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**Chair**

**Mr. Dan Ruimy**



## Standing Committee on Industry, Science and Technology

Tuesday, April 11, 2017

• (0845)

[English]

**The Chair (Mr. Dan Ruimy (Pitt Meadows—Maple Ridge, Lib.)):** We're going to get started, as we have quorum.

Welcome, everybody, to meeting 56 of the Standing Committee on Industry, Science and Technology. Pursuant to the order of reference of Tuesday, February 7, we are continuing our study on Bill C-36, An Act to amend the Statistics Act.

Today, from Our Right To Know, we have Margrit Eichler, the president, and from the Organisation For Economic Co-operation and Development, we have Paul Schreyer, the deputy director of the statistics directorate, who is with us by video conference all the way from France. *Bonjour*.

We also have, from the Statistical Society of Canada, Brian Allen, the past president and, as an individual, Jean-Guy Prévost, a professor in the political science department at Université du Québec à Montréal.

We're going to get right into it.

Margrit Eichler, you have up to 10 minutes.

**Dr. Margrit Eichler (President, Our Right to Know):** Thank you.

Thank you for inviting me to speak before you. Permit me to briefly introduce myself. I am a retired professor of sociology and equity studies. I taught at the Ontario Institute for Studies in Education at the University of Toronto until 2011. I am here in my capacity as president of Our Right to Know. We are a registered advocacy group with the mandate to advocate for the free conduct, communication, publication, and archiving of research. Our slogan is "Public Science for the Public Good".

The major data gathering institution in Canada is Statistics Canada. The well-being of Statistics Canada is therefore close to our hearts. Although there are a number of issues that could be addressed, I will restrict myself to only one point: the relationship between Statistics Canada and Shared Services Canada. When we learned that the former chief statistician had resigned in protest over the lack of independence of Statistics Canada, we contacted him to learn more. While I have never met Mr. Smith face to face, there have been many written and oral exchanges. What we learned from these alarmed us. We then contacted a number of experts to compare their view of the situation with that of Mr. Smith's. We found no reason to doubt his integrity and veracity.

The minister, in his remarks during the debate in the second reading of Bill C-36, made it clear that high-quality data are needed to be able to make informed policy decisions. He makes a strong and convincing case that this requires independence of the national statistical service. If passed, the bill will increase the political independence of Statistics Canada. We strongly applaud the intent of the bill on this count. However, given such clearly stated intent, it is puzzling that there is no assurance of administrative independence.

Imagine that you were the chef for a huge gala dinner for hundreds of people. The contract has been signed. The overall framework has been agreed upon, the menu has been decided, the serving times have been set, the sous-chefs will be hired. Then, you find out that there is an unanticipated wrinkle: there is a housemaster who will determine which and how many pots you can use at what time, how many burners you may use at what time, and how many and which sous-chefs you may hire. In other words, you realize that you would be in a position of responsibility without the authority to make sure that the menu can be served as planned. At this point, you would probably tell your employer to cook the meal himself.

While Statistics Canada's job is infinitely more important and complicated than creating a gala dinner, however splendid it may be, the agency does find itself in a similar situation. Bill C-36 says this, and I will quote it in an abbreviated manner:

The Chief Statistician shall...

decide, based strictly on professional statistical standards that he or she considers appropriate, the methods and procedures for carrying out statistical programs...

[and] control the operations and staff of Statistics Canada.

However, according to Wayne Smith, Shared Services Canada has complete control of the critical informatics infrastructure supporting Statistics Canada. This amounts to an effective veto power on the part of Service Canada over any project, program, or initiative of Statistics Canada that requires modifications to informatics infrastructure—and, in the world of official statistics, any significant change does.

What are the consequences of this arrangement? They include delays of major transformational projects, for instance, the integrated collection operations system and the integrated business statistics platform; an unwieldy, user-unfriendly website; idling project teams; delays in delivering needed hardware; problems in maintaining aging equipment; cost estimates disconnected from reality; and unnecessary financial difficulties.

In other words, for a statistical agency, whose primary objective is the production and dissemination of data and information, Service Canada is an inefficient system. It does not allow Statistics Canada to operate at a peak level of performance. It wastes human and financial resources.

