service	8,418,545
Employment and Social Development	3,750,000
Foreign Affairs, Trade and Development	10,023,000
Health	98,829,432
Indian Affairs and Northern Development	16,316,921
Industry	23,573,649
Library and Archives of Canada	5,100
Natural Sciences and Engineering Research Council	320,000
Public Health Agency of Canada	250,000
Social Sciences and Humanities Research Council	1,265,000
Transport	75,000,000
Treasury Board Secretariat	12,500,000
Total approved allocations	519,572,388

Source: [Treasury Board of Canada Secretariat, Allocations from Treasury Board Central Votes, 2015-2016.](#)