Federal Court No. T-1028-13

FEDERAL COURT

BETWEEN:

MARCUS BRAUER

Applicant

and

ATTORNEY GENERAL OF CANADA

Respondent

AFFIDAVIT OF CLAUDIA ZOVATTO

I, Claudia Zovatto, Senior Director, Treasury Board of Canada Secretariat, Union Engagement and National Joint Council Support, of the City of Ottawa in the Province of Ontario MAKE OATH AND SAY AS FOLLOWS:

Treasury Board and Treasury Board Secretariat

- 1. The Treasury Board of Canada (Treasury Board) is a Cabinet Committee of the Queen's Privy Council of Canada and is responsible for financial, personnel and administrative management of the Government of Canada.
- 2. As the administrative branch of the Treasury Board, the Treasury Board Secretariat of Canada (TBS) provides recommendations and advice to the Treasury Board on policies, directives, regulations and program expenditure proposals with respect to the management of the Government of Canada resources and assists the Treasury Board with its responsibilities.
- 3. I have held the position of Senior Director, TBS, Union Engagement and National Joint Council support since 2006. This position entails leading a team that manages various administrative programs on behalf of the Government of Canada

and includes providing policy guidance to the Department of National Defence for Canadian Forces members with regards to the Canadian Forces Integrated Relocation Program ("CFIRP"). As such I have personal knowledge of the information herein deposed to except where otherwise stated to be based on information and belief.

Decision at Issue

- 4. On October 24, 2011 Lieutenant-Colonel J.M.S. Larouche, Director of Compensation and Benefits Administration, National Defence Headquarters, wrote to TBS on behalf of the Applicant, requesting that TBS consider the town of Bon Accord, Alberta a "depressed market" for the purposes of section 8.2.13 of the Canadian Forces Integrated Relocation Program ("CFIRP"). A true copy of Lieutenant-Colonel Larouche's letter of October 24, 2011 is attached hereto as Exhibit "A".
- 5. Enclosed with Colonel Larouche's letter of October 24, 2011 were various documents including those attached to the Applicant's Affidavit at Exhibit "C".
- 6. Ms. Landry, Policy Analyst with TBS, was tasked to review the request and prepare a draft recommendation for consideration and decision by Michelle D'Auray, who was, at the relevant time, the Secretary of the Treasury Board and head of the Treasury Board Secretariat.
- 7. In preparing the draft recommendation, Ms. Landry was responsible for the research into the issue of whether or not the town of Bon Accord, Alberta should be considered a "depressed market for the purposes of the CFIRP". This task included reviewing the materials provided with Lieutenant-Colonel Larouche's letter, and outside research conducted by Ms. Landry.
- 8. I have reviewed the TBS file on this matter, including Ms. Landry's investigative file and can confirm that, in addition to the documents attached to the Applicant's Affidavit at Exhibit "C", various other documents were contained therein. These documents included:
 - Ms. Landry's handwritten notes. A true copy of these handwritten notes are attached hereto as Exhibit "B";
 - An undated photocopy of a newspaper entitled "Living the dream in Edmonton, a middle-class bastion". A true copy of this newspaper article is attached hereto as Exhibit "C";
 - An undated photocopy of a report produced by the Canada Mortgage and Housing Corporation entitled "Housing Market Outlook – Edmonton CMA"

which was released in the spring of 2010. A true copy of this report is attached hereto as Exhibit "D"

- A copy of the 2010 Annual Report of the Edmonton Economic Development Corporation. A true copy of this report is attached hereto as Exhibit "E".
- A copy of the April 2011 report entitled "Town of Bon Accord Community Profile" downloaded from the website http://www.bonaccord.ca. A copy of this report is attached hereto as Exhibit "F".
- An article printed from the website http://www.edmonton.com on December 5, 2011 entitled "'A grade for Edmonton's Long-term Economic Outlook". A true copy of this article is attached hereto as Exhibit "G".
- An article printed from the website http://www.infomedia.gc.ca on December 20, 2011 entitled "Ambrose gets earful about labor shortage Issue dominates budget talks, public works minister says". A true copy of this article is attached hereto as Exhibit "H".
- An article printed from the website http://www.firstfoundation.ca on December 30, 2011 entitled "CMHC Report Says Edmonton House Prices Going Up in 2012". A true copy of this article is attached hereto as Exhibit "I".
- A print-out dated December 30, 2011 of the unofficial Multiple Listing Services ("MLS") statistics concerning single family homes in Edmonton, St. Albert, Sherwood Park, Spruce Grove and Stony Plain Alberta from January, 2007 up to December 15, 2011 from the website http://www.bobtruman.com. A true copy of this print-out is attached hereto as Exhibit "J".
- An article dated March 4, 2009 and printed out from the website http:edmontonhousingbust.com on January 3, 2012 entitled "Historical Prices and Inflation". A true copy of this article is attached hereto as Exhibit "K".
- An article printed out from the website http://www.bestedmontonrealestate.com on January 3, 2012 entitled "Edmonton Expecting Resale Home Prices to Rise Significantly by 2011". A true copy of this article is attached hereto as Exhibit "L".
- 9. In light of this research, Ms. Landry prepared the memo dated May 31, 2012, attached to the Applicant's Affidavit at Exhibit "J" containing the recommendation that the town of Bon Accord Alberta not be considered a "depressed market" for the purposes of the CFIRP.

- 10. Ms. Landry's draft recommendation was reviewed by a number of senior Treasury Board Secretariat officials exercising their challenge function, all of whom concurred with the recommendation. These officials included Edith Kehoe, who was on assignment in my position as Senior Director, Don Graham, Executive Director, Labour Relations, Marc-Arthur Hippolyte, Assistant Deputy Minister, Compensation and Labour Relations and Daphne Meredith, Chief Human Resources Officer.
- 11. On June 22, 2012, Michelle d'Auray, the Secretary of Treasury Board, reviewed the recommendation and made the final decision on behalf of the TBS, that Bon Accord, Alberta, was not considered a "depressed market" for purposes of the CFIRP.
- 12. Subsequently, on July 17, 2012, Edith Kehoe communicated the TBS decision at issue to Lieutenant-Colonel J.M.S. Larouche.

SWORN TO at Ottawa, in the Regional)
Municipality of Ottawa-Carleton in the)
Province of Ontario this 9th day ___of)
January, 2014 before me.)

A Barrister and Solicitor in and for the Province of Ontario

and for the