● (0850)

We consulted with my former classmate and distinguished CRC Chair Monica Boyd. She is an expert user of Statistics Canada data and has been seconded three times to Statistics Canada on a visiting senior fellow basis. She described to us three of the recent problems associated with the shift to the Service Canada platform: it has become very difficult to find information; how issues are arranged is not always logical; posting of information that normally was routine now appears to be erratic. Recently a major set of analytical papers produced at Statistics Canada could not be accessed for two weeks.

She considers the relationship between Service Canada and Statistics Canada as a cancer that is slowly affecting the entire system. We argue that this is probably due to the fact that Statistics Canada has a different structure and a different logic from the other departments that are serviced by Service Canada. Most departments deliver programs and services; Statistics Canada delivers data analyses.

We also want to mention that we're not aware of any other national statistical service in a developed nation that does not grant administrative independence to its statistical service. To pass the legislation without at the same time removing Statistics Canada from under the control of Service Canada creates a serious set of problems that cannot but hurt what we all want: a truly independent Statistics Canada.

We therefore strongly recommend that complete authority to run its own operations be returned to Statistics Canada in order to enable it to fulfill its duties as outlined in Bill C-36.

Thank you very much.

**The Chair:** We're going to move on to Mr. Schreyer from the Organisation for Economic Co-operation and Development.

You have up to 10 minutes, sir.

**Mr. Paul Schreyer (Deputy Director, Statistics Directorate, Organisation for Economic Co-operation and Development):** Good morning, Mr. Chair and committee members. Thank you for giving me the opportunity to appear before this committee. I will provide some comments on individual parts of the proposed amendments to the Statistics Act.

Let me start by saying that my overall impression of the changes is clear. The amendments constitute a significant step towards modern statistical law in close alignment with the "Recommendation of

the OECD Council on Good Statistical Practice". The council that adopted this recommendation in November 2015 consists of the representatives of our 35 member countries. It's the first OECD legal instrument on statistics, and all of our member countries, including Canada, have signed onto it. The implementation of its 12 recommendations and the associated list of good practices are regularly monitored. For me, it's a natural reference point when commenting on the proposed amendments to the Statistics Act.

The first comment I'd like to offer concerns our recommendation number 2, namely ensuring professional independence of national statistical authorities from other policy, regulatory or administrative departments and bodies, as well as from private sector operators.

I'd like to stress here that the professional independence that is sought by the recommendation relates to decisions about statistical methods and dissemination. In our view, this is perfectly consistent with some basic administrative dependence of the National Statistical Office on the executive branch in terms of defining a statistics program or more generally in terms of being responsive to the statistical needs of government and of society at large.

The amendments to the current Statistics Act explicitly confer more responsibilities on the chief statistician. They stipulate that he or she make decisions with regard to statistical methods and procedures as well as dissemination, and they add clarity concerning his or her terms of appointment. They also anchor in law the proposed statistics advisory council.

All of these measures reinforce the professional independence of the statistical authorities and are therefore very welcome in light of the OECD recommendation.

There is, however, one passage that seems to point in a different direction. The draft law in clause 4.1 states that:

Directives on any methods, procedures and operations may only be issued to the Chief Statistician by the Governor in Council, by order

What this says, which is true, is that the subsequent proposed sections impose a strict requirement to publish this order within 15 days, which represents a strong requirement for transparency. Nevertheless, interventions by the executive concerning methods, procedures, and operations remain possible by law. While there may be some sort of constitutional reasons for introducing this passage, it does appear from our perspective that this is at variance with the OECD recommendation.

Looking around the international scene, I also find that it's a somewhat unusual passage in the Statistics Law of OECD countries and appears in some respects stronger and broader in its potential application than are the provisions for ministerial intervention in statistical collections that apply in other Westminster democracies like Australia or New Zealand.

In the same vein, the unchanged provision in the law that indicates that the Governor in Council prescribes the questions to be asked in any census could be interpreted as incompatible with the professional independence of the chief statistician.

Another comment in this context relates to the selection of the chief statistician. The amendments to the law provide few indications about the process for selection, nor are any required qualifications for the position mentioned. The good statistical practices included in the OECD recommendations indicate both that the selection process should be described clearly by law and that the appointment should be based on professional competence only.

• (0855)

Such additions to the text may be worth considering unless there is another Canadian law that generally stipulates the need for demonstrated professional competence for this type of appointment. I'm not in a position to judge that.

