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Chair

The Honourable Shawn Murphy

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● (0900)

[English]

The Chair (Hon. Shawn Murphy (Charlottetown, Lib.)): I will now call the meeting to order.

On behalf of all members of the committee, I want to extend to everyone a very warm welcome.

This meeting, called pursuant to the Standing Orders, is to deal with selected departmental performance reports for 2008-09.

For the benefit of everyone, we decided to take two performance reports from the various government departments and we selected them randomly, out of a hat. So you were selected out of a hat. We're very pleased to have you here today.

We're going to divide this meeting into two parts.

First of all, we have with us, from the Department of Transport, Yaprak Baltacioglu, deputy minister. She's accompanied by André Morency, assistant deputy minister, corporate management and crown corporation governance, corporate services.

From the Treasury Board, we have back before us Alister Smith, assistant secretary, who was before us last week, and he's accompanied by Amanda Jane Preece, executive director.

From the Office of the Auditor General of Canada, we have Neil Maxwell, assistant auditor, and Tom Wileman, principal.

Again, welcome.

We are going to start with opening remarks from Madam Baltacioglu.

Ms. Yaprak Baltacioglu (Deputy Minister, Department of Transport): Thank you, Mr. Chairman.

I congratulate the committee for this process. I think it gives us additional energy to focus further on our reporting documentation. We really appreciate that.

As you said, Mr. Chairman, I have Monsieur Morency with me. He's our chief financial officer. He's also responsible for our planning process.

The departmental performance report is an important document for Transport Canada. It's not only our main accountability document to Parliament but is also a key management tool for our department. The DPR should provide credible information on departmental performance and it should serve to reassure Canadians that their tax dollars are being spent wisely and are providing value for money.

Transport Canada's results-based management approach is a work-in-progress. Today the department is tabling an action plan aimed at improving our departmental performance report. This action plan highlights our progress to date, and it uses the Office of the Auditor General's five criteria.

We have distributed our speaking points to you, Mr. Chairman. Given that this is a short appearance, I'm not going to cover what we've covered in our action plan. I'm hoping that the clerk has distributed it to the members.

Moving on, then, our key message is basically that our departmental performance report is a work-in-progress. We have work to do. We have improvements to make. And our action plan, hopefully, will get us to improve our processes.

With that, Mr. Chairman, I'll turn it over to my colleagues.

The Chair: Thank you very much.

We'll go to Mr. Maxwell.

Mr. Neil Maxwell (Assistant Auditor General, Office of the Auditor General of Canada): Thank you, Mr. Chairman.

I'm pleased to appear before the committee to discuss two departmental performance reports and chapter 5 of the April 2005 Auditor General's report.

With me, as you've said, is Tom Wileman, the principal responsible for this area.

I wish to thank the committee for this opportunity and would like to emphasize that my comments today are about the overall importance of performance reporting to Parliament. In recent years, the office has not audited the departmental performance reports of either of the departments appearing before you today; therefore, I will not be commenting on those reports.

● (0905)

[Translation]

Mr. Chair, the provision of information to Parliament has been a long-standing interest of the Office of the Auditor General. It is essential for accountability to Parliament and requires that departments and agencies report results using sound performance measurement and reporting practices.

In earlier audits of departmental performance reports, we rated departmental performance reports of selected departments. We found that reports to Parliament were not providing a fully satisfactory basis for accountability and that progress in improving them was disappointingly slow.

It must be recognized that performance reporting takes place in a political environment. Balanced reporting, that is, admitting to shortcomings as well as successes, does not yet appear to be part of the management culture of government.

In those audits, we looked for clear information about programs and about the commitments made. We asked whether key results were reported against objectives, whether the information was reliable, and if it presented the bad as well as the good news. We also asked whether the information was used to improve operations. These questions are as important now as they were at the time these audits were performed.

Although we have not conducted audits focused exclusively on departmental performance reports since 2005, we have made comments about reporting to Parliament in audits of specific departmental programs. We have found many weaknesses, including inadequate information on costs, standards and performance.

[English]

While departments are responsible for their reports, the Treasury Board of Canada Secretariat plays an important role in providing leadership and opportunities to increase the understanding and acceptance of the principles and practices of good performance reporting. The secretariat's annual guidelines encourage the preparation of concise, coherent, reliable, and balanced accounts of performance. Your committee might reasonably expect the reports to apply these principles.

Parliament also plays an important role. Interest in and scrutiny of the reports by parliamentary committees, as your committee is demonstrating today, help to encourage departments to improve the quality of their performance reports.

That concludes my opening statement. We will be pleased to answer any questions the committee may have.

Thank you.

The Chair: Thank you very much, Mr. Maxwell.

Mr. Smith, do you have any comments?

Mr. Alister Smith (Assistant Secretary, Expenditure Management Sector, Treasury Board Secretariat): Thank you, Chair and members of the committee.

It's a pleasure to be here today and to be part of this discussion of departmental performance reports.

With me today is Amanda Jane Preece, the executive director of the results-based management division of the Treasury Board Secretariat responsible for guidance in this area.

[Translation]

I wish to provide a brief introduction, and then I would be happy to answer any questions you may have.

The financial and non-financial performance information in departmental performance reports is intended to support parliamentary consideration of spending plans and the approval of annual appropriations in the main estimates.

With the implementation of the Federal Accountability Act and the designation of deputy ministers as accounting officers, departmental performance reports have become even more important as vehicles to ensure accountability to Parliament in the use of public resources.

[English]

The departmental performance reports also support government accountability more generally since they show how departmental activities make a difference to citizens and provide Canadians with key information about the plans and results achieved by the government.

As a central agency, as Mr. Maxwell has said, the secretariat is responsible for providing strategic advice, guidance, and leadership to departments in producing these reports. As documents of ministerial accountability, the secretariat has an interest in ensuring that they are underpinned by solid evidence of program performance and are balanced in their portrayal of results.

As part of the expenditure management system, improving reporting to Parliament has been and continues to be a priority for the secretariat. With the implementation of the policy on management, resources, and results structure, or MRRS, we now have the foundation in place for the consistent tracking and reporting of financial and non-financial information on programs.

Since 2007 the secretariat has developed and implemented a strategy to improve the content and form of reports to Parliament. The strategy was based on comments from parliamentarians in this committee and from the Auditor General of Canada, most recently in the last audit of departmental performance reports in April of 2005, and is centred on ensuring a more concise, results-focused approach to reporting.

This approach is fully consistent with commonly accepted reporting guidelines issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. Specifically, our objectives were to develop stronger linkages between resources used—both planned and actual—and results; provide more useful context within which to frame performance; and improve outcomes-based measures.

The secretariat augmented its annual outreach efforts with departments to ensure adherence to the concise results-focused approach. The secretariat now meets annually with the majority of departments to provide guidance on reporting requirements.

The secretariat also produces a "Good Practices Handbook" for performance reporting, a key reference guide for departments in developing a balanced and credible picture of performance. The secretariat also assesses departmental performance reports annually against commonly accepted public reporting principles through the management accountability framework, or MAF, process.

Since 2007 the results have demonstrated steady progress in improving the quality of departmental reporting. For example, the proportion of departments that received ratings of acceptable or higher has increased by over 45%. Pertinent to today's meeting, the 2008-09 departmental performance reports of Industry Canada and Transport Canada were both assessed positively.

We also recently commissioned a review of practices for performance reporting in other jurisdictions. The study was conducted by the Canadian Comprehensive Auditing Foundation. The study ranked Canada second of the five reporting jurisdictions examined, which included the United Kingdom, the United States, Australia, and New Zealand.

The study highlighted "Canada's Performance", a report produced by the secretariat to provide an overview of the performance information in over 90 individual DPRs, as a strong example of horizontal, whole-of-government performance reporting. We would be happy to share the study with the committee.

There are areas in which all countries, including Canada, can make improvements. We continue to work with departments to improve performance measures and information and ensure measurement supports management decision-making. Advances can also be made in harnessing innovative Internet-based technologies that offer new models for e-government reporting.

In conclusion, moving forward, the secretariat remains committed to ensuring progress and improving reporting to Parliament and is particularly interested in the views of parliamentarians on how we can continue to improve these reports.

● (0910)

The Chair: Thank you, Mr. Smith.

Thanks to all of you.

I want to make a couple of comments. As we're probably aware by now, after doing the reading we've done, the issue is complicated. It's complex. There have been many articles written—and Mr. Smith referred to some of them—and presentations given on the whole issue of performance reports.

Of course, the overall goal is to align results with inputs, or in other words, that the department whose performance is being reported is achieving the results. One of the major problems that has been seen over the years is that there aren't really any predetermined results or objectives.

As Mr. Maxwell has indicated, in a political environment, why would I give you a stick to beat me over the head with? And that's probably the reason we don't have that here.

It has been ongoing. A lot of the articles talk about the reports being complex. This is not my own opinion; these are articles written by CCAF and others. They talk about the reports being complex and hard to read. They say they're not consistent from year to year and describe activities and processes rather than results.

As Mr. Maxwell said, they're not balanced. They do not describe the risks or the problems facing the departments. The Auditor General has done a number of audits—at least three, if not four, with the last one in 2005—and all of them have been relatively negative.

I refer the members to the excellent articles written by CCAF. One of the statements coming from the articles—and this is really the test—is that expected users would be parliamentarians, media, and the public, while the empirical evidence that has been done after extensive research shows that there are very few people who actually use these reports.

In my view, parliamentarians share a lot of the blame for that, because they don't spend a lot of time on the performance reports. It's not something for which we, as parliamentarians, can blame others. We should accept some of the blame ourselves.

That is some of the background to this meeting. I think it will be a good meeting. I'm going to start the order, and at around twenty-five minutes after nine I'm going to call in the new slate of witnesses, and we'll continue the order so everyone will get a chance to speak.

