HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

Standing Committee on Public Accounts

EVIDENCE

Monday, February 24, 2014

―

Chair

Mr. David Christopherson

Standing Committee on Public Accounts

Monday, February 24, 2014

● (1550)

[*English*]

The Chair (Mr. David Christopherson (Hamilton Centre, NDP)): I call this 15th meeting of the Standing Committee on Public Accounts to order.

Colleagues, we have with us today the Auditor General of Canada, Mr. Michael Ferguson. Welcome, sir. It's always a pleasure to have you at our committee.

The orders of the day are to study chapter 2, "Access to Online Services", of the fall 2013 report of the Auditor General of Canada.

Joining us today are two new colleagues, Mr. Cannan and Ms. Jones. We welcome both of them and hope they enjoy their time with us.

Without further ado, I will call on the Auditor General to give his opening remarks. Following that, we will hear from representatives of the Treasury Board Secretariat, Department of Employment and Social Development, Canada Revenue Agency, Department of Veterans Affairs, and Department of Industry. Apparently everybody has a short opening comment to make. I will let each of those departments introduce their delegation when their turn comes. After the Auditor General, Treasury Board will be up next.

Mr. Ferguson, you have the floor, sir.

Mr. Michael Ferguson (Auditor General of Canada, Office of the Auditor General of Canada): Mr. Chair, thank you for this opportunity to appear before the committee to discuss chapter 2, "Access to Online Services", of our 2013 fall report.

With me is Dale MacMillan, principal for this audit.

[*Translation*]

More and more, Canadians use the Internet to conduct business, and they want their government to provide them with information and services online. Indeed, in 2005, Canada was a world leader in online government services for its citizens, but since then, there has been a decline.

We found that, since 2005, the government has not significantly expanded its online services. Users must often resort to using regular mail, phoning or visiting a service centre in person to finish a transaction. In 2012, a survey conducted by a third party showed that fewer than 56% of people who performed online transactions with the Canadian government were satisfied with the services they received.

There is no government-wide strategy to guide online service delivery, and there are few incentives for departments to work together on activities common across government. Canadians must interact with each department and agency separately if they want to access government programs such as employment insurance, veterans' benefits or tax services. Furthermore, when a person moves, they have to notify each department they deal with of their new address.

[*English*]

We noted some cases where departments have done a good job of working together to share information and provide better services. For example, at the time of our audit, the Canada Revenue Agency and Human Resources and Skills Development Canada had worked with eight provinces to simplify the newborn registration service. We also noted that websites follow government standards for accessibility and consistency to make it easier for Canadians to use.

But in order for departments to work together and provide a client-focused online service, two things need to happen. First, there should be a government-wide strategy for online service delivery that departments follow as they develop their own cost-effective online service strategies. Second, a common methodology to identify and report on the cost of department delivery channels should be developed. With this information, costs can be better compared and opportunities for savings can be quantified.

The government has recognized that it is most cost-effective to deliver services to Canadians online. The government's own estimates show that online transactions are significantly less expensive than other options for service delivery. Departments need to develop service delivery strategies that can help them better deliver cost-effective, client-focused solutions.

Finally, the government needs to make it easier for Canadians to access online services securely. There has been significant improvement over the past several years because the government has found less expensive authentication options. However, Canadians have repeatedly said they want services to be accessible and convenient. Currently they need to re-enroll with each department, remember multiple passwords, or use different authentication options depending on who they deal with. As well, enrolling for online services could require a single online transaction or take up to 21 days; there are different rules for each department. There should be a simple enrolment process for individuals and businesses to perform transactions online securely and cost-effectively.

[*Translation*]

Mr. Chair, the Treasury Board of Canada Secretariat and the four departments we examined in our audit have agreed with our findings and recommendations. They have made commitments in their responses, some of which they expect to address by 2015-16. We were pleased to note that the secretariat has agreed to take the lead in some of the key areas, including the development of a government-wide strategy by March 2015.

[*English*]

Mr. Chair, this concludes my opening remarks. We would be happy to answer any questions the committee may have.

Thank you.

The Chair: Very good, sir. Thank you.

Now we'll move to the Treasury Board Secretariat.

Madam Charette, you have the floor.

[*Translation*]

Ms. Corinne Charette (Chief Information Officer of the Government of Canada, Treasury Board Secretariat): Mr. Chair, I am pleased to be here to speak to the Auditor General's recommendations regarding the Treasury Board Secretariat's role in ensuring that Canadians can electronically access government programs and services.

[*English*]

With me today is Sharon Squire from the CIOB, who will help in addressing questions.

As I'm sure you are aware, the service landscape is very complex and requires an integrated approach among Government of Canada departments and agencies.

● (1555)

[*Translation*]

TBS is committed to doing our part in facilitating access to online services that respect citizens' privacy, and in improving the overall service experience for citizens and businesses, while ensuring the cost-effectiveness of service delivery.

In the area of service, TBS's key role is to provide strategic leadership and policy direction for government-wide service design and delivery, and much work has already been undertaken in this regard.

[*English*]

More than two years ago, we reviewed trends and best practices from other jurisdictions, and we then turned our attention to developing policy direction and guidance in key areas to support what we've seen as best practices. More recently, TBS has been working closely with its federal partners to align efforts to improve service design and delivery.

For example, TBS co-chairs with Service Canada a deputy minister committee on service and federating identity. This committee has established a strategic vision to advance digital self-service delivery and has identified a set of priorities to reach this vision, including priorities for federating identity and a new policy on service and related supporting instruments to guide this.

Also, over the past year the Treasury Board Secretariat has led the web renewal initiative, focusing on one Government of Canada user-centric website known as Canada.ca., which is designed to make Government of Canada online information and services easier to search, access, and use. It has a new look and feel optimized for mobile devices and is organized by themes and by most frequently used information and tasks sought by our users.

Moreover, TBS has made strong progress in providing departments and agencies with leadership and policy guidance relating to service standards and identity management as well as credential assurance, which play a critical role in enabling secure online delivery of government services.

As of December 2012, the government renewed secure online service credentials. We are pleased to say that 26 departments are using the new services now, which has allowed us to reduce our operating costs substantially in this area, and over five years will allow us to drop costs from $51 million at the onset to under $13 million at the end. By leveraging online credentials from Canadian financial institutions, the Government of Canada has enhanced its ability to provide secure log-in services and to benefit from the constantly evolving technologies that are made available through our partners.

[*Translation*]

The Treasury Board of Canada Secretariat agrees with the audit's recommendations, and further work is under way to address the issues and recommendations identified in the report.

[*English*]

The Treasury Board Secretariat is currently developing a new policy on service that will provide a strategic and coherent approach to the design and delivery of Government of Canada services. We expect to publish this policy by the spring of 2014. TBS will also develop additional guidance in 2014 to assist departments with implementation.

Building on TBS policy work, the secretariat, in collaboration with Service Canada and other service delivery partners, will develop a government-wide service strategy to improve services to individuals and businesses online and to facilitate this in a cost-effective way with the cost-effective delivery of services. The strategy will be done by March 2015.

The Treasury Board of Canada Secretariat will also continue to work with government departments to provide a simple enrolment process both for individuals and for businesses to transact online securely and cost-effectively with the government. We will continue to collaborate with our provincial and territorial colleagues to enable a simple and secure way to access Government of Canada services across Canada and achieve a "tell us once" approach, where personal information can be reused in confidential and secure ways, furthering proofs of concept right now with our federal partners.

Last but not least, the Government of Canada will continue to explore opportunities for enhanced service delivery through greater collaboration with the private sector and other levels of government to better leverage recent advances in technology.

[*Translation*]

As you can see, much work has already been done, and we will continue to work with our service delivery partners to further improve online services for Canadians and businesses.

Thank you for your time Mr. Chair. I would be pleased to answer any questions from the committee.

[*English*]

The Chair: Very good. *Merci*.

Colleagues, I should state so that it's on the record that there was agreement by the three parties that the 15-minute business meeting we were going to have at the end of this meeting will be held at the end of the next public hearing so that we had the time to move to this room where the cameras are working. That was agreed to. I'm looking around the room and I'm still seeing agreement, so that is the plan. Thank you very much.

Now we go to the Department of Employment and Social Development.

You have the floor, Madame Giliberti.

● (1600)

[*Translation*]

Ms. Carolina Giliberti (Senior Assistant Deputy Minister, Services Management, Service Canada, Department of Employment and Social Development): Mr. Chair, I am pleased to be here to speak to the Auditor General's recommendations regarding Employment and Skills Development Canada's role in ensuring that Canadians can electronically access government programs and services. I realize we have a short amount of time to respond to the recommendations, which ESDC supports, so I will keep my comments brief.

In 2005, Service Canada was created to improve delivery of services for Canadians, which has included giving Canadians greater choice in accessing services. We now offer a range of services via our Internet site, which had over 81 million visits last year. Through 1-800 O-Canada and specialized call centres, we handled 53 million calls, and our nearly 600 in-person locations saw 8.6 million visits. We have improved delivery of ESDC programs.