Similarly, there is a bit of a question about the selection process for the members of the statistics advisory council. Again, anchoring the council, its principal functions, as well as specifics about the tenure or remuneration of its members in the Statistics Act is decidedly good practice, but there is no explicit reference to the professional qualities or profiles that council members should possess. As a key function of the council is to advise on the quality of the statistical system, explicitly stipulating the relevant professional competence would appear to be a useful thing.

Somewhat in passing, I notice that the size of the council has been set at 10. Now, while this appears to be near the lower end in international comparison, it should also be said that there is a wide variation among OECD countries here. For instance, the Irish National Statistics Board has eight members, the Swiss federal statistical commission has 11, Australia has 16, the U.K. has 14, France has about 40, and Germany has over 50. You have a wide variety of cases, and I guess much depends on the specific functions that these councils are intended to have, so there is no single good practice in this respect.

Another observation—and this is my final one—relates to our OECD recommendation number four that stipulates the protection of the privacy of data providers. The existing Canadian statistics law has very good provisions for the protection of privacy and so is fully compliant with the recommendation. My observation relates to the automatic disclosure of census records 92 years after a census is conducted. Now, we did not go through an in-depth analysis of statistical laws in OECD countries to find out about this point in other countries, but none of the laws we looked at briefly—with the exception of the United States—had a similar specific provision for general disclosure by default after a certain lapse of time. We don't consider the 92-year rule at variance with the OECD recommendation, but it is clear that there is an arbitrage between the long-term privacy protection for individuals and their families and other societal interests. Of course, that's an arbitrage decision that you as parliamentarians have to make.

I thank you for your attention and will be happy to respond to any questions you may have.

• (0900)

**The Chair:** Thank you very much.

We're going to move on to Mr. Allen from the Statistical Society of Canada. You have up to 10 minutes.

**Dr. Brian Allen (Past President, Statistical Society of Canada):** Good morning, everyone.

It is indeed a pleasure to be invited to appear before the Standing Committee on Industry, Science and Technology. Although the invitation to appear before this committee didn't specify, I view my invitation as representing the Statistical Society of Canada. I'm currently past president. The president, who might normally be invited to appear in my place, is employed by Statistics Canada, and so was recused.

The Statistical Society of Canada is Canada's only national scientific organization representing statisticians in academia, government, and industry. Its mission is to encourage the development and use of statistics and probability through research, education, and the development of public awareness of the value of statistical thinking. One of the bullets of our mission statement is directly relevant to today's hearings, namely, to ensure that decisions affecting Canadian society are based on appropriate data and valid statistical interpretation.

The Statistical Society of Canada has always had a close relationship with Statistics Canada. Indeed, its current president, Jack Gambino, is employed by Statistics Canada. Five additional past presidents have come from Statistics Canada: David Binder, 2005-06; Jane Gentleman, 1997-98; Geoffrey Hole, 1989-90; Martin Wilk, 1986-87; and Ivan Fellegi, 1981. Two of these, namely Wilk and Fellegi, also served as chief statisticians of Canada.

In addition, the society has benefited greatly from the involvement of many members from Statistics Canada. The society has six sections. Each focuses on an area of special interest to members. The survey methods section was one of the first two established, and it has always had dedicated support of members from Statistics Canada. This includes organizing invited paper sessions at the annual meetings and the organization and delivery of workshops on topics of interest to survey methodologists and graduate students.

The society believes that policy decisions should be based on evidence, and this usually involves data. Good data, whether from a survey, census, or other source, rely on both statistical design used to generate the data and on the choice of appropriate statistical methods to summarize the data. Administrative data—for example, tax data and health records—play an increasingly important role in official statistics. The use of appropriate statistical methods is important there as well. For example, the use of such data often involves record linkage, requiring both probability and statistics, and hence the importance of appropriate data and valid statistical interpretations.

The society participated in this committee's hearings, and lobbied extensively, regarding the cancellation of the mandatory long-form census in 2011-12. It also provided a letter of support of a private member's bill, to reinstate the mandatory long form, in early 2015. The society welcomes the opportunity to continue to provide its expert guidance on matters of statistical methods and procedures for the collection and summary of data.

In the brief time I've had to consult with colleagues, the views expressed on Bill C-36 have been unanimously positive. It's a step in the right direction, and it's making important changes to the Statistics Act.