That said, we're going to start the first round.

Monsieur Dion, vous avez sept minutes.

● (0915)

[Translation]

Hon. Stéphane Dion (Saint-Laurent—Cartierville, Lib.): Thank you, Mr. Chair.

[English]

Maybe my first question will be for you. Will the transport committee and the committee on industry review these reports and discuss them in depth?

The Chair: Mr. Dion, that would be entirely up to the transport committee and the industry committee. You would think they would, but my experience here is that they do not.

Madam Baltacioglu would know whether they do or not. I would be shocked if I heard they did, because I haven't run into too many people who have ever read a performance report.

Hon. Stéphane Dion: A lot of my comments would be about transport policy and would be addressed to the government and the minister.

When you read this report, you get no sense of perspective, no objectives, and no *horizon*, and that's certainly because government doesn't have any or it hasn't clarified them to the deputy minister. We don't have the sense that we need to de-carbonize this economy and what will be the consideration given by Transport to that. There are some programs about it, but no perspective.

According to the chief economist of the International Energy Agency, peak oil may happen in 2015. What will we do about it in Canada?

What is our strategy for urban sprawl?

What is our strategy for public transportation?

There's no way to know this from this report.

So what I may do is not so much ask questions, because we don't have time in my six minutes, but substantiate the frustration I feel when I read this report. I appreciate that the deputy minister has said that it's a "work-in-progress", so I cannot imagine the other reports from the years before. I will comment only on this one. I will tell you why I find it very difficult to work with despite the fact that I think I have some experience in reading reports. I will substantiate my comments.

[Translation]

I will do it in French because I read it in French, so as not to take any chances.

I will give some examples. To me, this report is somewhere between a performance report and a classic report, which describes programs without any connection between them: these are our programs, these are our activities. The report sets out quantifiable objectives. But it is up to the reader to try to determine how those objectives relate to the programs.

As far as the quantifiable objectives go, the methodology stinks. The report jumps from one methodology to the next, and we do not know why. The report presents certain figures, and we do not know why it gives one figure over another. We have no idea. I will give you some examples.

On page 7 in English—page 8 in French—it says that \$307 million of a \$507-million budget was not spent. It says that \$204 million plus \$45 million was not spent on gateways. Why was it not spent? Perhaps I misread the report. I read it twice and found no explanation. That is a pretty important piece of information, and there is no way to get it.

On page 9, it says that the government, the department, has Sustainable Development Strategy targets. One of the indicators is the percentage of the target achieved. So I look. I go to page 29, in English, and read what it says. Under the heading Performance Measurement, it says:

Sustainable Development Strategy: Most of the targets were met or are on track, as provided in the "Horizontal Initiatives" table on Treasury Board Secretariat's website.

Forgive me, but I would not go and check the Treasury Board Web site. I would think that meeting its sustainable development targets would be important enough to the Department of Transport to include that information in its report and to explain which targets were and were not met, and why.

On page 22, under the heading Performance Measurement, the report mentions productivity gains. I do not know what productivity gain means in relation to transport. The report gives minor changes in tenth-of-one-percent increments from one year to the next. Unless I misread the report, there is nothing explaining what a performance measure is, what the long-term objectives of the government are, where Canada is headed in terms of these performance measures and transportation, whether it is a good or bad thing, these minor changes. I have no clue.

On page 26, under Performance Measurement, the report gives some safety data. The news appears to be good: most of the indicators seem to show that there are fewer accidents in Canada. That being said, the data are presented for periods of time,

sometimes one year, sometimes five, sometimes ten; we have no idea why.

The reader could think that you chose to present the numbers that paint a rosy picture. That may not be the case, but it looks that way. If you do not want to be accused of that kind of thing, you should set out a very clear methodology that shows where Canada is headed as far as the safety of its citizens and transportation are concerned.

On page 28, it talks about a voluntary agreement that was reached with the automobile industry to reduce its greenhouse gas emissions. For information on that initiative, the reader has to consult Natural Resources Canada's Web site. You say that you helped NRCan develop a memorandum of understanding. I clearly recall that, under the agreement, you were supposed to tell Canadians how the industry was doing every year in terms of meeting the target of reducing greenhouse gas emissions by 5.3 megatonnes. The industry was told that if it did not stay on track to meet that target, regulations would be imposed, that the agreement was voluntary only if the industry respected it.

How can we make regulations if we do not know where we stand each year? I will not consult the Web site of Natural Resources Canada. I would think that meeting our greenhouse gas reduction targets was important enough to the Department of Transport to include that information in its own reports.

I have just 30 seconds left.

On page 29, the report sets out pollution reduction targets. Again, it appears to be good news. What does "183 marine pollution incidents were detected" mean? What is the outlook over time? How are we doing in terms of marine pollution? That is an important piece of information, in light of what happened in the Gulf of Mexico.

The same goes for contaminated sites: 242 of 526 have been improved. What is the Canadian government's outlook regarding contaminated sites? Where do things stand? Where are we headed? Will there eventually be no contaminated sites? We do not know. There is no way to tell from your report.

● (0920)

[English]

My point is that it's not workable for me. I don't know if it's workable for you. We have no perspective, no orientation, and no strict methodology, and I have some doubt that it would be helpful; it seems that it has been done because the Auditor General is asking you to do it.

Maybe I'm too severe; I hope so. But let me tell you, it's a "work-in-progress", and there is a lot of progress to make, according to my reading of this report.

The Chair: Thank you very much, Monsieur Dion. You're easy on the witnesses.

Madame Faille, vous avez sept minutes.

[Translation]

Ms. Meili Faille (Vaudreuil-Soulanges, BQ): I thought our witnesses would have an opportunity to respond. Like Mr. Dion, I am a bit disappointed with the comments of the officials from the Treasury Board Secretariat. That is not at all what I expected to hear. I was expecting to hear a nice presentation by Transport Canada on how it prepared the report. As Mr. Dion said, I expected more substance, I expected the report to give more explanations.

It is hard for me to understand why the gaps between projected spending and actual spending were not explained. I want to give the Transport Canada official a chance to explain the gaps. May I suggest that he start by explaining something I want to know: the Gateways and Border Crossings Fund, as well as all of the efforts towards the Ontario-Quebec corridor requested by the stakeholders. Could the official give us some details on what is happening with that?

My riding is on the Ontario-Quebec border and has done a lot to further this initiative. I am disappointed to see that the report does not include any information on where Transport Canada stands on this initiative.

• (0925)

[English]

Ms. Yaprak Baltacioglu: Thank you very much.

Mr. Chairman, we came to this meeting on the understanding that we were going to be talking about the process by which we got to these various reports. We would be happy to come back and do a substantive presentation on transportation issues to this committee if it wishes.

To answer Mr. Dion as well, while SCOTIC, our committee, doesn't discuss the particular departmental performance report, it actually dissects pieces of it, because this is a big department with big issues.

For example, regarding vehicle safety, we appear. For aviation safety, they call us in. For aviation security, they call us in. For economic elements such as gateways and borders, they call us in. So they do actually get to the substance of it. I wasn't very sure in terms of our presentation here that you wanted an actual presentation on transport policy, but we'd be happy to do that.

Mr. Dion's comments are well put. We agree. While Treasury Board has given us an acceptable rating, there is room for improvement. And I have to be very candid: if we are doing these reports just because the Auditor General has asked us or the Treasury Board has asked us, we are not only failing you folks, but we are failing ourselves as managers.

The basic premise in these reports is very simple: we have to know what our business is. What business are we in, what promises are we making to Canadians, how do we report on that, and how do we say that this is what we have achieved?

[Translation]

Ms. Meili Faille: Forgive me for interrupting. I know you are trying to respond to Mr. Dion's criticism, but my questions had to do with what is going on now, specifically. I would like some detailed

information on one of the initiatives right now, because we have a limited amount of time.

[English]

The Chair: Ms. Baltacioglu, if you're not prepared to do that, you could just tell the member that you will come back and present a two- or three-page report.

I appreciate that you may not have come here prepared to answer that question. If that is a problem, just tell the member that. You can get back to her in two or three weeks. That's fine.

Ms. Yaprak Baltacioglu: I would actually like to be able to answer the question—

[Translation]

Ms. Meili Faille: In fact, amounts are allocated yearly. Your partners, including CLDs, business people, those who have supported the initiative, have expectations. Regional planning depends on the decisions made by your departments.

I want to know why the money was not spent.

[English]

Ms. Yaprak Baltacioglu: In terms of the gateways and borders initiatives, there are two sets of gateway funding. One of them was specific gateway funding. That was the initial funding on gateways.

The concept of gateways is simple. You basically connect your transportation infrastructures so that you can get goods to the market and improve the trade situation of Canada.

The other gateway funding was for the Atlantic gateway and what we call the "continental", which is the Quebec-Ontario corridor. A number of things are being done there.

One of the most important initiatives for the gateway is the Detroit-Windsor bridge and the rail tunnel. Not only does this have a big impact on the economy of Ontario, but it has a huge impact on the economy of Quebec. In terms of real trade routes for the Port of Montreal, if you ask them where their needs are, it is in the Detroit-Windsor crossing, because that's where the majority of the trade goes through.

Now, this is a report from 2008. Things have happened since then. One of the big things we have done is that the Government of Ontario and the federal government have put out the environmental assessments for a second bridge crossing at Detroit-Windsor. The federal government also put in money from the gateways fund to support the connection from Highway 401 to the plaza of the new bridge. So a major portion of the gateway funding is there.

As part of the continental gateway, under the infrastructure stimulus fund and the Building Canada Fund, we used the opportunity of all the work that has been done by the gateway players in Quebec and Ontario. They gave ideas and we actually funded those, so I'd be happy to give you full details of where the money has been spent for the continental gateway. We put money into the ports, for example.