In addition, we provide Canadians with help and information on such life events as finding a job, pursuing an education, having

foreign credentials recognized, raising a family, retiring, living with a disability, starting a business and much more.

[*English*]

We've also leveraged our capabilities to provide information and deliver services on behalf of approximately 30 federal partners, as well as the provinces, including CRA, the Department of Finance, CIC, Fisheries and Oceans Canada, DND, Environment Canada, DFATD, PWGSC, Transport Canada, Health Canada, and PHAC.

Service Canada also administers the common experience payment on behalf of the office of the Indian Residential Schools Resolutions Canada. Recently, we have added the passport delivery network, and Veterans Affairs programming. The Auditor General's report noted that ESDC, via Service Canada, has made incremental improvements to online services over the last six years, including My Service Canada Account, a secure online portal for Canadians to get personal information and services pertaining to employment insurance, the Canada pension plan and old age security.

[*Translation*]

Some of the improvements made to help expand online services are as follows.

We added a convenient way to sign in to My Service Canada Account, or MSCA, using banking credentials, and we implemented a cyber-authentication renewal project that supports reliable and secure online access to ESDC programs.

We added the ability to view and print T4 forms, thus reducing mailing costs. We also added e-Forms to our secure e-Account to allow "Out of Country" and "Training" forms to be completed online for EI, with more features to come in the year ahead.

We introduced Phase 1 of auto-enrolment for old age security.

And finally, we redesigned the Service Canada website earlier this year to improve navigation, as well as introduce a new and improved search engine on the Government of Canada and Service Canada websites.

[*English*]

The service environment isn't static; rather it is rapidly and constantly evolving. Canadians expect responsive service that takes advantage of modern-day smart technology. This means we are looking at a future in which more e-services and self-service options will be available to Canadians.

The department's service delivery vision will cause a shift in how services are delivered in the next five to 10 years. Although in person will always be there, the bulk of services will be delivered online. The department is working on a number of initiatives so clients will be able to carry out transactions as easily as they do business with private sector institutions, to move towards more automated and paperless processes for benefits to enhance efficiency and to further improve program integrity. For example, we will be providing new electronic self-service tools and improving existing ones and will be auto-enrolling clients, where possible, into statutory benefit programs.

This work is in line with the Auditor General's report and the recommendation that ESDC develop an integrated strategy and plan for the online delivery of services that are cost-effective and client focused. The department has developed a multi-year strategic plan to track and report progress on the initiatives being undertaken.

On the subject of developing a government-wide service delivery strategy to improve services to individuals and businesses, ESDC is committed to working closely with Treasury Board Secretariat and other departments and will establish with TBS a joint working group to ensure strong coordination of efforts as work advances on options for a government-wide strategy.

With respect to the recommendation that ESDC and the other departments that were part of the audit develop and use a standard methodology for identifying and reporting on costs of delivery channels, the department feels it can contribute significantly in this area. It has been doing work to enhance the ability to cost service delivery across multiple channels and contributed directly to work done in 2012 that compiled service delivery costs from 11 departments. Since then, ESDC has further advanced its approach to costing service delivery and is prepared to work with other departments and TBS to develop a standard costing methodology.

● (1605)

[*Translation*]

Mr. Chair, ESDC, through Service Canada, continues to work with its partners in other departments and agencies to address the Auditor General's recommendations and improve the quality of online services available to Canadians. We are striving to ensure these services are secure, available and relevant to users.

The department has developed an action plan to address the recommendations as it pursues its vision of delivering services that are modern and efficient while ensuring the best value for taxpayers.

Thank you.

The Chair: Thank you kindly.

[*English*]

Madame Giliberti, this is a minor point, but I notice a discrepancy. On our agenda, we have called it the Department of Employment and Social Development and yet your document refers to "Employment and Skills Development". I assume you probably know where you work better than we do, so it's probably "Skills Development". Is that correct?

Ms. Carolina Giliberti: Yes.

The Chair: All right. We will make that adjustment going forward. I apologize to your department for wrongly naming it.

Thank you for your presentation.

We'll now move along to Canada Revenue Agency. Mr. Bennett, you have the floor, sir.

[*Translation*]

Mr. Dave Bennett (Assistant Commissioner, Assessment and Benefit Services Branch, Canada Revenue Agency): Good afternoon, Mr. Chair, vice-chairs and members of the committee. Thank you for inviting me to discuss the findings of the Fall 2013 Report of the Auditor General of Canada, specifically as they relate to the delivery of online services by the Canada Revenue Agency.

[*English*]

The Canadian tax system is based on self-assessment and voluntary compliance. Canadians are responsible for determining their tax liability, filing their tax returns, and paying the taxes they owe on time and voluntarily. We believe they will be more likely to comply with their tax obligations if we make it as easy as possible for them to do so. One of the best ways we know of to facilitate voluntary compliance is by continuing to expand and enhance our extensive suite of online services.

The CRA's secure online portals, My Account for individuals, My Business Account, and Represent a Client, allow Canadians to manage their affairs on a self-serve basis. There has been a substantial increase in the number of enrolments in recent years, a positive sign that these services are meeting the needs and expectations of the people and businesses we serve.

As the Auditor General observed, the CRA made over 40 improvements to its online services between 2009 and 2012, with an investment of just over $6.4 million. One of our latest initiatives is Submit Documents, a secure method for taxpayers and their representatives to send supporting documents and receipts to the CRA.

As part of our service strategy, we have made a concerted effort to promote online filing of tax returns. During the 2013 tax-filing season, a record 76% of individual tax returns, 64% of the GST/HST returns, and 69.9%, so almost 70%, of corporate tax returns were filed electronically. Each of these figures represents a significant increase in volume over the prior years.

The Auditor General recommended that Employment and Skills Development Canada—I see that I have the same—

● (1610)

The Chair: That's very good, very quick, and very nimble.

Mr. Dave Bennett: —the Canada Revenue Agency, Veterans Affairs Canada, and Industry Canada develop and use a standard methodology to report on the costs of their delivery channels and taking into consideration the Treasury Board Secretariat's guidance on costing and sharing best practices. The Canada Revenue Agency agrees with this recommendation. We will work with our colleague departments to develop a standard methodology for costing service delivery channels by the end of fiscal 2014-15 and apply it to all program lines by end of fiscal 2015-16. An action plan with established timelines is already under way.

We expect to have a first draft of the new standard methodology for costing service by December 2014. The methodology and an agency implementation plan will be fully developed by March 2015 and the new standards applied to the programs in March 2016.

The Canada Revenue Agency is committed to delivering services to Canadians in a way that is modern, efficient, and sustainable, and that responds to evolving needs and expectations. Although online service is the preferred option, we will continue to support those Canadians who choose to file their tax and benefit returns on paper and who prefer to make their payments by cheque.

We thank the Auditor General for his work and look forward to collaborating with the Treasury Board Secretariat and other departments to facilitate the cost-effective delivery of services across the federal government.

I'd be pleased to answer any questions about our services.

[*Translation*]

The Chair: Thank you, Mr. Bennett.

[*English*]

We'll go to the Department of Veterans Affairs.

Madame Bastien, you have the floor.

[*Translation*]

Ms. Charlotte Bastien (Director General, Field Operations, Department of Veterans Affairs): Good afternoon and thank you.

[*English*]

My name is Charlotte Bastien. I am the director general of field operations. I'm here with my colleague, Rick Christopher, who is the director of service delivery. We're pleased to have the opportunity this afternoon to speak to the findings of chapter 2 of the report of the Auditor General of Canada as they relate to Veterans Affairs Canada.

[*Translation*]

I'd like to begin by sharing some information about who we serve at Veterans Affairs Canada and how we go about it.

As you know from the report, we spend about $3.2 billion annually in financial assistance services and disability and health care benefits, providing services to veterans and their families. The department is also responsible for remembrance activities in Canada and abroad.

Our department serves four main groups. From largest to smallest, they are Canadian Armed Forces veterans, representing 38%, survivors, representing 35%, war service veterans, at 22%, and RCMP, representing 5%.

Those 207,900 or so individuals range in age from 19 to 100 and, as one would expect, have varying needs with regard to how they receive services from the department.

[*English*]

To meet those needs, we have a service delivery network that offers services in person, by mail, by telephone, and of course, online. My branch employs just under 1,700 people in more than 50 locations across the country. In-person services are delivered by a national network of interdisciplinary service teams at 26 area offices across the country. These teams include case managers and medical professionals.

Through a partnership with the Department of National Defence, we also have about 100 staff members at 24 integrated personnel support centres and seven support satellite offices. These centres are located on or near Canadian Armed Forces bases and wings.

In addition to those 50 service locations, there is a network of 17 specialized clinics that treat operational stress injuries across Canada. Ten were established and are funded by VAC. The other seven clinics are operated by the Department of National Defence. All are accessible to veterans.