I have a few recommendations, mostly related to how the Statistical Society of Canada can continue to make a positive impact on the collection and summary of official statistics in Canada.

The first recommendation is to have a formal search committee for chief statistician that would search widely, worldwide, for the best candidates. This short list of candidates would then be submitted for cabinet's consideration.

Second, consider consulting with the Statistical Society of Canada when seeking members to serve on such a search committee for the purposes of putting forward this short list of candidates.

Third, the Statistical Society of Canada is supportive of the establishment of the Canadian statistics advisory committee. It is recommended that it include members of the Statistical Society of Canada. This could be the president, but it might also be his or her designate.

• (0905)

I thank you and would be happy to answer questions.

**The Chair:** Thank you very much.

Now, we're going to move to Monsieur Prévost.

[*Translation*]

Mr. Prévost, you have the floor for 10 minutes.

**Mr. Jean-Guy Prévost (Professor, Political Science Department, Université du Québec à Montréal, As an Individual):** Thank you.

My name is Jean-Guy Prévost. I'm a professor in the Political Science Department at the Université du Québec à Montréal. Over the past 30 years, my research has focused on the census and on the functioning of statistical offices, not only from a Canadian perspective, but also from a comparative perspective.

The tabling of Bill C-36 arose largely from the 2010-11 census crisis, which resulted from the government's decision to remove the obligation to complete the long-form census and replace it with a national household survey, participation in which would be voluntary. The decision was consistent with the Statistics Act, but it raised a huge public outcry, in large part because the decision was made very quietly, meaning that the public wasn't informed until the matter was resolved.

The issue the requirement to respond and the issue of penalties for refusing to respond are, of course, political in nature, but the government's decision also had a technical dimension. We now know, with evidence, that despite the enormous resources provided by Statistics Canada, the quality and reliability of the results of a survey of a sample of volunteers is unsatisfactory.

The government's decision to impose its point of view led to the resignation of the chief statistician at the time, and that major event is one reason why the decision was considered a breach of the agency's professional independence.

We can legitimately wonder what the independence of a statistical agency is. This concept wasn't widespread in the 1980s, but it is becoming more common today. Of the 34 OECD member countries, 29 have adopted legislation that, in connection with Statistics Canada and its chief statistician, include explicit reference to the term "independence" or one of its correlates, such as "autonomy", "objectivity", "impartiality" and "neutrality". The 1985 Statistics Act is one of five acts that do not contain such a reference.

The reason we have witnessed a movement in favour of an explicit reference to the concept of independence in statistical legislation is that independence and the appearance of independence are indispensable conditions for establishing the credibility of statistical data in a world where data should play an increasingly important role.

In addition to incorporating the idea of independence or one of its correlates into the legislation, OECD countries have resorted to other means to ensure their protection. For example, some have clarified the appointment and dismissal procedures of the chief statistician. Others have set up a body to advise the chief statistician and assess the quality of the work done by the office. Several other countries have opted for codes of best practice and quality assurance programs.

Lastly, we should keep in mind that independence, understood in the sense of protection against intervention by the political authorities in the professional or technical dimensions of statistical work, is never enough. A statistical office must also have clear mandates and authority as well as means to carry out its task. The more recent resignation of chief statistician Wayne Smith illustrates the complexity of these issues.

How does the Bill C-36 address concerns about the independence of Statistics Canada? The proposed amendments contain a number of welcome clarifications, but they also contain ambiguities. I will limit myself here to a few points.

The first point concerns the appointment of the chief statistician. The irremovability of the chief statistician for the duration of the term constitutes an appreciable protection, and there is an equivalent precision in several countries. However, nothing in the act confirms what is mentioned in the notes that accompany the bill, namely that this appointment follows an "open and transparent" selection process.

The second point concerns the professional independence of the chief statistician. Subsection 4(5) as amended reads: "The Chief Statistician shall ... (a) decide, based strictly on professional statistical standards that he or she considers appropriate, the methods and procedures for carrying out statistical programs ..."

This reference in the bill to what is generally understood as “independence” is the clearest to date—even though the term is not explicitly used. The list of specific items to which these professional statistical standards apply is consistent with what we have seen in other countries.