There's a whole report on that, which I'd be happy to provide. But it's very important to know that the Quebec and Ontario corridor is ending at Windsor-Detroit as the main crossing.

• (0930)

[Translation]

Ms. Meili Faille: Are the amounts that have not been spent to date simply carried over to the following year? How delayed is this spending? Why is it delayed?

[English]

Ms. Yaprak Baltacioglu: First of all, the gateway funds do not lapse and disappear. They are carried from one year to another. The reason gateway funds were not spent is that economies started slowing down, and there were big commitments, like the perimeter highway, as I think it's called, in British Columbia. The projects started getting delayed. It's not a matter of us building the roads. We build them with the provinces and the municipalities. If they start getting delayed, then we can't get the money out, but it's not written in there.

Mr. Chairman, you said that this is a political environment. The reason it's not there is not that it's a political hot potato that our minister is going to worry about. It's the truth that we should have put it in there. When I say that we have to improve things, when I read that, as a manager I think that it should give a good assessment of what our department is doing and why we didn't do what we didn't do. There's nothing wrong with saying that priorities changed, for example, but you have to be transparent about it.

So I agree with that, and we will give more detail on the continental gateway.

The Chair: *Merci, Madame Faille.*

Mr. Christopherson, you have seven minutes.

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

Thanks to all of you for your attendance today.

First things first. There's a small matter, but I will just mention it anyway. I was disappointed, given the number of times that deputies and representatives from the Treasury Board come here, that we didn't at least have copies of opening statements.

The Chair: It's my understanding, perhaps, that the Department of Transport has a policy that they don't release them.

Is that correct, Madam Clerk?

Ms. Yaprak Baltacioglu: Our comments and our action plan were delivered to the clerk yesterday, I was told.

The Chair: The action plan was delivered yesterday....

Ms. Yaprak Baltacioglu: And our opening comments.

The Chair: I'm going to ask the clerk to speak to this, because there's some....

The Clerk of the Committee (Ms. Joann Garbig): I was provided one copy of the opening remarks, which I was told was to be given to the interpreters, and I followed those instructions.

Ms. Yaprak Baltacioglu: Okay. Well, then, please accept our apologies—

The Chair: When you appear before other committees, are your opening remarks circulated to the committee? Or do you have a policy...?

Ms. Yaprak Baltacioglu: Mine would be.

The Chair: It may have been a misunderstanding.

Ms. Yaprak Baltacioglu: I apologize if that's the case.

The Chair: The clerk was of the understanding that the policy for Transport was that you were not to circulate, and we're not going to cast any aspersions here. I think there may have been a misunderstanding.

Ms. Yaprak Baltacioglu: I've been in Transport for eight months. Maybe I missed this policy. Sorry about that.

The Chair: Mr. Christopherson.

This was not off your time.

Mr. David Christopherson: Thank you, Chair.

It's just that sometimes when we're getting set up and listening to other folks, we're able to go back and pick up what you said, because we can't necessarily in real time. It's a small matter. We'll let that be.

Now, on Treasury Board, I'm still having some trouble understanding, after all the Auditor General's reports, why we still don't have a common template for the report. Why are they different?

When the Auditor General comes forward, we know automatically what the template is. We know what her reports look like. They're always lined up the same way in terms of what she's done, how she did it, and the conclusions. We don't have to immerse ourselves in that. We can go right to it.

Yet these reports are completely different. I don't understand. Help me.

Mr. Alister Smith: We do provide very detailed instructions on what should be included in the reports and we do have a lot of examples in that guidance, including on the tables that are required, the plan spending, actual spending, charts, and all of that. We haven't given departments a strict template because the DPRs are owned by ministers and departments. So if they want explanations in particular areas, they're free to do so.

Certainly we could go to a fixed format, but that might end up being a little too much of a one-size-fits-all format. So we provide a lot of information, a lot of guidance, on what we need to see in the report, but it doesn't preclude—

• (0935)

Mr. David Christopherson: The chair pointed out they don't get used as much as they should. We're trying to force the issue to make these more important, and have been for years, and I think it would help a lot if we could pick it up and understand what the layout was going to be.

I understand your point, but surely to goodness...smart people can create a template that allows room for certain variables within the.... I mean, the Auditor General does different kinds of audits of different kinds of entities and yet the template is the same. That's all.

Ms. Amanda Jane Preece (Executive Director, Results Based Management Division, Treasury Board Secretariat): Yes. We did adopt a principles-based approach so there are certain headers that we would expect to see in there, but it's up to the departments to describe their story under those headers.

Mr. David Christopherson: I'm sorry, I don't want to get too caught up in this, but it doesn't make it as easy as possible to use. How many reports are there across the government?

Mr. Alister Smith: Over 90.

Mr. David Christopherson: There are 90 and they're all likely to be somewhat different, so that's 90 different worlds that you have to go into and put your head around, whereas the whole point of the idea is to be able to pick it up as a fast reference and get a snapshot of where the department is.

Maybe that's something we can deliberate on later in regard to making that recommendation. I think that's a major weakness here. Again, not that anybody would, but when you get to create your own, you can take the reader on whatever little walk you want, notwithstanding that you have to touch on certain points from within your handbook. I get that. Anyway, we'll deal with that later, too.

My first question relates to page 12 in terms of security and page 10 in terms of risk analysis.

However, before I do that, I do have to do one more thing. What the heck is "mostly met"? Is that like "pretty much, kinda, sorta" and "it depends how you look at it"? What the heck is "mostly met", given that precision is one of the goals here?

Mr. Alister Smith: We do try to calibrate the extent to which targets are met. If they're 100% met, it means they're fully met. If they're mostly met, it's probably 70% of the performance toward the target established.

Mr. David Christopherson: Is that an acknowledged measurement term? Am I missing something? I've never seen "mostly met" in a project before....

Mr. Alister Smith: One is always trying to ensure that there's some sort of quantitative or directional assessment of performance. If there's a defined target, how do you determine how far you've gone in meeting that target? You know that if the target is defined quantitatively and 100% of your requirements are met, then it's fully met. But if it's part of the way, we need some way of trying to calibrate that; so we said "mostly met" if it's a majority.

Mr. David Christopherson: I hear you, but most of it could be the easy part while the really tough stuff is not done. It may be accurate wording, but I'm not sure that it really tells us anything. Do others use that term?

Mr. Alister Smith: Actually, in a lot of respects, I think we're further ahead than others in trying to calibrate the movement towards meeting the target. We tried to find some way of characterizing it rather than saying it's 70% or 60%, which would fall into the same trap of giving lower value measures the same importance as higher value measures.

We've tried to give it a bit of a qualitative spin with "mostly met". That doesn't mean you're fully there. It means you're most of the way there. If you're not there at all, then we want to be able to characterize that as well. It's a bit of a qualitative assessment.

Mr. David Christopherson: Do the other reports use that term? Is it a term that you encourage them to use?

Mr. Alister Smith: Yes, we encourage the same calibration for all reports.

Ms. Amanda Jane Preece: We have definitions around—

Mr. David Christopherson: All right. I'll have to chew on that one later too—

The Chair: We'll be back to you, but you're out of time.

Mr. Saxton, for seven minutes.

Mr. Andrew Saxton (North Vancouver, CPC): Thank you, Mr. Chair.

My questions will be directed to Transport Canada officials.

First, on page 3 of your departmental performance report, it is stated that the creation of the transport, infrastructure and communities portfolio "has provided an unprecedented opportunity to integrate transportation policies and infrastructure funding programs...".

Can you give us some examples of the integrated policies and how you've benefited as a result of the integration?

• (0940)

Ms. Yaprak Baltacioglu: The transport and infrastructure portfolio is truly quite a large portfolio.

Let me give you one example. Infrastructure Canada is a department just like Transport Canada under the same portfolio. When the government decided to put the economic action plan in place, when the infrastructure stimulus fund got put in place, there was quite a rush all across the country, at all levels of government, to ensure that we had projects that made sense, but that could be done fast and would actually support the broad objectives.

The work that the transport department had done under the gateways and border crossings fund with partners for a number of years actually identified some gaps, for example, in the port structures and the road structures, or for bridges and repairs that need to be done, etc. So the transport department was able to give quite a lot of input into the infrastructure department in terms of setting priorities with the provinces. That would be one example.

Another example would be Marine Atlantic, which is part of our portfolio. Their activities directly connect to all of the activities we have on the transport side with regard to roads, for example.

Those would be some of the examples of the connections.

I feel we have to do better in connecting the portfolio, and not all of our portfolio is completely connected to us. For example, the Royal Canadian Mint is part of our portfolio. It's really hard to find the transportation linkages, but nevertheless we have to provide the accountability and the governance regime for the portfolio.

Mr. Andrew Saxton: So would you say that overall the department has benefited in its efficiency and effectiveness as a result of the integration?

Ms. Yaprak Baltacioglu: Yes.

Mr. Andrew Saxton: Thank you.

On page 7 of the department's report, it states that it has improved the air transportation industry's competitiveness by amending the Canada Transportation Act, concluding a new air transport agreement with the European Union, and by negotiating new or expanded bilateral agreements with five other countries.

Can you explain the nature of the new transport agreement with the EU and how that has improved the industry in Canada?

Ms. Yaprak Baltacioglu: In Canada, we are governed by the Blue Sky transportation policy. It's like free trade agreements, but in terms of aviation. We give foreign countries rights to fly into Canada and we get reciprocal rights to fly into their countries.

The European Union agreement is an important agreement for us because, as you know, the European Union has many countries, and that means our carriers can have many ports to land in, where they can carry passengers to, and important hub relationships.

It is actually a very expansive open skies kind of an agreement with the European Union. I believe that has been announced, and ratification of it by Parliament is the only outstanding thing left to do for that agreement. It depends on the country.