We also have a partnership with Service Canada that provides approximately 600 points of service where veterans and their families can receive assistance. We also offer telephone services through our national veterans contact network.

That brings me to online service offerings at Veterans Affairs.

● (1615)

[*Translation*]

Available since 2005, My VAC Account is the tool we use to provide online services to veterans and their families. They can conduct business with us online anytime, anywhere. My VAC Account currently has more than 9,000 registered users.

Veterans can complete application forms for disability benefits, the veterans independence program, career transition services and other benefits online. As of August 2013, veterans can upload information to support their online disability benefit applications, saving them time and mailing costs. They can also update personal information, including their direct deposit information, address and telephone numbers. Veterans and their families can also communicate with the department by email via secure message.

An important enhancement, which was made in October, allows veterans to register for My VAC Account, even if they have not done business with us in the past. This allows them to apply for benefits for the first time through My VAC Account or send us a secure message if they have a question before they apply.

[*English*]

I would now like to tell you about planned improvements made possible by the investment of just over $2 million in the 2014 budget.

The funding will allow us to continue to build My VAC Account's existing functionality to create an industry-leading e-services portal for veterans.

A more comprehensive and user friendly online service offering will allow veterans to: access personalized information about benefits and services; apply online for a full range of benefits; view the status of their application at any time; communicate securely and more conveniently with the department online; more actively manage their account information and documents; and access additional services not currently available online.

I would like to mention some of the other online tools available from Veterans Affairs Canada.

Educators can order commemorative learning materials online, allowing us to get materials into the hands of teachers quickly, in a manner that is convenient to them and less expensive for the department. As well, educators can access a number of online learning resources, such as Heroes Remember, a feature providing access to video interviews with veterans.

Our commemoration program successfully uses social media tools such as Facebook and YouTube. The department often uses Twitter to share information on remembrance activities as well as announcements regarding changes or improvements to our services and benefits. We also offer such online tools as the benefits browser and My VAC Book, which help veterans identify the programs and services that might be available to them based on their service information and circumstances.

[*Translation*]

In recent years, we have made significant investments in improving our online service offerings. As we continue to improve, the benefits to veterans and the department will be significant.

As you will see in our action plan, we will collaborate with other departments and stay abreast of broader government initiatives moving forward.

Thank you.

The Chair: Thank you.

[*English*]

Before I go to Monsieur Dagenais, Madame Giliberti, only because I had taken the hit for our administration and said that we got it wrong, I'm actually being shown your website, which refers to Employment and Social Development Canada. Not that it's a big deal, but one of us should understand where you work.

Ms. Carolina Giliberti: It's "Social".

The Chair: I took the hit for my staff, believing we'd made a mistake, but I will give you a chance to suggest that maybe we didn't get it wrong and that it is actually "Social Development" and not "Skills". Is that correct?

Ms. Carolina Giliberti: I believe it's "Social". I always refer to it as ESDC and then Service Canada, so I would say it's "Skills". I just checked my notes, and I have both as well.

● (1620)

The Chair: Really?

Ms. Carolina Giliberti: Yes. In my speech, I had it as Employment and Skills Development. I apologize.

The Chair: That's fine. It's not a big deal. I would say we made a mistake, but it turns out we may not have.

Ms. Carolina Giliberti: It's "Social".

The Chair: I'll leave it to the government to decide on one name and stay with it.

We're moving along now to Industry Canada and Monsieur Dagenais.

You have the floor, sir.

[*Translation*]

Mr. Éric Dagenais (Director General, Small Business Branch, Department of Industry): Good afternoon. My name is Éric Dagenais, and I am the director general of Industry Canada's Small Business Branch.

Mr. Chair and committee members, thank you for allowing me the opportunity to provide you with an overview of Industry Canada's response to chapter 2 of the Auditor General's report.

[*English*]

Industry Canada's relationship with Canadian businesses is central to its mission of fostering a growing competitive knowledge-based economy. Changes in technology in the business environment are altering the context in which programs operate. We agree that government must take advantage of opportunities to adopt processes and delivery methods that will allow them to serve businesses more efficiently and effectively. Government interacts with businesses in every sector of the economy, in every region of the country, and at every business phase from start-up to closure. At the federal level alone, there are over 290 programs and services to businesses delivered by more than 30 organizations. Industry Canada acknowledges that there is an opportunity to improve the quality of service provided to businesses by reducing the complexity involved in accessing government information, programs, and services through an integrated service strategy.

[*Translation*]

Over the past three years, we have improved the front face of our online presence, although we acknowledge that more can be done, as highlighted by the Auditor General in his recommendations.

The Auditor General focused on two specific programs within Industry Canada that provide online services to small and medium enterprises, namely, the Canada business network and corporations Canada. I would like to speak to you briefly about these programs, since they are very good examples of how our online services for businesses have evolved over the past several years.

The Canada business network is a decentralized, horizontal program through which Industry Canada offers online services at canadabusiness.ca. And the regional development agencies provide telephone and in-person services. The program is delivered in collaboration with the provinces, territories and other non-governmental service delivery organizations.

The program is intended to help entrepreneurs and small business owners save time and make informed business decisions by improving access to government information and services.

[*English*]

Canadabusiness.ca is known for its collaborative and innovative online service delivery solutions. In 2012-13 the site facilitated access to the Government of Canada's programs and services for 2.2 million clients and was recognized as a leading web service for Canadian small businesses. The website won a GTEC award at the Government Technology Exhibition and Conference in 2010. The website was also recognized by Rogers' *Connected* magazine as the best government site for entrepreneurs and small businesses in 2013. In recent years the site has expanded its use of social media tools to inform and engage Canadian businesses on behalf of many departments and agencies.

In an effort to leverage services within the Industry Canada portfolio, Canada Business Ontario has taken on the role of the tier one national call centre to support the new National Research Council concierge service. This customized service, together with the dedicated online service, offers personalized assistance in navigating the network of business innovation assistance and programs available, allowing businesses to select the right options to address their individual needs.

The audit also looked at the online presence of Corporations Canada, the organization within Industry Canada that is the federal corporate law regulator. Corporations Canada administers the federal statutes that enable a business to incorporate, one of the key steps that may be pursued when starting a business.

[*Translation*]

Industry Canada was pleased that the Auditor General noted that corporations Canada provides more direct services to business and has offered federal incorporation services online since 1999. This speaks to the improvements that we have made in offering better services online to businesses.

Today, 98% of all business incorporations federally are filed online. Corporations Canada also has an arrangement with the Canada Revenue Agency, or CRA, to provide a corporation with a CRA business number at the same time that they incorporate. This is one less step that a business has to do separately.

Other online self-service features enable us to offer reduced fees and better turnaround time for transactions. They allow corporations to maintain up-to-date records and to file an annual return, a service that 94% of federal corporations take advantage of. An online filing is only $20 and the service standard is 24 hours or less, whereas a paper filing is $40 with a service standard of 5 days.

●(1625)

Most businesses in Canada are small businesses, which are reflected in the profile of corporation Canada's clients. Service enhancements to online services are determined according to feedback from clients about what is important to them and a cost-benefit analysis based on the volumes received for particular types of transactions. An effort is currently under way to ensure that documents on the Web are written in plain language and that processes are clearly explained so that clients can do many transactions without professional assistance if they want to. Feedback on this has been very positive to date.

[*English*]

Coming back to the Auditor General's findings for Industry Canada, I would like to reiterate that Industry Canada agrees with the recommendations.

In response to the first recommendation and in the context of the department's efforts for improving services to business, Industry Canada is developing an integrated strategy and plan for delivery of services to business focusing on the department and the portfolio. Industry Canada is also working very closely with federal partners to help improve services across government programs.

In response to the second recommendation regarding the identification and reporting on the costs of service delivery channels to support decision-making, we will be providing guidance to our service delivery business units to ensure a standard approach for attributing costs.

In closing, Industry Canada is committed to improving its delivery of online services to business and will work with its partners to address the recommendations of the Auditor General.

[*Translation*]

Thank you, committee members and Mr. Chair. I would be glad to answer your questions.

The Chair: Thank you kindly.

[*English*]

Colleagues, we're ready to begin the rotation. We have done the calculations. We should be able to get through all the spots, but it will require me to be a little more exact on the five minutes than I am normally. Normally I allow some latitude, but we'll never get through if I do, so I will be firm on the five minutes as it applies to everyone.

In the rotation already agreed to, Mr. Albas, you have the floor, sir.

Mr. Dan Albas (Okanagan—Coquihalla, CPC): Mr. Chair, I want to thank all of our presenters today. Their testimony is very helpful.

First of all I'd like to direct my questions to Mr. Ferguson, the Auditor General.

Sir, I do appreciate your opening comments. Could you give us the rationale? Usually your office conducts these performance audits with the idea of pointing out where the government can do better. Can you give us a little of the rationale specific to this? This seems to be more of a global issue rather than a specific problem. Could you speak to that?