However, subsection 4.1(1) states: “Directives on any methods, procedures and operations may only be issued to the Chief Statistician by the Governor in Council, by order, on the recommendation of the Minister.”

• (0910)

It seems to me that we are going right back to what we saw in summer 2010: the possibility of intervention by the political authorities in the field that should come under “professional statistical standards” without prior public debate. If we absolutely want to keep the possibility for politicians to intervene on this issue, the only way, I think, is to allow public debate and to authorize the chief statistician of Statistics Canada to make his opinion publicly known. Otherwise, in the event of disagreement, the outcome will be the chief statistician's resignation, which ultimately results in a loss of public confidence. The fact that the section of the 1985 Statistics Act dealing specifically with census matters remains unchanged in this bill curiously leaves such a possibility open.

A somewhat different problem arises with respect to subsection 4.2(1), which refers to directives on statistical programs. It is legitimate for a government to want to obtain statistical information on areas previously ignored, or for budgetary or other reasons to end certain programs. The bill provides that the chief statistician may require that such directives “be made in writing and made public before the Chief Statistician acts on it.” It is difficult to understand why the chief statistician's ability to require the publication of such directives does not extend to those that would more directly affect what should be his or her area of concern, namely the methods and procedures.

The third point relates to the existence of a quality assessment and consultation body. The existence of such a body is also a way to strengthen and guarantee the independence of Statistics Canada. The National Statistics Council, which was established in 1985, has been an almost invisible structure: this doesn't mean that its members haven't played an advisory role to the chief statistician, but the council had no public profile—no website, two lines on the Statistics Canada website, no list of members anywhere, and so on.

The notes accompanying the bill provide the council with a considerable mandate, but as there are no resources planned to meet the required profile, there is no certainty that this new council will be able to do much more than the previous one.

Furthermore, Statistics Canada's independence is also based on means that exceed the legal framework, including, the body's adoption of a code of conduct comparable to the one that European countries have.

In conclusion, in a comparative study of all OECD countries, Canada appears to be one of the few countries where the independence of the statistical office is not legally or formally protected. While Statistics Canada has long enjoyed broad independence in

practice, it was based on a gentlemen's agreement that ceased to exist in 2010.

In this regard, the bill brings two notable improvements: one to the chief statistician's irremovable character during the term of office and the other to recognition of his or her authority over professional standards, methods and procedures.

However, the bill should be clearer on these two points: with regard to the first, by including a reference to the selection process for appointing the chief statistician; in the case of the second, either by deleting section 4.1, thereby recognizing the exclusive jurisdiction of the chief statistician regarding methods and procedures, or by providing, as mentioned in section 4.2, that directives on methods and procedures “should be made in writing and made public before the Chief Statistician acts on it.”

At the present time, there is still a considerable gap between the explanations published on the department's site that reflect a considerable ambition and the bill itself. Basically, in contrast to the current legislation, this contains fairly modest changes to the independence of Statistics Canada.

Thank you.

• (0915)

[English]

**The Chair:** *Merci beaucoup.* We're going to go right into questioning.

Mr. Arya, you have seven minutes.

**Mr. Chandra Arya (Nepean, Lib.):** Thank you, Mr. Chair.

Thanks to all of you for being here.

My first question is for you, Ms. Eichler. You mentioned problems with making the website user-friendly. These are all fixable problems. One of the most important benefits, in my view, of Stats Canada's use of Shared Services is to prevent cybersecurity threats. That is a real threat today. Maybe I missed it, but I noticed that you didn't mention anything about cybersecurity and how Statistics Canada, working with Shared Services, will make cybersecurity issues more preventable.

**Dr. Margrit Eichler:** That's an area outside of my area of competence, so I didn't comment on that.

**Mr. Chandra Arya:** Thank you, Madam.

Mr. Schreyer, in your view, how does this bill compare to those of other countries such as New Zealand, the Netherlands, and the U.K.?

**Mr. Paul Schreyer:** I think it compares quite favourably now, in its revised form, with one or two elements that I mentioned, specifically, for example, this proposed section 4.1. One does not find that in the same form in, say, Australian or New Zealand law.

**Mr. Chandra Arya:** This bill makes the census of population mandatory.

How do other countries do this? Having the Governor in Council with exclusive authority to determine the census questions, how does that compare with other countries?