Some countries don't want to have open skies. They want more restricted rights, so we negotiate. For the five countries that were negotiated in those years, I don't have all of the names, but I know that Turkey was one.

Mr. Andrew Saxton: Thank you very much.

My next question is in regard to the performance reporting information. What steps are you taking to improve the performance reporting information?

Ms. Yaprak Baltacioglu: On the performance reporting information, we have tabled this action plan. It's mainly an internal action plan for our department. It basically tells you how we have been working on performance reporting.

Very importantly, the first thing we did was realign our departmental program activity architecture. That sounds technical, but basically it is a chart that says, "We're in the following businesses". We've revised that, which is a little bit of discontinuity for Parliament but a real tool for the department, to really articulate what businesses we are in, so I think we have made good progress.

This year, we have aligned all of our governance decision-making process to run ourselves based on this particular business model.

We're working on developing better performance measurements. For example, Mr. Dion asked us why we have a five-year average for road data and another kind of data for marine areas, and whether we were just picking and choosing the data. In some cases, yes, we are, partly because we are not the holders of the data.

The road data comes from the provinces and private sector organizations that govern motorists and vehicles. Aviation data comes from the airports and airlines. We basically pooled them together and then tried to find a good enough measure.

But on the safety data, for example, we're not going to choose things that make us look good. I don't think we'd take risks about Canadian lives.

It is not easy always to find good measurements. Some of these things are not going to get any better. Take the example of aviation security. If we were not in the business of aviation security, if we didn't have our programs in place, what would happen? We can't really measure that. The absence of the programming is something we can't measure.

As I think my CFO can tell you, we are basically going through a process. This year, I would say, there is going to be a better report. The year after, there is going to be a report that is way better. As for whether it is going to be ideal and answer all of the questions, it probably will not be ideal, because we have some limitations.

• (0945)

The Chair: Before we go to the second round, I want the witnesses to address one issue and it is the uses made of this report. This is not my own anecdotal evidence. It is empirical evidence from reports written. These reports get almost no readership. The media doesn't use them. Parliamentarians don't use them. The public doesn't use them.

In my own view, if they were more user-friendly, people would use them, and I think the trust would be bridged.

Mr. Smith, obviously you've read this report prepared by CCAF. Does that not concern you? Have you made any move to make these reports more user friendly? Because I've always said that any department could take 60 blank pages, put a great big staple through that, submit it and say "that's your departmental performance report", and no one would ever notice the difference.

Has this been discussed? Is there any thinking....? Right now your reports aren't being used. Does that not bother you? Are you trying to address that?

Mr. Alister Smith: Mr. Chair, thank you for the question. That is a very important question indeed.

They are part of the estimates, so they are an accountability document, and it's important that they do show results from planned spending. It's very important for us to have this kind of accountability document.

Now, I apologize if the guidance we provide for these reports doesn't make them as user-friendly and readable as they should be. We should keep doing a better job of trying to make them concise, having them in plain language, and making them usable and accessible—absolutely. We keep trying to do that every year. It's a continuous improvement cycle.

At the same time, I think there is an obligation to report on the actual performance of departments against the money they've been given by Parliament. There is an irreducible amount of information that has to go into these reports to make them useful accountability documents. That does require some formatting, some formulation of results, that makes them a little bit more intimidating and challenging for the general public. We recognize that. We keep trying to make them better vehicles.

The study that CCAF did for us shows that other governments are moving in the direction of making these reports—they have similar reports—more accessible and more electronically available, with a lot more information backing up, in the electronic layer, the individual performance reports. We would like to keep improving in this direction and to look at best practices around the world.

• (0950)

The Chair: Okay. We'll start the second round. We'll probably only get into it for one member. Then we're going to suspend. Mr. Smith and Mr. Maxwell and their associates will remain with us, but we'll replace Transport with Industry.

Monsieur Dion, vous avez cinq minutes.

Hon. Stéphane Dion: I didn't know that I would have a second chance.

The Chair: You'll have a third chance, too, with Industry.

Hon. Stéphane Dion: Okay. Maybe I should allow the department to give more explanations about the series of questions I asked.

Before that, I have a short comment. I understand that you want to improve year by year. What we tried to do today was give you ways to do it. It's not only to improve here and there; it's to change your approach. I think Mr. Christopherson mentioned that it's important that you have a buildup over the years.

For example, if we want to know if our transportation is safer in Canada, we should be able to do it in this report, and not by data that change from year to year, but through a table, where each year you add the new data you have. If you don't have any data, you cannot invent it. But you can say that this is the data you have available and it shows that, yes, our transportation is safer, and these are the programs, the measures, and the strategies you are undertaking to be sure that's the case.

On the CO₂ emissions from the auto industry, it's the same point. You should have a trajectory that shows where we are going and, year after year, we would have a report that is workable for you. So not only is it readable, but it's workable.

So where are we on this trajectory on CO₂ emissions for the auto industry?

Ms. Yaprak Baltacioglu: First of all, thank you very much to the committee. Yes, if we're going to improve it and improve it to

actually be useful not only to parliamentarians, but also to us as well.... It starts with us, for the department to find it useful and to show that we're proud to show what we have done, and also that we're very realistic about what we haven't done.

On the MOU with the auto industry, I think this is the last year, 2010. The agreement is finishing this year, as much as I remember. This is an MOU that was spearheaded by Transport Canada as well as NRCan. The reason why the connections are to NRCan is that Natural Resources Canada is the one that is working with the auto industry in terms of their reporting. I will get you the details as to what the trajectory has been.

Given the downturn in the auto industry, I believe there has been an overall reduction in the CO₂ emissions, but overall in Canada regarding the impact of transportation.... Transportation is the source of two things. One of them is the greenhouse gases and 27% of that comes from transportation, but there are also huge components of the NOx/VOCs, the nitrous oxide/volatile organic compounds, the whole list.... The honourable member knows these really well.

Our performance is that that CO₂ emissions have been going up from transportation; however, particulate matter is actually on a steady decline. So this kind of improves with the technology, etc. We can get you the performance around that. But your question is well put: why don't we have these there?

Hon. Stéphane Dion: I have a question about that. Your measurement of the pollution linked to automobiles, trucks, and so on—not the one on CO₂ but the other one—are they in the air that we breathe or is the pollution coming from the cars themselves in Canada? Because there is a big difference. A lot of air pollution is coming from the United States, so when we say that it's decreasing, are we taking as an indicator the actual air that we use or the pollution coming from the cars in Canada?

Ms. Yaprak Baltacioglu: It's from the cars.

Hon. Stéphane Dion: So maybe it's not the case at all. Maybe we have more and more pollution coming from the United States.

Ms. Yaprak Baltacioglu: Yes, but in terms of our measuring a performance for ourselves as to.... As the transport department, we can't really control the pollution coming from the United States.

Hon. Stéphane Dion: I don't dispute that. Transport Canada cannot direct what is happening in the United States. I'm just saying that this is the kind of clarification that I would want to see in the report, because it's important for me, as a Canadian, to know if we are—

• (0955)

Ms. Yaprak Baltacioglu: If it's from the tailpipe.

Hon. Stéphane Dion: Yes, because pollution coming from the United States over Canada will have the same effect on the health of my daughter, my friends and me. This is the kind of clarification I would like to see in another report.

Ms. Yaprak Baltacioglu: Right.

The Chair: Okay, Monsieur Dion. *Merci.*

We'll hear from Mr. Kramp for five minutes.

After that, I am going to suspend for two minutes. Then, when the witnesses from Industry come in, Madame Faillie, you'll be starting the first round of five minutes.

Mr. Kramp.

Mr. Daryl Kramp (Prince Edward—Hastings, CPC): Thank you.

My first question would be to the Auditor General's office.

We have a couple of reports here from Transport and Industry that are reasonably acceptable, for the most part, relative to some of the other information we have seen in other reports.

So to those two departments, congratulations. It's certainly not perfect, but I would have to say that your efforts have not gone unnoticed. We thank you for that.

To the Office of the Auditor General, obviously there are still some struggles to produce meaningful reports, particularly in some departments. With a very simple one-two-three, can you give us some really serious and practical advice that you could go public with, where you would say to those departments that if they did this, it would be most helpful and beneficial, not only to you for evaluation, but also meaningful to us as parliamentarians? What would a couple of those steps be?

Mr. Neil Maxwell: Thank you, Chair, for that question.

Again, as you said, we have not audited these specific reports, so the comment I will make is a much more general one.

I think I'd highlight two real challenges, both of which have been summarized already, including by the chair in his opening remarks.

The first is the importance of balance. This is a political milieu and we all know that very, very well.

I think the thing that we often find with departments is that there's an elephant in the room. Sometimes it's a major incident during the course of the year and sometimes it's a major report by a royal commission or an inquiry.

Often, reports don't talk about the elephant in the room, and often when we're talking to departments we say that if they don't address the elephant in the room, their report risks losing credibility. So I think that whole question of balance is the first one.

The second thing I would say—and again, there have been many examples here today—is just how important it is to have very clear expectations set out and, then, very clear measures against those. I think one of the ongoing challenges in performance reporting, and one of the many reasons why the reports are where they are right now after several decades of trying to improve them, is that it is often difficult to get really good indicators.

Nonetheless, there are indicators there and a lot of data that creative people within departments can find. Statistics Canada has a lot of information and the OECD has information, and I think both of these reports show some use of those things. There are always ways to find things that shed light on these important questions. Greenhouse gas emissions are another example.

So I think I would mention those two things: the importance of balance, and clear measures and clear expectations, which those measures then report on.

Mr. Daryl Kramp: Thank you.

My next question is for Transport Canada.

Knowing what the expectations are, as just stated by the Auditor General's office, and what are, to them, a very, very clear set of parameters for you to report on, what is the biggest obstacle your department has in delivering the kinds of results we expect?