Mr. Michael Ferguson: I think in general we take very much an approach now of looking at horizontal issues, so issues that involve more than one department. We look at government-wide strategies, and then look at how various government departments are playing a role in that strategy.

I think the move towards audits that look horizontally across government is one we have been doing for a number of years now.

Mr. Dan Albas: Relative to some of the other people at this table, I'm a relatively new member of Parliament, but I've been able to attend many of your technical briefings.

I did notice that this particular report seems to have more global recommendations rather than narrowing in on a particular area, and there are only four of them. Is there a reason for that specifically? Is there a direction the team is trying to point at?

Mr. Michael Ferguson: Again I think what we try to do when we're making recommendations is to focus on what's most important. We don't try to overwhelm departments with a quantity of recommendations. We try to focus in on the key areas.

For example, in this particular audit, the idea of having a strategy that oversees what government wants to do in terms of online services would be one of the key things we think needs to be done.

Mr. Dan Albas: Thank you for that.

I'm very happy that you do what you do because it's very important, particularly for the government to hear those criticisms that come up. From reviewing the report, one thing that I would point to as a concern for me is that while the attention really is based on accessible, convenient Internet service providing, there doesn't seem to be as much focus on security. One thing the report doesn't do is give some context of what government has done before, moving toward an online presence and delivering those things to Canadians.

One of the things I've noticed is there isn't much context. For example, Sony had a huge hack of their systems revealing millions of users' personal information, and with Target in the United States, possibly many millions of people had their credit card information compromised.

I just wanted to voice the concern that sometimes it's the context that is given. I think almost all of us would agree that the Government of Canada has a specific duty to make sure these things are handled properly.

Anyway, Mr. Ferguson, it's not so much directed to you, but more to point out that I think the third point of security is a challenge.

I'd like to direct my questions to Ms. Charette.

Ms. Charette, since you're really responsible for the overarching strategy for Treasury Board Secretariat, could you point out some of the concerns they might have as far as security goes? Again, I would

hope that we would all agree that security should be top of mind for Canadians' personal information.

What kinds of challenges would the secure access to services leave for yourself and maybe for some of the other departments?

● (1630)

Ms. Corinne Charette: Yes, security is certainly top of mind in any online service delivery. In fact, balancing convenience with security and the protection of personal and confidential information is always the key challenge that we work with and we've kept focused on this for some time.

For instance, our new cyber authentication service, which provides Canadians single sign-on ability to access government services online, is very secure. It essentially provides the ability of a secure and encrypted connection to deal with online services. We secure our services that way. Departments, and certainly with the help of Shared Services Canada, clearly secure our IT infrastructure and applications. Of course, it's up to Canadians themselves to ensure that they don't share their passwords, and so on.

Online security is a multi-faceted dimension and I can say that we're constantly focused on it.

Mr. Dan Albas: I also wanted to pass on to the Auditor General that I actually found this report very good, as far as the charts that were used are concerned. It gives you a quick snapshot of the different processes an individual may have to follow as well as the amount of time it might take to get some of the basic things done, for example, with Industry Canada.

I hope I'll get another turn, Mr. Chair.

The Chair: Perfect, five minutes on the money. Thank you very much.

Mr. Allen, you have the floor.

Mr. Malcolm Allen (Welland, NDP): Thank you to our witnesses and thank you to the Auditor General and his department again for putting the report together. I always find it fascinating.

To follow up on Mr. Albas' piece on security issues, I noticed through Treasury Board in your remarks on page five you talked about "greater collaboration with the private sector and other levels of government".

In light of Mr. Albas' issue about security, which I share, I also jotted down the example of Target in the United States, albeit there were limited numbers of Canadians involved in that breach of security. It was more Americans than Canadians, but there certainly were Canadians affected because I know, sin of all sins, many Canadians do cross-border shop and they do use Target in the United States, and they can get a credit card there. That means they would be compromised as well.

What exactly does greater collaboration with the private sector mean vis-à-vis security?

Ms. Corinne Charette: Absolutely.

One of our solutions for online authentication is to be able to leverage the financial institution's security for online services. For instance, Canadians can now, using their bank debit card, go through the banking infrastructure for online access and access their government services that way. This allows us basically to take advantage of financial institutions, their great focus and continuing investment in cyber infrastructure, and by working with them to leverage that asset to provide single sign-on and use of service at the lowest possible cost.

We think there are opportunities to do that and more.

Mr. Malcolm Allen: Fair enough. Thank you.

Ms. Bastien, in your opening statements you talked about the number of folks who use My VAC. You say on page 2 of your remarks that 207,900 individuals, ranging in age from 19 to 100, are part of that group you'd broken down here.

On page 3 you say that the My VAC Account currently has 9,000 registered users. Do you mean individuals?

●(1635)

Ms. Charlotte Bastien: Yes, they are individual users.

Mr. Malcolm Allen: Let me do a comparison: 207,900 versus 9,000 is about 4.5% in rough numbers. I won't quibble with folks on whether it's 4.489% or whether it's 4.512%, but it's 4.5% rounded off.

This is versus CRA's number. Mr. Bennett, I think you reported that 76% of individual tax users actually use online services.

Your movement, Ms. Bastien, toward online services with an enrolment of 4.5% has a long way to go in light of the fact that our friends over at social or skills development—I'll use both S's and just call you "SSD".

Ms. Carolina Giliberti: I need to clarify that it's "Social".

Mr. Malcolm Allen: They're saying that as they transition some of your work to them at their 600-plus Service Canada outlets, their emphasis is on online services, and you have 4.5% of your client base online.

The fundamental question is how you say to the folks over at Social Development Canada, "Oh, by the way, you're going to have to take a lot of in-person online visits, or perhaps on-call visits to your call centre, because you don't have very many registered to use your online services."

I mean, to me the numbers don't lie. You have 4.5% of your clients online.

What's your plan?

Ms. Charlotte Bastien: The plan is to provide better functionality. Right now they are limited regarding certain programs to which veterans can apply. By expanding the number of program applications that can be done online, that will grow the number. As well, with the partnership with Service Canada at the moment, they can assist veterans with the application in person with only two programs, the veterans independence program, VIP, and the disability programs.

Regarding our in-person service, there are things right now that are pretty difficult to do online. I'll give you an example. When we do a home visit for an assessment, either a nursing assessment or an assessment by a case manager for the rehab program, currently that's not the kind of business line we can do online. That will continue to be in-person service.

The Chair: Sorry, Mr. Allen, your time has expired.

Mr. Malcolm Allen: Okay.

The Chair: I don't like to do it that way, but it's the only way, folks.

Mr. Woodworth, you have the floor, sir.

Mr. Stephen Woodworth (Kitchener Centre, CPC): Thanks to the witnesses for their attendance here today.

I want to say especially to you, Mr. Ferguson, how much I appreciate the work your department does. I think if Canadians could actually sit and read these reports, and understand what a great effort at continuous improvement we make in the Government of Canada, with the great many suggestions your department puts forward and the way the departments take them up, they would be very impressed. As you know, from time to time I worry a little bit about the cost, but at the same time, I just think we have a superlative system with your help in improving our government processes on a continuous basis.

As well, Mr. Ferguson, I'm grateful that your reports are even-handed. Where there is credit due, credit is given. In that respect, I'd like to begin by asking you some questions regarding paragraph 2.26 of chapter 2.

I understand that between 2009 and 2012, Canada Revenue Agency added over 40 online enhancements for an investment of just over $6.4 million, increasing online functionality and use for both individuals and businesses. That seems to me to be an impressive figure, 40 online service enhancements.

Do you have anywhere a listing that you could distribute to us of those 40 enhancements?

●(1640)

Mr. Michael Ferguson: I think it would be best if the list actually came from CRA. I think they would be willing to do that.

Mr. Stephen Woodworth: I assume, since it was mentioned in your report, that you would have that and I would be able to ask you for that.

Mr. Michael Ferguson: We would have that list. What I'd have to do is I'd have to take it under advisement simply because it's an audit working paper.

Mr. Stephen Woodworth: I see. Okay, understood.

Mr. Michael Ferguson: CRA could provide the information.

Mr. Stephen Woodworth: Let me make sure. Mr. Bennett is here from CRA.

Mr. Dave Bennett: Yes.

Mr. Stephen Woodworth: Would you be able to provide us with a copy of those 40 enhancements to CRA's online services from 2009 to 2012?

Mr. Dave Bennett: Certainly.

Mr. Stephen Woodworth: Okay.

Mr. Ferguson, from the audit point of view, could you describe three or four of these CRA service enhancements that you're mentioning? I'd like to understand in a more concrete fashion what kind of impact they had.

Mr. Michael Ferguson: In general terms, they would be across the range of activities that CRA does, such as collecting information from people, providing access so people can ask questions, and things like that. It would really go across all aspects of their services.

Mr. Stephen Woodworth: Okay.