**Mr. Paul Schreyer:** Well, it varies between countries.

Very often, you do find an explicit requirement to conduct a census; the requirement is laid down in the law. More generally, of course, a minister can issue the request to compile some form of information or statistics that he or she may need. What is not normally the case is that the minister would exert some judgment about how exactly this information should be compiled, and would interfere in terms of the methods that are being used.

You see in some OECD countries you have censuses that are conducted purely with administrative records. Denmark is—

• (0920)

**Mr. Chandra Arya:** Okay, in fact, I was coming to that.

In the Netherlands, the last census I believe was done in 1971, where most of the data was collected from population registers. How does that work out?

**Mr. Paul Schreyer:** Well, you do have countries.... I mean, you mentioned the Netherlands, Denmark, and there are others, that do have a statistical system that allows them to make maximum use of administrative and other sources. They do not need the traditional ways of conducting censuses, but use the information they get from the records to have all the the information that is needed for society and political purposes.

**Mr. Chandra Arya:** With your knowledge of the Canadian system, do you think that is possible here in Canada?

**Mr. Paul Schreyer:** I have no view on this. I don't know enough about the Canadian system.

**Mr. Chandra Arya:** Okay.

**Mr. Paul Schreyer:** Typically, you do find these administrative registers, however, in rather small countries, with very specific legal environments that allow these crossing of data.

**Mr. Chandra Arya:** You mentioned that the number of members on advisory councils varied from eight in Ireland to about 40 in France.

In addition to these advisory councils, do they have other committees that advise the chief statistician? For example, here in Canada, we have 13 advisory committees, plus around seven federal-provincial-territorial committees. Assuming that each committee has around 10 members, we have about 200 members advising the chief statistician. In relation to that, now we have this advisory council of an additional 10 members. Do other countries have these kinds of committees?

**Mr. Paul Schreyer:** Quite a few countries do have committees that operate at a more technical level. You have a committee under consumer price index, and another one on surveys or national accounts.

I do know that these exist in Canada as well, but their functions are typically somewhat different from the overall advisory func-

tions that these statistical councils have. Indeed, you are right that the comparability may be limited. When we talk about the council in France, that includes, at least partially, some of these technical functions that you've been alluding to. For example, with Switzerland, I am part of the Swiss Federal Council. It has 10 members, and it works exclusively at this more strategic level.

**Mr. Chandra Arya:** Okay, thank you.

Mr. Allen, thanks for coming here.

I'm glad to hear that most of your members are unanimously positive on this new bill. You mentioned that your first recommendation is to have a search committee. Now, with your knowledge of how the chief statisticians have been selected in the previous years, is there any deficiency in the current system? Were any of the selections made during the last 10, 20, 30 years—?

**Dr. Brian Allen:** I'm certainly not an expert on the history of the selection of the chief statisticians. I do know one positive example I'll cite, and that is Martin Wilk who was recruited in the 1980s.

**Mr. Chandra Arya:** Do you agree that the current system is working fairly well?

**Dr. Brian Allen:** I couldn't comment on that with any great inside expertise.

**Mr. Chandra Arya:** Okay, that's it. Thank you.

**The Chair:** Thank you very much. We're going to move to Mr. Dreeshen.

You have seven minutes.

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

Welcome to all our guests this morning.

I had the the opportunity last year to go to the OECD's Blue Sky Forum in Ghent. As a former math and physics teacher, I enjoyed talking to people about some of the new things that are being done in statistics: data analysis, and megadata, so I certainly appreciate this opportunity as well, to be able to expand and talk about some of the things that have come about.

As I think we've noted from everyone this morning, there's still a concern about a lack of independence as far as the chief statistician is concerned. Some of the concerns are in regard to Shared Services Canada, as Ms. Eichler mentioned. I think we've heard a lot of that as well from various witnesses throughout the last number of weeks.

Perhaps, Ms. Eichler, you could just quickly pinpoint some of the issues that you have with Shared Services Canada. There was a discussion earlier, I believe, in Mr. Arya's question about cybersecurity, the thought being that Statistics Canada would be more protected if they were with Shared Services Canada. I think there are people who would suggest that might not be something that makes it more secure.

I wonder if you could just quickly give a few comments on that.

● (0925)

**Dr. Margrit Eichler:** I'm not an expert on cybersecurity. I notice that the Supreme Court is not part of Shared Services Canada and that seems to me an indication of the reasons they would not want to be part of this aspect.