Ms. Yaprak Baltacioglu: I think that at the time of this particular report you're looking at, the biggest obstacle was that the department's choice for explaining its business was complicated. It had some 180 outcomes. It's really hard to make a frame out of 180-plus outcomes. I think that was a big obstacle.

The other obstacle, I would say, is the availability of good performance data in the information and being clear. That's something we're going to keep working on, but the challenges that we just discussed, for example, on the environment, are not simple ones. We have to find readily available information because we don't want to spend a whole bunch of capital using things that are not actually helpful. We have to be very deliberate in the way we choose the performance information. Some of it is not available.

Those would be the biggest obstacles.

Mr. Daryl Kramp: Thank you.

We all recognize the priority that has been and/or should be placed on environmental strategies in moving forward within your departments. Certainly, I know, from the inclusion of the eco-transport strategies you brought forward, that there has been some movement on that.

I know there's a tremendous amount of interest around the table in it. In particular, I know that my colleague, Mr. Dion, has made this a serious passion of his, and we can appreciate that. Could you elaborate a little on some of the focus that you've had in that direction?

• (1000)

Ms. Yaprak Baltacioglu: First of all, an environmentally responsible transportation system is a business line for our department. Our work mainly involves the policy work and some of the regulatory work.

We work with Environment Canada because sometimes they have legislative tools that we don't have. Our focus is on air and marine. On the road transportation, it is more of a deal with the automakers.

Mr. Daryl Kramp: Harmonization of standards...?

Ms. Yaprak Baltacioglu: Harmonization of standards is a critical issue. This is not a simple thing for us, partly because... For example, right now we're seeing one state in the United States that is unilaterally trying to impose a standard in the Great Lakes. This is a serious problem because it has an impact on the Canadian marine industry, but also for the United States as well.

So how do we actually work with the United States so that the regulations that we pass—and that they pass—allow trade to happen? That is a critical part of our work.

We have a number of environmental programs, which are in our documents. For example, in the year this report was done, the department worked on the eco-auto rebate program. We spent \$191 million, and there were purchases of 170,000 fuel-efficient cars. Canadians were helped with that.

We have demonstration programs for clean energy for vehicles. We have done 57 demonstration programs that are simply showing people that there are alternatives out there. Some of it this only a matter of acceptance and understanding.

We have an eco-freight program, in which we are moving on sustainable transportation for smaller-scale projects.

Can we do more? Probably. A lot more can be done on the environmental issues in transport, but we keep on working at it.

For example, on the marines issues, oil spills are a big deal for us. We have upgraded our Dash 7 airplanes—I think that's what they are—and basically we fly patrols over Canada's oceans to determine where the oil spills are and where they are coming from. We actually have an inspection and overview function in Transport Canada, which is critical.

The Chair: Thank you very much, Mr. Kramp.

That concludes the first session.

Madam Baltacioglu and Mr. Morency will now be leaving and will be replaced by the Department of Industry.

I'm going to suspend for one minute, but before I do I'm going to ask you, Deputy Minister, if you have any closing remarks at this time.

Ms. Yaprak Baltacioglu: Let me repeat what I said at the outset. I know that when I said it everybody looked at me, but I really appreciate the fact that the committee is showing interest in these reports.

I appreciate that it gives us further energy to actually improve the way we're reporting, because it is not a small thing. It's extremely important that we use the taxpayers' money properly, that we achieve the results, and that we're clear as to what we're trying to do.

If you call on us again next year, hopefully we will be much better.

The Chair: Thank you very much.

On behalf of the committee, I want to thank both of you.

I'll suspend for one minute to allow the industry representatives to come to the table.

- _____ (Pause) _____
- _____

The Chair: I'll call the meeting back to order.

I welcome Kelly Gillis, chief financial officer, comptrollership and administration sector, Department of Industry, who is accompanied by Mr. Ron Parker, assistant deputy minister, industry sector.

The deputy minister is not available as there is another committee meeting going on at present.

I'm going to turn it over to you, Ms. Gillis, for your opening comments.

We will not take another round of opening comments from either Mr. Maxwell or Mr. Smith. We'll go right to questions. In the next round, we'll be starting with Madam Faille for five minutes, and then it will be Mr. Young for five minutes.

Ms. Gillis, the floor is yours.

• (1005)

Mrs. Kelly Gillis (Chief Financial Officer, Comptrollership and Administration Sector, Department of Industry): Thank you very much, Mr. Chair.

Thank you for the opportunity to be here with the members of the Standing Committee on Public Accounts to discuss Industry Canada's 2008-09 departmental performance report.

Although my deputy minister, Richard Dicerri, does apologize for not being here because he is appearing before the Standing Committee on Industry, Science and Technology on our main estimates right now, he will try to join us a little later in the meeting, because it is very important. He would like to be here if he can, so it is possible that we might see him around 10:30 this morning.

[Translation]

Before I begin, I would like to introduce the departmental official accompanying me, Ron Parker, Senior Assistant Deputy Minister, Industry Sector. He is available to answer questions as well.

[English]

The 2008-09 departmental performance report details Industry Canada's achievements and shortcomings against the objectives set out in the 2008-09 report on plans and priorities.

In the 2008-2009 report on plans and priorities, Industry Canada set commitments against three strategic outcomes, which are outlined in the report.

Changes to Treasury Board Secretariat's guidelines for the development of DPRs over the past few years have aligned themselves with the recommended five criteria for rating departmental performance reports as set out by the Office of the Auditor General.

[Translation]

Industry Canada's reporting has evolved along with Treasury Board Secretariat guidelines. In 2006-2007, Industry Canada's departmental performance report was over 150 pages long. So it was not very concise, and results information was in the infant stages. Since that time, the 2008-2009 departmental performance report has gone to a concise report of 40 pages with further information available online.

[English]

In developing the concise format for the DPR, Industry Canada has continued to evolve performance reporting by including more credible and reliable links to sources of information to demonstrate more balanced reporting and accountability, including additions of trends. The departmental performance report also links resources to results and details lessons learned.

Improvements continue to be made. This year, for the first time, Industry Canada's 2009-10 departmental performance report will include performance results that report against program targets. We'll also include more information against evaluation findings and the work the department has undertaken to address these findings. Finally, for more balance, we will include more lessons learned in the printed document.

In closing, I would like to thank the committee members for their time and interest in Industry Canada's 2008-09 departmental performance report. We welcome any comments and questions you may have.

Industry Canada continues to adapt and improve its reporting in an effort to better outline our performance results and demonstrate value for money.

At this point, I am pleased to answer any questions the committee may have. Thank you.

The Chair: Thank you very much, Ms. Gillis.

We're now going to continue the round. We'll be starting with Madam Faillie for *cinq minutes*. Then we're going to go to Mr. Young.

[Translation]

Ms. Meili Faillie: Thank you, Mr. Chair.

Ms. Gillis, I want to ask you about something very specific. Page 11 of your report compares planning spending with actual spending. Pages 14 and 18 include tables. They show planned spending as compared with actual spending. There are huge gaps. Nowhere in your report does it explain those gaps, be it in the introduction, the conclusion or the main points of the report. According to page 11, the department's planned spending was \$653.8 million, and total actual spending was \$3,451.8 million.

Then on page 14, it says that in 2002, Canada ranked 9th out of 154 countries and today ranks 19th. Why does Canada continue to lag behind in terms of its level of advancement in the use of information and communications technology? How did money spent in 2008-2009 improve that situation?

• (1010)

[English]

Mrs. Kelly Gillis: *Merci.*

If we look at page 8, at planned spending, we can see that planned spending is done when we do the departmental performance report; it's based on the RPP. We do the report on plans and priorities and the cut-off at that particular point in time of what's known, based on main estimates and the supplementary estimates at that time.

As you can see, the bottom line shows the budgetary main estimates in planned spending for 2008-09 of just over \$1 billion, and then the total authorities that were received. During the year, we would have received additional funding, either through the supplementary estimates or through budgetary transfers such as collective bargaining agreements, or for such things that the Treasury Board Secretariat has held centrally, like maternity and severance payments that are received from the departments in year. That's where you see the main differences.

For Industry Canada, we also receive payments for repayable contributions that help support funding for contribution payments in future years. That's why you see a big difference between the planned spending and the total authorities available.

Now, if we go to the actual spending, comparing the total authorities that we had available to spend versus what was actually spent, yes, we did spend less than what our authorities were. If you go up to the line where you see the "Canadian Intellectual Property Office Revolving Fund", we see total authorities of \$140 million, yet in the actuals you see a negative bracket of almost \$13 million. It's because of the estimates process and how we disclose this.

Within the estimates, for the total authorities, the Canadian Intellectual Properties Office has a revolving fund and this is what they have available to them to spend. Yet when you see what you actually spend, because of the way the accounting is done, it's on a net basis. So automatically there, you have a difference of \$150 million. You're right: it is not well presented here. We could do better in describing the actual variances between those amounts.

Another example of where there was a difference between what was available to us to spend and not to spend was in some of the contribution programs such as the Ontario potable waters program. We had a lapse of about \$19 million, but we did ask to re-profile it, meaning that we asked to carry it forward from 2008-09 to a future year, when those expenditures would come in.

The same thing is true for our strategic aerospace defence initiative, for which we had a \$24 million lapse. Again, we requested and have an automatic re-profile of 20% for that particular program, so it was available for a future year to be able to cover off contribution programs for those future years.

So for each case within the department, we do analyze what we're planning on spending, why we're spending it, and what's happening within those expenditures.

[Translation]

Ms. Meili Faillie: My second question had to do with page 14. I wanted to know why Canada continues to lag behind in terms of the use of information technologies.

[English]

Mrs. Kelly Gillis: Ron Parker will answer.