The reason I'm focusing on that is one of the things that I find causes most anxiety for my constituents and the connection they have most with the government is with respect to income taxes and Canada Revenue Agency. I am grateful to hear that Canada Revenue Agency is being so diligent and forward looking in this, because it worries me a little bit sometimes when I understand the amount of interaction we're having online.

Maybe I'll transfer that question to Mr. Bennett. I'm told that 76% of Canadians file their tax returns online. Is that correct?

Mr. Dave Bennett: Yes.

Mr. Stephen Woodworth: Could you give us a flavour for some of these 40 enhancements that you've been working on so diligently in CRA?

Mr. Dave Bennett: Certainly. I do have some examples. They cross the spectrum of individual business and those that are available for third party tax preparers.

With respect to some of the examples, we heard about the introduction of the new commercial credential. We have modified the My Account for individuals so that taxpayers can view their last 10 years' worth of tax returns online. They can get that information.

The Chair: Sorry, Mr. Bennett, I have to intervene. My apologies, sir. I need to move on.

Mr. Giguère, you have the floor, sir.

[*Translation*]

Mr. Alain Giguère (Marc-Aurèle-Fortin, NDP): Thank you, Mr. Chair.

I would also like to thank the witnesses for being with us.

Paragraph 2.18 of the Auditor General's report states that "[f]or three of the four departments we examined, we found that the transaction services Canadians can use online have not progressed since the end of the Government On-Line initiative in 2005."

Mr. Ferguson, could you tell us which three departments you are referring to and what impact the situation is having on the quality of services available to Canadians? Could you also speak to the impact on the ability of these departments to offer services in the future, given that they have failed to make any progress at all in nine years?

[*English*]

Mr. Michael Ferguson: In paragraph 2.15 we referred to the four departments that were the subject of the audit. We were referring to Canada Revenue Agency as the organization that had made progress. The other three, at the time called Human Resources and Skills

Development Canada, Veterans Affairs Canada and Industry Canada, were the three that we were referring to that had not made progress.

Again, the audit was about making sure that these types of services were client focused. That's what we were looking for. What we think needs to happen for the future is that there is a strategy that helps all of those departments move forward in providing more client-focused services online.

● (1645)

[*Translation*]

Mr. Alain Giguère: Continuing along the same lines, I want to turn to another section of the report, just above paragraph 2.36. There it says that "[t]here is no government-wide strategy to guide service delivery". And that has been the case since 2006. In a nutshell, it sounds to me as though the orchestra has plenty of musicians but no conductor.

In its past few budgets, the government has stressed the importance of making services available to Canadians at a lower cost. But how can that happen when no operational follow-up has been carried out since 2006 and reporting on key services was not done when it should have been?

[*English*]

Mr. Michael Ferguson: Again, what we noticed was that the government online initiative was in place. There was a reporting at the end of 2005 on the progress that had occurred under that strategy. What we were looking for, and I think it's laid out in our objective in paragraph 2.14, when we were talking about whether selected government departments offer Canadians client-focused online services, the audit examined specifically whether there is a Government of Canada strategy for delivering online services.

When we did the audit we knew that the government online initiative had existed before. We wanted to find out whether there was a strategy in place that picked up after that 2005 initiative, but we found that strategy had not been put in place.

[*Translation*]

Mr. Alain Giguère: In paragraph 2.49, you talk about how the government abandoned Secure Channel in 2012 after spending $975 million on the secure infrastructure, including $377 million in implementation costs. In 2012, the government realized that the service was too complex, too difficult to make changes to and hard to use. According to your report, the government replaced it with a less expensive service. My goodness, we'd all be very rich if we invested in IT companies.

Is anyone in charge of keeping an eye on costs? Spending $377 million on implementing a system only to scrap it strikes me as a rather costly move.

[*English*]

Mr. Michael Ferguson: Essentially, what we were bringing forward here was that the whole secured—

The Chair: I'm sorry, Auditor General, but I have to interrupt.

Mr. Hayes, you have the floor.

Mr. Bryan Hayes (Sault Ste. Marie, CPC): Auditor General, in your statement number two, you stated that in 2005, Canada was a world leader in online government service for our citizens, but since then, there has been a decline. In looking at that, we're still 11 out of 190 according to the United Nations. We're still in the top 6% in online services.

Would you suggest that being in the top 6% Canada is still classified as a world leader in the delivery of online services?

Mr. Michael Ferguson: We were pointing out that the ranking Canada has in that type of service has fallen back. Whether where it's ranked now is sufficient or not I'll leave for others to determine. The other thing we noticed, though, from the client satisfaction point of view was that the level of satisfaction had seemed to stall. We're pointing out that the situation has changed. It's not for us to say whether it is sufficient or not. We just wanted to make sure people were aware of what the situation is now.

Mr. Bryan Hayes: I guess that would be the same for the level of satisfaction that went from 59% to 56%. That's classified as stalled. It's not really up to you or me to determine whether or not that's good; the figure is what it is. Is that what you're saying?

● (1650)

Mr. Michael Ferguson: That's right.

Mr. Bryan Hayes: Okay.

Maybe you won't be able to answer this, I'm not sure. Specific to records of employment, I believe your report stated that online-wise employers are able to provide records of employment 70% of the time. I think that's something the government's been doing since 2003. Is that 70% figure a good figure? Should it be better? Did you find out why it wasn't 100% versus 50%? I'm curious as to your comments on that.

Ms. Giliberti, you can get ready for the next question, because I'm going to want you to pick up at that exact spot. Why isn't it 100%?

Mr. Michael Ferguson: Actually, what it says in paragraph 2.22 is "at the time of our audit, more than 70 percent of records of employment were submitted online." We weren't implying in any way that it was a bad level of usage.

What we were talking about was that since 2006 there have been incremental improvements requested by business groups to the existing services. However, businesses still can't update their profiles or change their addresses online. What we were pointing out there was that there were other things that people were asking for in terms of improvements to the service, but they hadn't been able to deliver those yet.

Mr. Bryan Hayes: Ms. Giliberti, what are the timelines, or what are the things that stall greater than 70%? Is there something legislative the government should be doing to bring that number up? I'm interested in your thoughts on that.

Ms. Carolina Giliberti: As of this morning, 74% of all the records of employment that we received were in fact done online. We have just launched ROE web online, which is a registration system that allows employees to register online so that they do not need to come in to Employment and Social Development Canada. The goal, of course, is to have 100%. There are barriers, though, to reaching this goal.

One of the issues we're having is software compatibility. Some companies do not have the software that allows ROE registration, so we are working with that. It's the payroll service providers actually who have a paper ROE process, and it's a payer online ROE business model that is in fact paper, not online. Also, some payroll systems are not compatible with our ROE web, and it's a very high investment for those companies to adapt their ROE to our ROE web.

What we also find is that there are some who just do not want to enrol online. One of the solutions could be something that makes it a mandatory process for them to apply online, yes.

Mr. Bryan Hayes: Thank you, Mr. Chair.

The Chair: Thank you. You're the first one under time. Well done.

Mr. Simms, you have the floor, sir.

Mr. Scott Simms (Bonavista—Gander—Grand Falls—Windsor, Lib.): Thank you to all our guests. I won't thank you individually. It would take me five minutes, so now I'm done.

Mr. Ferguson, I want to draw your attention to paragraph 2.36 in the report. If I can get this straight, in 1999 we had a government online initiative, and the whole point was to make sure that the client was sufficiently served here across all government departments, and up until 2005, things were going along smoothly. I'll quote from the report:

> Since the last report in 2006 there has been no requirement for departments to report about the number of key services offered online, the level of interaction possible, the efficiencies achieved, and the take-up by Canadians and businesses.

Would I be correct in saying that the envisioned online interaction, the engagement of the public to the extent where people are using it, is not followed up as to whether this is a good service or not? In other words, is it because they're not road-testing this stuff before they put it out there, or they don't do enough follow-up based on levels of interaction, whether or not they're user friendly or the disjointed way they're putting it out there?

Mr. Michael Ferguson: What we are pointing out is that after 2005 there wasn't a single strategy that existed. Furthermore, paragraph 2.37 talks about how there hadn't been that overall assessment of client needs and satisfaction. Since 2005 the government hasn't been operating with full information, which would be the type of information that would be used to guide that type of strategy.

That's the issue we're bringing forward.

● (1655)

Mr. Scott Simms: What is the type of information you're talking about then? Is it getting people in a room to do some kind of study that asks what it is about it they don't like, to get their feedback? I'm not talking about just the unsolicited feedback that you get from people who are entirely ticked off at their whole experience and they write to say they're not very happy. Do they go to the general public with questionnaires or something like that? Is that what's missing here?

Mr. Michael Ferguson: Again, what we are referring to is there was no government-wide or overall assessment of the client needs and satisfactions. Individual departments and organizations may have been doing, and were doing, their own satisfaction type of surveys, but there was no overall assessment of that type of information.

