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# Four Ideas to Improve the Estimates Process

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*This article outlines four steps that could be taken to modernize the supply process. It also looks at the upcoming Strategic and Operating Review and the problems it presents to parliamentarians attempting to understand the government's deficit fighting program.*



The most important function of the House of Commons, and its members, is to review and approve the government's requests for supply and the ways and means by which they will pay for it. That is the very reason the first British Parliaments were assembled hundreds of years ago.

Our role as Members of Parliament is simple: before the Crown can tax Canadians and spend their money, they must listen to the concerns of the people and act on them in a satisfactory manner. Until the House is satisfied, we can withhold supply from the Crown.

However valuable that vision of Parliamentary government, it's obvious that the role of Parliament has expanded from its 17<sup>th</sup> century role as a petitioning body to the modern, complex legislative body that it is today. That growth reflects the expanding nature of government, a result of the growing complexities of modern life.

No matter what new, larger role MP's play in today's Parliament we cannot afford to lose sight of our original job – to scrutinize and approve the Crown's requests for public money. In my opinion the tools and methods with which the government requests spending, and with which MP's approve and review it are painfully in need of updating.

More emphasis needs to be placed on each Committee's review of its respective department's

estimates. The House of Commons is already on the right track in automatically referring each department's estimates to a relevant committee. However, not nearly enough emphasis is placed on the review of these documents. For many committees, it is purely an afterthought – something they must, albeit painfully, spend a meeting considering and approving. Some committees, such as Government Operations and Estimates, receive the spending documents for several large departments and will either not study them all or only spend a cursory amount of time on each department. This does no justice to the concept of Parliamentary oversight.

The government should also consider dropping the Standing Order 81 provision that allows the "deemed reporting" of estimates from committees. Under the current system committees have a limited amount of time to consider the Main Estimates and any Supplementary Estimates the government presents. At the end of that time period, those estimates are deemed to have been reported back to the House without amendment. This means that if a committee does not get around to discussing these documents then there is no consequence. In fact, a majority government can block the consideration of estimates with no penalty under these rules. If the government wants funds approved by the House they should have to ensure that their requests are given a full and proper hearing.

In order to increase accountability in the committee hearing process there should be amendments to the Standing Orders that require a minimum (and possibly maximum) time that estimates must be heard. This would not be unprecedented in Canada. Both Alberta and Saskatchewan have minimum required times for the hearing of government estimates. In Alberta each department must receive a minimum of

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three hours consideration. In Saskatchewan, the limit is no less than two hours per department and no less than seventy-five hours overall. There is no reason the House cannot adopt new rules that both ensure proper consideration of the government expenditure plan and prevent the opposition from needlessly clogging up the machinery of Parliament.

Finally, over the medium term the House of Commons must consider a new, modern format for these supply documents. The current Estimates documents presented by the government are woefully out of date, and in some respects still look eerily similar to the Estimates presented by the Canadian government in the 19<sup>th</sup> century! These documents need to be made more accessible to both Parliamentarians and the public. The information also needs to be digitized. The current government has made headway in this regard – they are ensuring that more and more documents are published electronically, rather than on paper. However, the electronic versions are just digitized books. Parliamentarians, their staff, the media and the public need access to this information in a usable format, such as in a spreadsheet. That way proper comparisons can be made across multiple years and departments.

Of course, there will be institutional and political resistance to these changes. This is the way our government has handled supply for decades and decades. However, in the era of modern, accessible and accountable government this malaise needs to be overcome and real reforms achieved.

As a practical example of the problems posed by our outdated supply cycle, I want to consider the upcoming publication of the government's Strategic and Operating review – designed to find \$11 billion in savings over 4 years. The government has committed to revealing the results of the review in the 2012 budget. However, as of yet they have made no commitment as to the form of the release. There are important examples to consider here. The current government's ongoing strategic reviews arguably represent the low end of the transparency scale. For example Budget 2011 indicates that Infrastructure Canada will achieve \$39.0 million in savings in the fiscal year 2011-12 by "improving efficiency and the delivery of programs and services." (p. 225) This is meaningless government speak. It provides none of the needed details to Parliament or to the public.

By contrast the former government's 2005 Expenditure Review process generated a tremendous level of publicly

available detail. Even today, the details can still be found at: [www.expenditurereview-examendesdepenses.gc.ca](http://www.expenditurereview-examendesdepenses.gc.ca). I must confess some bias in this comparison as I was the chair of the 2005 Expenditure Review Committee. However, at the time we felt it was very important that Canadians be clearly informed of the cuts the government as going to make. We can only hope the current government will follow suit.

More specifically, as was done in 2005, we call upon the government to provide program-by-program information on its cuts in Budget 2012. Failure to do this will mean that Canadians may never know the details of the cuts, as both the Supplementary Estimates and the Public Accounts do not generally provide program-by-program information. The standard for this level of transparency was set in Budget 2005. I see no reason for a reduced level of transparency in Budget 2012.

All of this is to say that the current framework by which the government publishes its requests for spending is woefully inadequate, especially in light of the large-scale changes being made in the Strategic and Operating Review. This is a problem that has spanned multiple governments. However today, a government that is truly committed to transparency and accountability must make a concerted effort to change the current system and provide the appropriate level of information and data to Canadians.

To anyone who spends a good deal of time studying the government's supply documents it has become painfully clear that this system has not kept pace with the size and scope of our government, nor the increased demand from the public for accountability and transparency. If Parliamentarians are to overcome this then we will have to work together to design a new method for scrutinizing the government's expenditure plan. Modernizing Parliament's expenditure review and approval is a two-tract process: first, the rules under which the government's expenditure plan is approved must be changed in order to produce a more effective review. In addition, the very format of the government's expenditure plan must be revamped. The estimates documents we currently rely on were designed in the 19<sup>th</sup> century to convey information about 19<sup>th</sup> century government. Modernization of these documents must account for both the expanded role of government and the new technology available to MPs, the media and to the public. We cannot risk the House of Commons abandoning its most basic role as the manager of the public purse.