Mr. Ron Parker (Assistant Deputy Minister, Industry Sector, Department of Industry): In terms of the specific indicator, I will have to get back to you on the factors that led to the drop from ninth to nineteenth place.

In terms of the areas that we spend on related to investment and communications technologies in this area, they're principally in the spectrum of the information technologies area and how we manage spectrum. These involve representing Canada at the world telecommunications forum to make sure that our spectrum is well managed on an international basis and that we reflect Canadian business priorities, as well as a number of initiatives that we bring in this area.

More broadly, there are a number of initiatives under way that we've looked at in response to these indicators and that I think are important as an example of how the feedback is feeding in, in terms of the declining trend. For instance, the minister has just launched a consultation on the digital economy. This is an example of where the trend is worrisome, and there is a response to the indicators that we're monitoring.

• (1015)

The Chair: Thank you.

Before going to Mr. Young, I want to announce that the Deputy Minister of Industry, Mr. Richard Dicerni, has joined us.

On behalf of all committee members, I want to welcome you to the committee.

Mr. Young, you have five minutes.

Mr. Terence Young (Oakville, CPC): Thank you.

I'll address my question to Mr. Dicerni.

Welcome to the committee.

Mr. Richard Dicerni (Deputy Minister, Department of Industry): Thank you.

I'm sorry. I hope somebody mentioned that I was at the industry committee.

Mr. Terence Young: Yes. You wowed them there, so now you're here.

Voices: Oh, oh!

Mr. Terence Young: One of the biggest problems we have had historically in Canada, certainly through the 1990s and the early part of this century, is that governments make great announcements of large amounts of money that are going to be spent—and the media loves to print them—so we end up talking a lot about how much money we threw at a problem, etc.

I want to ask how you are committed at Industry Canada to emphasizing actual outcomes as opposed to inputs.

Mr. Richard Dicerni: At the end of the day, the most important thing is to measure results. I'll give you two examples of areas we are tracking. One relates to the economic action plan, the knowledge infrastructure program that was put into place, and the other one is the overall investment in R and D by government and by business.

In terms of the knowledge infrastructure program, I believe the Auditor General may have referenced this. The staff are doing an audit of how we spent and the impact it has had. We follow this very closely with our provincial counterparts, with whom we are delivering this program, in terms of what is actually happening on

the ground and what benefits it will have in enhancing the quality of the infrastructure of post-secondary education in the country.

With regard to investment in R and D, Canada does quite well overall in terms of its investments in research. Where we lack is in the area of business investment, which is something that we track.

The government—in the last budget, I think—announced that it was going to review R and D spending overall as it relates to the amounts that are spent, to achieve better commercialization, better outcomes, which goes to your point about what we are getting for this money.

It covers a wide range of instruments that government has, ranging from tax measures to things like IRAP and its programs. Because we're trying to get to the bottom of what impact this is having on the ground, how this is moving commercialization and how this is bringing product to market.

So we do keep an eye on, if you wish, the larger issues at hand.

Mr. Terence Young: Thank you.

I think we fail, in many cases. I've discovered a number of situations where investments in IRAP have returned a lot of money to the treasury. We don't talk about that enough. There are a lot of good things going on.

In the opening remarks, it was mentioned that you've gone to a concise report of 40 pages that somebody can go through in a shorter period of time. You have more credible and reliable links to sources of information, and you have trending now, because trending is very important. You're also reporting in detail on lessons learned. I guess if you don't admit that you've made a mistake, you'll never be able to correct it, etc.

You have used previous reports to improve future performance. Can you please summarize a little on how this corrective action has been beneficial?

• (1020)

Mr. Richard Dicerni: If you look at the TPC program and, in some ways its successor, the strategic aerospace and defence initiative, you see that the TPC program had many successes. It had some gaps, but it had many successes.

We have built on that in order to improve terms and conditions and also in terms of what we get from the companies we are partnering with and how we track progress. Progress is not just about getting repayments; progress is about permitting these firms to produce products that will make Canada a leader.

You're quite right when you point out that we don't celebrate our successes.

This, in part, was the result of an IRAP initiative—

Mr. Terence Young: Sorry, but for the record, you're holding up your BlackBerry.

Mr. Richard Dicerni: Yes, sir. I'm sorry.

There's always a lot of emphasis put on the failures, because those get some amount of attention, but unfortunately the very good initiatives often go unmeasured.

So this type of instrument assists us in tracking and improving year over year, but this will never be a finished, perfect product.

The Chair: Thank you, Mr. Young.

Thank you, Mr. Dicerri.

We're now going to go to Mr. Christopherson for five minutes and then over to Mr. Dreeschen.

Mr. Christopherson, you have five minutes.

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

Thank you for your presentations and for attending today.

I have to tell you, Deputy, I was taking bets that you wouldn't show, just because human nature being human nature.... I'm very impressed that you made the effort and it says a lot about you.

I want to move to—

Mr. Richard Dicerri: How much did you win?

Mr. David Christopherson: Sorry?

Mr. Richard Dicerri: How much did you lose?

Voices: Oh, oh!

Mr. David Christopherson: Are you willing to help?

My question, first of all, is to Mr. Maxwell. You made this comment in your opening remarks:

It must be recognized that performance reporting takes place in a political environment. Balanced reporting, that is, admitting to shortcomings as well as successes, does not yet appear to be part of the management culture of government.

Have you looked at the two reports that we're studying today?

Mr. Neil Maxwell: We have not. I had mentioned in the opening statement that we had not looked at these two.

Mr. David Christopherson: I knew you hadn't analyzed them. Did you have a chance to even...?

Mr. Neil Maxwell: We did have a chance to read them in advance of this. Tempting as it might be to offer an on-the-spot audit, I'll resist the temptation.

Mr. David Christopherson: That's fair enough. Nonetheless, my point is still that the idea is to give a balanced presentation, and even the handbooks from Treasury Board call for that.

Perhaps the deputy or someone else can show me in here the other side of the picture. I'm the one who accused these things of being self-serving fluff. We've been working for a long time to change that. Part of that is the balance, so that it's not just a "hey, we're wonderful" document. You have a lot of those, so please show me the balance.

I found all the good stuff that you're bragging about. That's easy to find. Show me the rest, please.

Mr. Richard Dicerri: I'll make one comment and then Kelly can point to some.

I look upon this as one element within a menu of instruments by which we as officials are held accountable. The various officers of Parliament hold us to a certain standard of accountability, let it be the access to information commissioner, let it be colleagues who have left. They all contribute to enhancing the information that is available and they tend not to be shy about pointing out parts where sometimes we maybe don't totally hit the mark.

In here we've tried, and Kelly can point to some. Page 19, showing barriers to competition and trends, declining, so there are some if you point to—

Mr. David Christopherson: No, sorry. I'm glad you raised that early on, because what I don't accept, quite frankly, in here is I saw where it said that there is a decline in your trends", but that's talking about economic indicators. That's like a Statistics Canada report and then an editorial.

What I want to know is on your performance in terms of what you were going to do.... There's only so much you can do and then the economy does what it's going to do, so as for reporting to me whether trend lines are up or down, I can get all that from Statistics Canada. I want to know what expectations your department set up for yourselves to help achieve those things, and where you failed, because nobody's perfect. Where's that?

• (1025)

Mr. Richard Dicerri: It's at "Percentage overall satisfaction of clients with CIPO's services", declining, on page 25

Mrs. Kelly Gillis: In the report there are several areas.

Mr. Richard Dicerri: Do you have that one?

Mr. David Christopherson: Yes.

Mrs. Kelly Gillis: There are several indicators in declining.... Above and beyond the particular online report, we have a number of other lower-level indicators available online, which we have more attribution on and where we're improving or declining in about 25% of the cases overall. We say where we're declining.

Above and beyond that, for the 2009-10 departmental performance report, as we've included in the 2009-10 report on plans and priorities, we also have targets. We're going to report not only on trends, but also on targets: did we meet our target, yes or no?

We'll have two different indicators telling the reader how we're doing at varying levels, at the outcome level, which is longer reaching, and the economic, and then more granular as we go into the program activity, the sub-activity level.

Mr. David Christopherson: Okay. Well, obviously, we'll have our analysts take those words and take the documents and conclude.... But if you're going to tell me the negative stuff is all buried in the next step, that's not that great.

I don't have a lot of time. Again, the template thing still makes me crazy. When I went to Transport, I wanted to see risks. I went to the table of contents and there was "risks"; I could find it. Here it's not even in the table of contents. I had to find it on my own.

So again, there's this business of a lack of commonality. Risk is important these days. I wanted to ask questions about cyber-risk. I'm not even going to get to that today, but part of it was that I should be able to pick up this document and look for "risk". To their credit, they did it in Transport. They didn't do it in Industry.

While I'm on risk, if I may, it seems to me.... I look at this thing and I don't see a balance on risk. It says in the handbook that you're to show the negatives and the positives of things. The risk looks to me like just an essay study; I mean, it really.... Where's your analysis of your security risks, your cyber-risks, and the other risks? Where are those in there?

The Chair: Go ahead, please.

Mr. Richard Dicerni: So the part on risk analysis, at page 16, you deem this to be not sufficiently quantifiable and too poetic. Is that about it?

Mr. David Christopherson: Well, those are much nicer words than I used, but yes, the point is the same.

Mr. Richard Dicerni: Point taken: we could enhance risk. Part of the challenge we have is a time lag. If I'm talking to you today about the risks as to when the framework was set and the report against which this document was prepared, there's a bit of a time lag.

If you had asked me last year what my risks were, I would have focused on proper delivery of the knowledge infrastructure program. I would have focused on delivery of the marquee tourism, but that was not captured in print because the budget came out in January. That's what we started focusing on.