Mr. Scott Simms: I see what you're saying. You give an example in paragraph 2.30, and I think it is a good illustration, with respect to sharing activities across government departments and requiring current address information. You give the example that if you're enrolled with EI, and then graduate to the CPP program—and, Madame, you can weigh in if you wish—you had to do two different things to inform people of what your address is, but they're under one department, the same one.

We encounter this in my constituency office quite a bit. It seems there are silos operating in each individual area. Are you saying the tie that binds them with information is just absent?

Mr. Michael Ferguson: I think it's really a different issue from the first one we were talking about, but in this particular issue, yes, we are pointing out the fact that in some cases even programs within the same department people were having to enrol or make a change of address within each separate program rather than just within just that department. So, yes, some of these programs could be described as siloed.

Mr. Scott Simms: Was there any attempt, say from 2006 to 2012, to bring all this together? It seems to me there was an attempt to get together with the provinces.

Mr. Michael Ferguson: I don't want to give the impression that all of these things are necessarily easy. These can be complex. In terms of what happened specifically, like for these types of programs, EI and CPP, I can't speak to specifically, but maybe the department can respond to that.

Again, with things like CRA, we do say there were improvements made to their services since 2005, so there were individual activities occurring.

Mr. Scott Simms: Actually, that's a valid point, and I want to go to that. In paragraph 2.41 you say, "We found that only the CRA has developed integrated plans and strategies for delivering services". One of my colleagues touched on it earlier, but it seems there's sharing of best practices—

The Chair: Mr. Simms, please. Sorry.

Mr. Scott Simms: I didn't know.

The Chair: That's okay.

Mr. Aspin, you have the floor now.

Mr. Jay Aspin (Nipissing—Timiskaming, CPC): Welcome, Mr. Ferguson, and indeed all our guests. We certainly have a lot of experience in the online business among all the departments.

I'm going to focus, as one of my colleagues has already done, on the tax services aspect because I get a lot of calls in my particular constituency about that.

My question is directed to Mr. Bennett.

From your brief, Mr. Bennett, obviously there's been a substantial increase in the number of enrolments, which is good. You point out in your brief as well that there's a concerted effort to promote online filing with success, with 76% of individual tax returns, 64% of GST/HST, and about 70% of corporate income tax. That's good participation at roughly three out of every four.

You've also pointed out, as my colleague, Mr. Woodworth, pointed out before, CRA has made over 40 improvements to online services between 2009 and 2012.

Maybe I could give you a chance to complete your outline of some of those enhancements that have been brought forth in those three years.

● (1700)

Mr. Dave Bennett: Certainly. As I mentioned earlier, they do cross the various lines of individual businesses and those representatives who prepare tax returns for this. Some of the specific enhancements include that you can now access your T4s and your T4As online. You can find all those there. You can look up your tax-free savings amount, how much you can contribute this year. I previously mentioned that when viewing your return, you can look back 10 years. Submitting documents is a new feature that we have introduced and are rolling out in all the business lines. The simple description of that is that each year when we receive returns, some are selected for a follow-up. We may ask for additional information or a receipt that wasn't included at the time of filing. We now have a facility for taxpayers and representatives to submit those digitally through a secure portal. What was previously always done on paper, we are now enabling that in a digital fashion.

New payment features have been added where you can pay directly via your Interac account. There have been instalment payment calculators for those businesses that need to calculate how much their instalment should be. There is a facility online. Message centres and inquiry services have been added in the My Business Account portal. Currently, although it's not in this report, we are also looking at facilities for the delivery of your documents in an electronic fashion.

Those are examples of the nature of the enhancements we have made. We classify them into two categories. There is what we view as view and do. In some instances, you can look at things that you've submitted or look at the outcome of your returns, assessments. In other cases, you can actually manipulate your account, you can move money around, or you can request a reassessment if you happen to find more charitable receipts that you had forgotten at the time you filed your return.

That's just a sampling of that for you.

Mr. Jay Aspin: Okay, thank you.

The Chair: You have one minute.

Mr. Jay Aspin: Maybe I can get into a little bit of VAC, the veterans.

I have a question for Ms. Bastien. What improvements have you made since 2005 when you launched My VAC Account?

Mr. Rick Christopher (Director, Service Delivery, Department of Veterans Affairs): I can answer that.

Since 2005 when we launched, we've implemented a number of changes, improvements. In no particular order, you can verify the status of your veterans independence program application. You can now send us a secure message. If you want to communicate securely with the department you can send us an electronic message. You can —

The Chair: I'm sorry, Mr. Christopher, I have to end your time. Thank you.

Over now to Mr. Allen, again. You have the floor, sir.

Mr. Malcolm Allen: He's quite a taskmaster, this man from Hamilton.

Mr. Ferguson, on page 20 of your report, at exhibit 2.3, you have a table. I would encourage the folks from Veterans Affairs Canada to follow along, because the question will go to them subsequent to this.

You use the example of a Canadian veteran, just retired, who receives Canada pension plan benefits. During his military service, he was injured and he's eligible for disability benefits, which would come out of somewhere else. The veteran also wants to interact with the Government of Canada online to manage his benefits and also his taxes—that's Mr. Bennett at CRA—so he decides to access Service Canada's website.

Sir, you have a lovely chart here.

I freely admit to you, Mr. Bennett, that I once tried to go on your website, and as soon as you said, "I'll get back to you in five or ten days", I said, "Thank you very much, but no thank you." I didn't bother. The online password just takes far too long, in my view, to send through the mail to me after all the checks that you actually want from me, which clearly probably only I would know and that you actually asked for. There's good security, by the way, and I don't have a problem with that. The issue is that I'm not interested in your sending it to me in the mail—that's me personally—so I never did open it. It probably died on the Internet somewhere.

Mr. Ferguson, you've laid this thing out. Clearly, as we follow it through—and for the cameras, for the folks at home who don't have this in front of them—you literally ended up doing the same thing over and over again, except there are minor pieces. For instance, you sign in, or you use your GCKey, or you go to proof of identity, employment insurance, you need the access code, which gives you a four-digit number.

We can see that with My VAC it's actually quicker, because there is a certain number and I get in. I have to wait for you to send me something to get in and I have to wait for Mr. Bennett to send me something to get in, whereas My VAC lets me in as long as I have the proper security code. It's wonderful, actually. I think the other two groups ought to look at what you do, since you're giving benefits as well.

Actually, I agree with Mr. Woodsworth. No offence, Mr. Bennett, but more often than not, you usually are taking more than you are giving back, but that's your job and that's okay.

I'm getting benefits from EI, CPP, or OAS, etc. How come I can get benefits as a veteran from them, but I can't get them from you? That's an open question. I'll leave that for you folks to take back and

think about while I wait 10 days for my thing that I'm never going to wait for, because I'm not going to ever end the thing....

Thank you, Mr. Ferguson, for the walk-through of what should be easy in life: to use a computer. I'm not technically in the dark. Yes, I'm a middle-age guy who has come to computers late in life, but I'm not a person who can't manage it. To be perfectly frank, if I were a vet and you were asking me to dance the dance, I'd be looking to call 1-800....

This is where I'm going back to you, Ms. Giliberti, about your 1-800 number. Does your system still function the way it does—and hopefully not for vets—for EI? If I get online and have a question, I go in the queue and wait. When it times out, the electronic voice says goodbye and hangs up. It never gives me a number that says I've contacted you. It never takes my number and says, like Sears Canada used to do, "If you wish to remain in the queue but not on the line, we'll call you."

How is it the functionality of a department as large as yours is such that your electronic voice tells me goodbye? Then, when I say that I've called you, everyone says they don't have a record. Well, of course you don't. You hung up on me. If you hang up on me enough times, how many times am I going to call you back?

I look at both of you, Ms. Bastien and Ms. Giliberti. How do we integrate a service for folks at a moment when they're being asked to use electronic services and make it functional in a humane way so that it will function for them? I throw it open to either one of you. You can decide which one wants to answer it first.

● (1705)

Ms. Carolina Giliberti: I can certainly speak for Employment and Social Development Canada, in that we're doing two things right now with respect to our telephony system. One of the most important things we're doing is we're developing a new telephony system with Shared Services Canada, whereby we will have an upgraded telephony system that will allow us to do those very things and to have better functionality, much like you would on any modern call answering system. That's number one.

The second thing we're doing is we are modifying our service delivery online so that we can actually get you first resolution. First-contact resolution would allow us to do end-to-end resolution with respect to your—

The Chair: I apologize, but I do have to interrupt.

That would conclude Mr. Allen's time, and now we go to Mr. Falk.

Mr. Ted Falk (Provencher, CPC): Mr. Ferguson, I have a direct question for you initially.

First of all, I want to thank you for your report. I'm new on the committee, but I have had some time to read and study the report.

I notice there's a recurring theme in it regarding increased collaboration between departments to provide online services. I think there's room for improvement there. Your report also suggests that we still have room to improve our online service delivery. I'm encouraged about that.

I also think there's an opportunity for the government to provide single-source portal entry to all Government of Canada departments through a single-source number, possibly social insurance number for an individual and business number for a corporation.