If you want to ask me what the largest risk facing the department is, it's the recruitment and retention of senior officials, because the ongoing challenge of a demographic nature is to have the right people in the right jobs with the right formation, training, and so forth. That's probably the largest risk that you could put in my department's document for the next five years and that's where we devote a lot of attention.

The Chair: Thank you, Mr. Christopherson.

Thank you, Mr. Dicerni.

Mr. Dreeshen, you have five minutes.

Mr. Earl Dreeshen (Red Deer, CPC): Thank you very much, Mr. Chair.

Thank you, ladies and gentlemen, for being here this morning.

Actually, Madame Faillie spoke earlier about some of these strategic outcomes as far as summary of performance is concerned. I had spoken of the competitive industry and sustainable communities and the fact that it looks as though we are perhaps declining there.

But perhaps to have a balanced presentation, as was suggested by Mr. Christopherson, you could explain the two strategic outcomes where we've actually been improving.

Strategic outcome number one is "a fair and efficient competitive marketplace", and outcome two is "an innovative economy". Perhaps you could explain the types of things that you have seen there, and help us in that regard.

• (1030)

Mr. Richard Dicerni: Okay. Can you point me to the particular page?

Mr. Earl Dreeshen: Pages 12 and 13.

Mr. Richard Dicerni: As you may have noted, at the front end we approach the overall mission of the department using a triangle, because we believe that each of the three major *volets* of the department are interconnected and reinforce each other.

The fair and efficient competitive marketplace is fundamentally the framework. It's the baseline. If we don't get this right, nothing else will matter.

In that context, the government launched the panel chaired by Red Wilson, which looked at a number of initiatives that could be taken to enhance the competitive marketplace. These were adopted by the government and passed in the previous budget, which led to changes and improvement in regard to the Competition Act and the Investment Canada Act.

There are other areas that we are currently working on, such as copyright, intellectual property, that tend to reinforce the competitive marketplace. Other initiatives include the recently held auction for new spectrum, which permitted a number of new market entrants to bring product to market.

So that is our table stakes: if we don't get this right, if we don't keep improving and making sure that we have a fair, efficient, and competitive marketplace, then the rest will not work as well.

In terms of the innovative economy, a number of initiatives have been undertaken to support this. A couple of days ago, as a matter of fact, Minister Clement launched the digital economy strategy, which is at the next wave of initiatives.

Looking back, the government launched the Canada Excellence Research Chairs program, which was designed to bring to Canada 20 of the top-notch researchers in specific fields, so that if we can bring talent.... These were unique chairs of \$10 million each. The results should be announced shortly.

This was a worldwide competition. We were able to establish a worldwide panel, which included the president of the University of Hong Kong and the dean of engineering from the University of Cambridge.

So we are going to be able to bring to Canada 19 or 20 top-notch scholars.

We have the Vanier scholarships, which again are bringing to Canada top-notch students. It will be on a par at some point, we hope, with the Rhodes scholarship in terms of its quality and the amount that we bring to it.

Overarching all of this, however, is the science and technology strategy, which identified key areas that the government should invest in and on which we are getting gradual buy-in from other provinces as they also start focusing on those similar areas to establish critical mass.

Overall in terms of an innovative economy, there's an evolution from what it was 10 or 15 years ago to an area where there's concentration in key areas that will be the platform for Canada's future economic growth.

Mr. Earl Dreeshen: That's great. Thank you.

Included in that would be our KIP funding as well, I suppose, and the significance of what it has done.

I'm not sure whether this ties in exactly to what you were discussing, but I noticed that on page 26 you talk about "piloting educational tools for university students in science and engineering faculties, prototyping IP data research tools", and so on. I wonder if you could perhaps comment on some of that information.

Mr. Richard Dicerni: KIP, the knowledge infrastructure program, I think will prove to be one of the most substantial investments in post-secondary education in this decade, for a long time.

I was former deputy minister of education in Ontario, which is where I initially met Mr. Christopherson.

•(1035)

Mr. David Christopherson: The good old days....

Mr. Richard Dicerni: Pardon me?

Mr. David Christopherson: Those were the good old days.

Mr. Richard Dicerni: They were both good and they were both old—

Voices: Oh, oh!

Mr. Richard Dicerni: And capital was always the forgotten child—upkeep, refurbishment—because it's always more interesting, if you wish, to launch a new wing, to launch a new university. But as people who have houses know, it does need upkeep.

This will permit Canada to bring up to an extraordinarily high level the quality of infrastructure of our post-secondary education system. The key point is that it's not just our money; it's not just the \$2 billion the Government of Canada put into it. Because all of these funds were matched, and in some cases, even more so. So you're looking at an investment of about \$4.5 billion to upgrade the post-secondary capacity.

Because the roof is not going to leak anymore, I think this will be a solid underpinning with which our Canadian researchers and the researchers we bring to Canada will be able to do their stuff.

Mr. Earl Dreeshen: Thank you very much.

The Chair: Thank you, Mr. Dreeshen.

Now we're going to go to Mr. Dion.

Monsieur Dion, vous avez cinq minutes.

[Translation]

Hon. Stéphane Dion: Thank you, Mr. Chair.

Good morning, Mr. Dicerni.

[English]

You were not here when I made my comments to your colleague in Transport Canada. I would reiterate a lot of them.

First, I think this report should be discussed at the industry committee, Mr. Chair. I think we should mention to them that these reports exist. It is for them to review, because we have no time here, and it's not the role of this committee to review the industry policy of Canada. It's more to give you our reaction to this report. Is it workable? Is it easy to read?

I would tell you that it's a work in progress. A lot of the criticism I made to transport, I would reiterate to you. We are in the middle, between a classic ministerial report, where you describe your activities and your programs in a very boring way, and indicators. The link between the two is difficult to make.

I agree that it's a bit better than Transport's report, but I still think it would be important to have a strategy of buildup when you write these reports. Each year we should see where we are. We start from scratch year after year. We should see where the direction for the country is.

And I would say that it's dangerous to put everything on the same footing. You have said a lot of interesting things since you have been here with us. They're not in the report and there is no way that we will find them.

Where is Canada strong? Where are we weak? What is your department doing to address our weaknesses and to keep up our strengths, to make us stronger? There is no way to know. Everything is on the same footing.

Yes, we will discover what your minister just said, which is that we are falling behind, if we are not careful, on some key part of the innovative economy, but we need to discover that it's on page 26 in the table. It should not be on the same footing. We should have a direction. We should see what is important and what is less important.

There is no sense that clean tech will be a big part of the economy when you read this report. It's not part of your three pillars. Yes, you have programs here and there, but how will it stop Canada from falling behind, as many reports have said. This part of the economy may become as big as the automotive industry in the coming decades.

I will just give some examples in the few minutes I still have.

[Translation]

On page 19, in the section entitled Barriers to competition, it says that Canada ranked 5th in 2008 and 11th in 2003. Canada ranked 8th in the world in overall competitiveness in 2008, up from 10th in 2007. In one instance, the report refers to 2003 and in the other, 2007. But it does not say why. It may be because the methodology changed, and therefore it is not possible to go back further. We do not know, but the report should explain it.

● (1040)

[English]

There should be uniform standards year after year. We should be able to see where we are going. We should not change from one indicator to another unless there are valid reasons. It's an example that I give you.

[Translation]

Mr. Richard Dicerni: I agree with you that if we use different years as reference points, we should explain whether it is due to the fact that data is now available that did not used to be, and so forth. That is indeed a shortcoming, I will agree.

I also agree that, when governments and public servants have to be accountable to Parliament, it would be advisable to look at how a sectoral committee such as the industry one could join forces with this committee to analyze performance. I can tell you, in all honesty, that we are doing our best to meet the demands and requirements of both parliamentarians and officers of Parliament. The contribution of the various officers of Parliament cannot be overlooked or underestimated, especially that of the Auditor General, who works to enhance transparency. But, basically, I agree with you.

Hon. Stéphane Dion: I am simply trying to suggest that you take a different approach next year, one that will be more useful to you, to us and to Canadians.

On page 27, it says that R&D spending in Canada dropped as a share of the GDP. We should be able to see whether that is part of a pattern and how we rank against other countries. You know, as well as I do, that it is a problem, not in terms of public R&D, where we are one of the leaders, but in terms of private sector R&D. Private enterprise is not investing in R&D, despite the option to amortize the capital and the considerable efforts of the provinces, especially mine, Quebec.

We are way behind, and this report should tell us what the problem is. Your minister just gave a presentation. There were indications in your report that the minister was going to give such a presentation. The reader just happens upon that information by checking a table. You already have to be familiar with the subject matter to understand when a particular table is critical and when it is not.

[English]

The Chair: Thank you, Mr. Dion.

Mr. Dicerni.

[Translation]

Mr. Richard Dicerni: You are right. There is a gap between when the framework for this kind of document is established and when the

document content has to be completed. Then there is the ad hoc component. We try to meet the challenge by drawing on other procedures, including the estimates.

Hon. Stéphane Dion: There is a table on machine-tool investment that I find very troubling. Given that the loonie is at par with the U.S. dollar, we need to invest in that sector. It is critical. And it is mentioned just in passing.

Mr. Richard Dicerni: At the time, it was not at par.

Hon. Stéphane Dion: That may be, but that is important information. You should give it as much importance as the rest.

[English]

The Chair: I'm going to conclude here. I'm going to move on to Mr. Payne.

Mr. Payne, you have five minutes.

Mr. LaVar Payne (Medicine Hat, CPC): I pass to Mr. Saxton.

The Chair: Do you have any questions?

Mr. Andrew Saxton: No.

Go ahead, please.

Mr. Daryl Kramp: I could ask a question in the meantime, if I may, Mr. Chair.

Of course, from the 2005 report to the 2008, there have been a significant number of advancements and areas of progress. In particular, Industry Canada has really effectively been a leader in a lot of the parliamentary reporting. So once again, as I mentioned to Transport, these two departments have done very well. We commend you on a job well done.

But a job well done is only good if those best practices are shared. Are there any particular activities or any particular instances or strategies you've implemented that we could share, that you could share with this committee, so that we could suggest they be utilized even potentially with other departments, where there could be some symmetry?

Mr. Richard Dicerni: Our fundamental bureaucratic characteristic of humility would prevent us from going too far down that path. But I'm sure that the people from Treasury Board who monitor these things will be very forthcoming.

● (1045)

Mr. Daryl Kramp: Okay. I'll try one more time.

You've obviously achieved what had been classified as a strong management accountability framework rating, and accountability is what this committee's all about. We're an oversight and accountability committee.

As such, I would like you be a bit more specific, even for fear of bragging or boasting...I'm not too worried about the intent. I would like to hear if you have best practices. I do believe that this committee would love to hear about some of those so we could ensure that not only are you going to maintain the level, but that perhaps the lessons you've learned from some of the weaknesses in the past can then be used positively for other departments.

Mr. Richard Dicerni: I will let Kelly provide some specifics, but I have a few overall points about accountability in managing a department.

I believe my colleagues would attest to this: that they have a fairly good understanding of what I hold them accountable to do, for when. When I was at Ontario Power Generation for a period of time, I had to produce quarterly financial reports that were released to the public, on the basis of which I had media and analysts' calls. It forces a degree of accountability and transparency that is very important in a company that has such responsibilities.

So in terms of working with my colleagues here, the ADMs, we set out overall performance goals at the beginning of every year, but also what they were going to do for me in the next three months. Because it's great to have long-term plans, but things happen, and we have changes in terms of budgets and ministers.

But what are you going to do for the next three months? What outcomes can I expect? What specifics? Who are you going to meet? Which stakeholders, which president, which company...? When are you going to do what? I think that simple accountability concepts such as these go a long way toward achieving results and having people keep their eye on the ball.

With regard to how this gets translated or cascades into this type of document and this report, I'll pass this on to Kelly.

Mrs. Kelly Gillis: One of the elements we've worked on is what the deputy minister at Transport talked about, which is something technical called the program activity architecture. That's his foundation for reporting. We have worked on making sure that we have a clear description of what program activities we have, based on the framework of how we articulate that story.

We've gone from a 150-page report that was quite long and without concise information on where you can get further information if you have a particular interest in a particular topic. It was difficult to do before, whereas now we have links throughout the document. If you're interested in a particular topic, you can drill down, and we keep that information ever green. We've actually been working with Treasury Board Secretariat. They've asked us to work with them as a case study for guidance when the next round of guidance for departmental performance reports is to go out.

As I said before, we've also gone above and beyond in providing on the lower level online. So if you take some of the sub-activities.... Again, I know it sounds quite technical, but it becomes the work that we do, and how we determine if we're meeting that result or not is available and transparent to all.

We've also included our financial information by program activity in graphical format as well as tabular format, so you can see what we're doing, what results we're trying to attain, and how much we're spending or not spending in that particular area, in quite a concise format, with available references should you want more information in that area.

Mr. Daryl Kramp: That's great. Thank you for those specifics.

The Chair: Madame Faille, do you have a question?

[Translation]

Ms. Meili Faille: Yesterday, I took part in the debate on oil and fairness at the pumps. Right now, we are studying a bill. I believe the Competition Bureau is part of your department.

The question that came to mind has to do with car odometers. Right now, there is talk of pumps that would make it possible to tamper with odometers.

Mr. Richard Dicerni: It is on the pump.

Ms. Meili Faille: Would the current amendment to the legislation, the measures, also apply to car owners? Given that the legislation is not specific, if someone were to tamper with their odometer.... The example given had to do with fairness at the pumps, but I would imagine that the legislation also applies to other sectors.

• (1050)

Mr. Richard Dicerni: Yes, it targets pumps used to fill up on gas.

Ms. Meili Faille: Oh, I see.

Mr. Richard Dicerni: It does not target—

Ms. Meili Faille: It does not target, but it could—

Mr. Richard Dicerni: I would have to check—

Ms. Meili Faille: You mention it in your report, and the bill is once again put forward. Personally, I would like more information on that.

Mr. Richard Dicerni: If you do not mind, I will get the information. The bill targets gas station pumps.

Ms. Meili Faille: Under its mandate, the Competition Bureau can lay charges. In order to launch an investigation, there has to be enough complaints and a request from the minister's office.

Mr. Richard Dicerni: Normally, the minister's office would not request it. It is pretty rare, but the minister's office has, on occasion, assessed a case.

Ms. Meili Faille: Do you not mention it here because the minister's office did intervene?

Mr. Richard Dicerni: The minister's office, generally speaking, does not request that we examine a case to figure out what is going on. On a few occasions, the minister has asked the Competition Bureau to look at a particular sector to determine if there are grounds for prosecution. In most cases, the Competition Bureau initiates the investigation on its own, based on complaints or market analysis.

Ms. Meili Faille: Thank you.

[English]

The Chair: Mr. Young, do you have a question?

Mr. Terence Young: Thank you.

Mr. Dicerni, I believe the work you do at Industry Canada is certainly one of the most important things we do for our future, because I believe that our two biggest challenges for our future are innovation and productivity, for the jobs of the future and to develop the full potential of our young people, etc.

You talked about research chairs and the knowledge infrastructure program. Can you take a minute to tell us how your priorities—and reporting is part of that accountability piece—help make Canada more innovative and competitive and how they will do that as time goes on?

Mr. Richard Dicerni: I am sorry, I missed the last—

Mr. Terence Young: How will your priorities and the reporting function, which is key to that, help make Canada more competitive, more productive, and more innovative?

Mr. Richard Dicerni: Transparency goes a long way. Shining a spotlight on something goes a long way. There's a report that was initially announced when we did the S and T strategy: that we would task a third party, which we have, called the Science, Technology and Innovation Council, to do a biannual state of the nation report on S and T, on where are we at, not just the federal government, but where are we at as a country. They produced the first one last one last year and are now working on number two.

The Science, Technology and Innovation Council is made up of a group of some researchers, some university presidents, and some CEOs of companies, and they bring together quite a good grouping of Canadians. They permit us, if you wish, as a country, to benchmark. Those inputs that we are talking about today go a long way toward tracking what overall progress is being made as a country.

The Auditor General's report on, first, the management, and then the effectiveness of some of the measures in the economic action plan, such as the knowledge infrastructure program, will also go a long way. I'm a full believer in transparency and sharing information. This is one element.

The estimates in the committee I was at this morning at eight o'clock with Minister Clement is another one. If I go back, sir, over the previous 10, 20, or 30 years, there has been a marked increase in the number of times officials appear in front of the various parliamentary committees, this one being one of them. I think that is all for the good, because the more we can explain what we do and show some transparency by answering your questions, I think it will help.

The Chair: Thank you, Mr. Young.

I have just a very brief question, Mr. Dicerni.

The whole department is, as Mr. Young pointed out, about productivity and there have been a lot of articles written about how our productivity is diverging from that of the United States. I know that there are a lot of components going into productivity and you've talked about a lot of that, but why isn't productivity itself...?

I would have thought that would have been the first measurement when I turned to page 2 of your report: that productivity would be there and you would give an outline as to how Canada is doing and what are your desired results. But I don't see that.

Just a quick answer, if I may, because we are out of time.

• (1055)

Mr. Richard Dicerni: Productivity is not the unique domain of Industry Canada.

The Chair: I realize that, but—

Mr. Richard Dicerni: There are a number of things we do that contribute towards enhancing our productivity.

Having said that, I think you have a good point in terms of somewhere positioning this and saying that it is the overarching objective. In next year's report, we should say that this is where we are at, recognizing one point again, which is that there is that time lag thing we always get to.

The Chair: And I think your point is that parliamentarians have to be mature and realize that you do not control birth rates or education levels or participation rates, which all go into it.

Anyway, we are out of time, colleagues. There's another meeting coming in at 11.

We have a couple of minutes and I'm going to ask Mr. Smith and Mr. Maxwell.... You've gone through the hearing. I view this as a very important hearing. If there are any reflections or thoughts you think the committee ought to hear, if you want to give them to us in written form over the next couple of weeks, please do. We'd certainly appreciate that.

This is an important issue. It's not simple. Parliamentarians, as I said first, can criticize the reports, but I think a lot of the responsibility lies on parliamentarians themselves for not using them and not reviewing them enough, so I think this has been a good exercise.

I am going to ask for closing comments. I will go down the table. I'll start with you, Mr. Smith, but again, if you have any further reflections, please give them to the committee. The committee would appreciate receiving them.

Mr. Smith.

Mr. Alister Smith: Thank you, Mr. Chairman. I won't take any of your time. We just very much welcome the feedback of the committee and we look forward to availing ourselves of the opportunity of writing some reflections.

Thank you.

The Chair: Mr. Dicerni, do you have any closing comments that you want to make to the committee?

Mr. Richard Dicerni: Thanks for having us.

The Chair: We appreciate having you.

Mr. Maxwell.

Mr. Neil Maxwell: Thank you, Chair.

I'd simply like to congratulate the committee. I think you've been asking the right questions today. I quite often was struck by the fact that you were asking the same questions that we ask of departments when we audit them.

The other thing I'm struck by is that, as we talk about these things as works in progress, it's sobering, and perhaps even troubling, to remember that this has been in the works for 30 years. These types of reports have been the responsibility of departments since 1981.

Thank you, Chair.

The Chair: On behalf of the committee, I want to thank all the witnesses.

Monsieur Dion.

Hon. Stéphane Dion: I'd just like to remind you that the Deputy Minister of Transport committed to sending us the trajectory of CO₂ emissions reductions by the auto industry.

The Chair: We'll follow up on that.

The meeting is adjourned.

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