You do cite some efficiencies in your report. One of them is that through Industry Canada the enrolment process for a Canadian federally incorporated business can be completed on the same day. That's an efficiency you address.

That's also a credit to you, Mr. Dagenais. I also wanted to note the paragraph in your presentation today that said 98% of business incorporations federally are filed online. That's tremendous. You've achieved good market penetration there. The last sentence in that paragraph I'm particularly pleased with. It says, "This is one less step that a business has to do separately", and that refers to the assignment of a business number during that registration process. I think it's very important that you've reduced the number of steps required for businesses to get going and to create jobs. That's very important, and I congratulate you on that.

Mr. Ferguson, I'm wondering if you could provide us with any other examples in your report of efficiencies in the provision of our online services that you may have discovered.

●(1710)

Mr. Michael Ferguson: It would take me a while to go in and find the specific examples, but again, I think in general we did indicate that CRA in particular over the last number of years had made improvements. We talked about those 40 improvements and that sort of thing. There are some examples of those improvements throughout the chapter, but in the interest of time I won't try to find them all.

Mr. Ted Falk: Okay, I can appreciate that. I do thank you for identifying some efficiencies we have achieved there.

I have one other question for Ms. Bastien.

In your report today you said that your department services almost 208,000 individuals, and further to my colleague Mr. Allen's comments, less than 5% of the individuals you service are using your online services. I would suggest to you there's an untapped market there for you to provide improved service to our veterans. I'm wondering if the department has a plan for that.

Ms. Charlotte Bastien: We do.

We have a communication plan to promote My VAC Account by adding a message regarding My VAC Account to all reservists' pay stubs. The Royal Canadian Legion has been trained on My VAC Account and their service officers encourage members to sign up. Our website has recently been redesigned and there is a My VAC Account button on every page. There have been several tweets specifically regarding My VAC Account. When we do presentations and SCAN seminars to reservists and Canadian Armed Forces members, we do talk about My VAC Account and what's available through My VAC Account.

Regarding functionality, we'll also be looking to expand applications to more programs that would also assist. Also, we'll be providing information so that users of My VAC Account will be able to track where their application is, when it was received,

whether it has been processed, whether there was a positive decision, and when the benefits will be given.

Also, veterans will be able to communicate in a secure fashion electronically with the department and with their case manager, if they have been assigned a case manager. They will also be able to provide information to support certain applications and manage the information they have and the documentation they have submitted to the department.

The Chair: I'm sorry, Madam, I have to interrupt. Thank you.

Mr. Simms, you have the floor, sir.

Mr. Scott Simms: I'm going to the departments right now. I'm going to start with Service Canada. In paragraph 2.45, Human Resources and Skills Development Canada's response to this report says that the department, through Service Canada, will work to enhance the coherence of its existing service delivery vision, which is called vision 2018.

Let me ask you specifically about Vision 2018. Is one of the primary goals here to see the cohesion of different departments, specifically Veterans Affairs? Even the in-house visits now are channelled through your direction into your existing building.

Sorry, go ahead.

●(1715)

Ms. Carolina Giliberti: Yes. We have embarked on what we're calling vision 2020, which is a strategy....

Mr. Scott Simms: What's vision 2018?

Ms. Carolina Giliberti: I don't know what vision 2018 is.

Mr. Scott Simms: It refers to vision 2018.

Ms. Carolina Giliberti: The report is called "Vision 2020", and that was in the Auditor General's report. Our report says "Vision 2020". It's a document that helps set out where we are going in terms of an automation agenda.

We are looking at all of the programs we deliver, and looking at ways in which we can automate them, and ways in which we can bring them all online.

Mr. Scott Simms: Sorry to interrupt, but I don't have a lot of time.

How do you integrate how people go from EI to CPP, the example I brought up earlier?

Ms. Carolina Giliberti: That's through an enhancement in our My Service Canada Account which will allow us to have someone log into the My Service Canada Account and get all the services Employment and Social Development Canada offers online. It will allow them in a secure way to go in and have access to their transactions with the programs we have to offer.

Mr. Scott Simms: Regardless of whichever program they're applying for?

Ms. Carolina Giliberti: Right. In Service Canada, right now it would be EI, CPP, OAS. Over time we are going to be looking at other programs that can be brought online and available through the My Service Canada Account, so part of vision 2020 would allow us to do that.

Mr. Scott Simms: What about in a situation where it's someone's My VAC Account?

Ms. Carolina Giliberti: That would not allow us to have access. That secure account would not allow us to access services that are available and programs that are offered by other departments at this point in time.

Mr. Scott Simms: But vision 2020 would take care of that, would it not?

Ms. Carolina Giliberti: No, because vision 2020 is the vision set out for Service Canada. As we take on more programs within Service Canada and within Employment and Social Development Canada, we would put them into our My Service Canada Account. That does not allow us to access programs that might be from Industry—

Mr. Scott Simms: Sorry, are you aware of what's happening in vision 2020?

Ms. Charlotte Bastien: Besides what was in the report, no. But I want to specify with the partnership we have right now with Service Canada they can receive and provide assistance on two programs, the disability award program and the veterans independence program. They can assist with the form and with the application.

They don't process the form. The application is processed by Veterans Affairs, not by Service Canada. They can assist at one of their locations if a veteran walks into Service Canada and wants assistance regarding an application for the veterans independence program, for example.

Mr. Scott Simms: But that's the extent of the integration of the two departments.

Now on CRA, what do you know about their vision 2020 program?

Mr. Dave Bennett: We work very closely with our colleagues in Service Canada ensuring alignment in the directions we're going. In fact, our vision is quite similar.

Mr. Scott Simms: Do you have any input on vision 2020?

Mr. Dave Bennett: Yes. We collaborate continually with Service Canada, and in fact, the secretariat.

Mr. Scott Simms: I know when people come to my constituency office, I get that obviously in some cases of EI payments and how it ties in with the CRA, I think the Auditor General is right in the sense that there seems to be a lot more cohesion there, but that's really the only cohesion I can see. It seems to me CRA has probably done most, if I may use the term, outreach over the past little while, and you have already made that very important.

What about for different provinces, however? It seems I only have buy-in from two provinces so far when it comes to CRA.

Mr. Dave Bennett: In what aspect?

Mr. Scott Simms: Let me give you one example.

The Chair: I'm sorry, Mr. Simms, you'll have to save the example, but it was a great time to take a breath.

Mr. Scott Simms: For you or for me?

The Chair: Mr. Albas, you have the floor, sir, and we're just going to make it.

Mr. Dan Albas: I'd like to share my time with Mr. Cannan, if I'm not too long-winded, Mr. Chair.

The Chair: Certainly.

Mr. Dan Albas: I appreciate what the Auditor General said a little earlier when he said let's not confuse it. He said, and I'm paraphrasing you, sir, that Canadians have the simple desire to be able to access and have the convenient use of services, but they are complex issues because they're technological issues and technology has changed. The use of the Internet, and even the technology behind it, has changed.

For example, there's a gentleman in my riding, Mr. Westlake, who is blind and yet he uses the Internet through a series of special software programs. Over the last five or so years he has seen some great changes in technology, but he can't afford some of the new browsers that are available. The concern for him was when the Government of Canada changes some of the websites, which we've done successfully, will that accessibility be there or will he have to get enhanced software? I was quite happy to point out through the President of the Treasury Board that this wasn't the case, that there would be that accessibility.

Again, Ms. Charette, I'm coming back to you. Obviously, the government has a special duty to make sure these things are secure, but I would also say there has to be accessibility. We can't just use boilerplate templates that other business entities might use, because we have to make sure it's not just 100% secure, but also that there is accessibility. Would you not agree?

●(1720)

Ms. Corinne Charette: Absolutely. Over the last three years the government has been working very hard on online accessibility for people with visual and other impairments, and we have met our target objectives in this area and are now exporting, so to speak. The work we've done is now available on open source to other jurisdictions, internationally and provincially.

We're very proud of the accessibility work we do and we keep all our web work formal.

Mr. Dan Albas: Again, going back to what complicates it, does it complicate it to have those kinds of things where there are secure transactions that have to be accessible to people with those kinds of needs?

Ms. Corinne Charette: It requires some forethought, design, and the use of the right techniques and obviously individuals able to adopt those techniques carefully. It does take a bit more time, but it's certainly well worth it and we've automated it to a great extent to make it as easy as possible to be compliant.

Mr. Dan Albas: I appreciate that, because I know our provincial counterparts have talked for years about how e-health initiatives were going to make it all more efficient for us for health care, but again, that's a very complicated area. I'm not going to go there other than to say it's one thing to desire cost-effective access to these kinds of things, but we also have to make sure they're absolutely secure, because that's personal information.

I'd like to pass the rest of my time to Mr. Cannan, please.

The Chair: Certainly.

Mr. Cannan, you have the floor.

Hon. Ron Cannan (Kelowna—Lake Country, CPC): Thank you, Mr. Chair, and thank you to our witnesses.

I have three quick points.

My first point is that BizPaL has been very successful working with the provinces and the federal government. Is that a model you're looking at to implement other Industry Canada programs?

Mr. Éric Dagenais: Not for the moment, but yes, we've implemented a very successful model in collaboration with the municipalities and the provinces. Right now we're consolidating BizPaL, adding municipalities and examining ways in which the BizPaL service could be deepened through elements like regulations. Right now it's only for permits and licences. We're exploring the possibility of looking at regulations.

Hon. Ron Cannan: My second point is with respect to the $2 million allocated in the budget, and that's why it's so important to support the budget. It will help My VAC Account. It will make it more user friendly and streamline it more comprehensively. Is that correct?

Ms. Charlotte Bastien: It is correct.

Hon. Ron Cannan: My third point is on service delivery integration.

I have a neighbour who is an RCMP officer working with and sharing information with CRA, but CRA can't reciprocate and pass information to the RCMP. It's unilateral and there are some frustrations there. My understanding is that other departments, DND, for example, can transfer that information to Veterans Affairs.

Mr. Ferguson, maybe you could share with the committee your understanding of the Privacy Act.

Mr. Michael Ferguson: That probably would be a dangerous thing for me to do, quite frankly, but I think we've said in paragraph 2.27 that the Privacy Act does establish the way that government institutions are to collect, use, and disclose personal information. Then we go on to say that the act is not meant to hinder information sharing, but to ensure the effective protection—

The Chair: Again, my apologies, sir. I'm sorry.

Last, but certainly not least, Mr. Allen.

Do you want to share your time?

Mr. Malcolm Allen: Yes, I'm sharing my time with Mr. Giguère.

I want to quickly go back to page 16, paragraph 2.45. I will go to Mr. Ferguson and then to Madame Giliberti.

There is a recommendation. You agree with it through HRSDC. You call it vision 2018, and then again in your management action plan you talk about vision 2020. Are they one and the same, or not?

● (1725)

Ms. Carolina Giliberti: Maybe I can clarify. I think at the time the Auditor General was doing his audit, the document was called "Vision 2018". It has since been changed, and it's now called "Vision 2020". It is the same document. When the audit was being done, we were in the process of developing that document and we have now entitled it "Vision 2020".

Mr. Malcolm Allen: I appreciate you might have used a different title. Here's the dilemma for me as a member of the committee. I'm actually referencing a document through Mr. Ferguson's audit that refers to 2018. How do I know that your "Vision 2020" document is indeed the same thing?

Ms. Carolina Giliberti: Because at the time the Auditor General —

Mr. Malcolm Allen: No, I recognize that, Ms. Giliberti. What I'm saying to you is that you didn't share the document "Vision 2020" with Mr. Ferguson's group when it was auditing because you were working on it. We have no idea if it's the same or different. Your management plan says you are working towards 2020—

Ms. Carolina Giliberti: Yes.

Mr. Malcolm Allen: —not 2018. They have the same timeline, by the way, April 2015. There's no dispute there. It's not a timeline issue. I recognize that more than likely—and I take your word for it, Madam—it is probably a title change.

Ms. Carolina Giliberti: Yes.

Mr. Malcolm Allen: Our dilemma is you have now referenced a document that we don't have. I would ask, through the chair, that perhaps you could send it to the Auditor General's office so they could look at it and say it is one and the same, or send it the committee, but I leave that in the hands of the chair and the department to figure out, because I don't know. I think you're saying it's just a name change, but I certainly wouldn't know that if it referenced two documents. But it's the same timeline; it's probably the same thing.

I leave it at that and turn it over to Mr. Giguère.

[*Translation*]

Mr. Alain Giguère: Mr. Ferguson, earlier we were talking about the fact that a massive amount of money, some $377 million, was spent to design the Secure Channel infrastructure, which had a total price tag of $975 million. For a government set on balancing the budget, there are no savings to be had in this situation.

As we speak, do the departments have the staff to oversee the implementation of this computer system? If so, the government would not have to systematically hand over the bidding process to a private company, who would then be controlling another private company.

Do the departments and Treasury Board have the human resources that would be needed to contain these costs both now and in the future, because the price tag seems a bit too high to me?

[*English*]

Mr. Michael Ferguson: I think what we've indicated here is that the cost of secure channel was very high. There was a recognition as well that it wasn't necessarily going to be the best solution to what they were trying to accomplish so there was this change of course in terms of how the secure access would be offered, and that's explained in here. There was a lot of money spent on this initiative. The more recent ways of dealing with this problem are going to be less expensive, so that's a good thing. Nevertheless, there's a lot of sunk cost related to the secure channel.

[*Translation*]

Mr. Alain Giguère: Similarly, in paragraph 2.62, you note the lack of consistent reporting across the departments when it comes to the costs of delivering services online. I can understand your frustration; just imagine how we feel. We are getting these bills and no one can tell us whether another department has already paid for the same thing. That kind of approach makes it impossible to get an overall picture of related spending.

Is there anything else you could recommend to help departments do a better job of monitoring and containing costs government-wide?

[*English*]

Mr. Michael Ferguson: What we're recommending in paragraph 2.65 is that there should be a standard methodology—

The Chair: I apologize once again to you, sir.

Our time, colleagues, has expired. I'm glad we don't have to do it that way all the time. I prefer to give people a chance to finish their thoughts.

There's one quick matter arising from our discussions. Toward the end, Mr. Allen, I think you were asking if it would be possible to get the 2018 document, as redone in 2020.

● (1730)

Mr. Malcolm Allen: Yes.

The Chair: Let me see if I got the question right. You were asking if that could be circulated to the committee members and the AG. Was that the request?

Mr. Malcolm Allen: I'm easy either way, Mr. Chair. If the Auditor General says it's one and the same, I'm good with that.

The Chair: Okay.

Auditor General, Mr. Allen is asking if the 2018 document is the same as the 2020 document, to the best of your knowledge.

Mr. Michael Ferguson: I have no reason to expect it was any different. We did see the document titled "Vision 2018". I don't think we've seen the document titled "Vision 2020". So, at what point in time.... If there are any changes or not, I couldn't say.

The Chair: Okay.

Mr. Albas.

Mr. Dan Albas: Mr. Chair, again, we have routine motions that cover what we can ask of different individuals and their departments. We'll be getting action plans and whatnot. While I understand people want to see certain things.... There's nothing negating a private member's asking a department or the Auditor General for more follow-up information, and those departments can deal with those requests as they come along, but Mr. Chair, we have routine motions that handle what is expected as far as action plans are concerned.

The Chair: Fair enough, but it's not unusual at all for members to request information. Where we get into controversy is if it costs a lot of money to generate documents. In this case, though, it looked like a quick solution to me. There was a suggestion that 2018 has been updated to 2020. There's a suggestion from the authors that it's the same document. Mr. Allen wanted to see it. I was just looking to see if we could get that circulated to committee members and Mr. Ferguson. That deals with the issue, and we're good.

Can you live with that, Mr. Albas?

Mr. Dan Albas: Well, again, Mr. Chair, we have routine motions and requirements. If people have specific interests—

The Chair: No, we don't, no. I'm sorry—

Mr. Dan Albas: —they should follow that.

The Chair: I'm sorry, I don't know what you're referring to. It's not unusual in the course of meetings to ask for clarification, especially of a document that already exists.

Mr. Dan Albas: My understanding, Mr. Chair, is that as you said, there are some cases where people will ask for things that may cause a tremendous amount of work to be done. I'm just making sure that whatever we do ask is specific to our routine motions, where we have requirements in what we ask for. I'm not looking for a fight, Mr. Chair—

The Chair: No, I understand. I'm not either. My concern is that I don't think we have those kinds of requirements. I'm a little confused. We can talk about that later at our business meeting.

Again, it's a document that exists, and the department is quite willing to share it. It seems to me it would be easy for us to acquiesce, to just circulate a document that already exists and answer the member's questions.

Mr. Woodworth.

Mr. Stephen Woodworth: On the point of order, Mr. Chair, I didn't hear Mr. Allen, when he was questioning the witness, ask for a copy.

The Chair: He did.

Mr. Stephen Woodworth: This is something that seems to be—

The Chair: No, sir.

Mr. Stephen Woodworth: All right, thank you.

The Chair: Notwithstanding your personal feelings about the chair, he did ask, and the Hansard will show that. In fact, he left it to me to see if we could come to a resolution, which is exactly what I was attempting to do. This is easy stuff, folks. It's not controversial. A member of the committee has asked for a document that exists. The person who has the document said, "We'll gladly give it to you". The Auditor General expects it's the same as the other document. Where's the problem? Just circulate the 2020 document, and I think we're good, please and thank you.

Pardon me, Mr. Cannan?

Hon. Ron Cannan: I said I think you convinced yourself. That's good.

Voices: Oh, oh!

The Chair: I did. I do that a lot.

Thank you to all our guests.

We now stand adjourned.