Another aspect that I didn't mention on this issue is the problem of confidentiality. Everybody who is employed by Statistics Canada, be it ever so short, has to swear an oath of confidentiality; it even applies to casual employees. Under Shared Services Canada, other people are handling information and making decisions, and there is no oath that requires them to have this type of confidentiality. I would suggest there's an increased danger rather than anything else.

**Mr. Earl Dreeshen:** Thank you very much.

Mr. Schreyer, taking a look at some of the issues that you mentioned—proposed section 4.1 with the chief statistician and Governor in Council being able to make the types of decisions that you say are at variance with some of the OECD practices, and again as you've mentioned, that are even more onerous than in other Westminster Parliaments. I'm wondering if you could pinpoint where you think the concern is, and then I have a few other questions for you as well.

**Mr. Paul Schreyer:** I think our concern only comes in when there is some language that points to the potential interference of the executive in statistical methods.

How data is compiled, how and when it is released, and what methods are being used are quite different in my view from the basic question about what sort of information is needed. That is a very legitimate thing to express on behalf of the executive branch.

That sort of language, as far as I've seen at least, is what you'd find, say, in the Australian laws of statistics. There's some explicit indication that the minister can ask for certain statistical products to be developed, but there is nothing that says that he or she will tell the chief statistician how to come about producing that information. I think that's the crucial point.

**Mr. Earl Dreeshen:** As for the advisory council and its size—bringing it down to 10—we have six time zones in Canada and 13 different jurisdictions, and there are so many different types of information that need to be reflected in those who are going to make decisions. I've written down that in Ireland there are eight members, and, I think, in Switzerland there are 11, all the way up to Germany with 50 plus, and France with 40 plus.

When we look at that—and I think it is said arbitrarily that 10 is a good number—yes, there are other people who are associated with it, and other groups that are associated with it, but I think that's one of the concerns that we have. I say that for comment, because I'm wary of the time that I have.

You also mentioned the 92 years and that only the U.S. has a general disclosure by default. These are some of the questions we have. I don't know how long ago that was set up, but 92 years at that particular point in time might have meant they were going to be past a lifetime, but it doesn't necessarily mean that it's going to be that way in the future.

I'm just curious as to why you think that would be necessary. I know we've talked to folks who say, “Well, for our historians and for genealogical methods it would be nice if we had it”, but does that not fly in the face of the protection of privacy of data providers? If an option were supplied for them to say, “Yes, we don't care after 92 years, or once we hit 100, we won't even know what's happening”, if that's the situation, can you give us a little bit of input on that, please?

● (0930)

**Mr. Paul Schreyer:** Yes, but first I would quickly specify that I didn't say that it was only the U.S. I said that among the laws that we quickly screened, this is all I found for the U.S.

You do have, indeed, a whole variety of set-ups. For example—again, to cite Westminster legislation—in Australia you actually have an opt-in system. The default is that the information is destroyed or is kept confidential and the respondent has to explicitly agree that his or her information would be released after 99 years, I think. Before that, until 2001, the information was completely discarded, actually, after the census in Australia.

But you have other countries in which this is handled differently.

I think in the end it is clear that this is a sort of political decision, an arbitrage, that you as lawmakers will have to make. My understanding is that it does not impinge very much on the functioning of the census itself. I only heard about the experience in Statistics Canada itself when the rules were changed. It didn't seem to have a major impact.

**Mr. Earl Dreeshen:** Thank you very much.

**The Chair:** Thank you very much.

We're going to move to Mr. Masse.

You have seven minutes.

**Mr. Brian Masse (Windsor West, NDP):** Thank you.

There are things I'd like to continue and have addressed by all around the table.

The security and the provision of the data are obviously very important for those who are actually going to complete and fill out the survey. If you feel your privacy is being undermined, you will not fill out your data properly or you may not even participate, or you may give different results. That's something StatsCan has struggled with during this process of having two chief statisticians resign, which is unheard of.

I can be corrected, but I don't recall any other country facing this type of situation.

One thing that has arisen through this has to do with confidence in the data and, obviously, in Shared Services Canada.

I'll go around for everybody here to answer.

Mr. Prévost, to take this from another vantage point, what advantage is there for Stats Canada to give up ownership of its data and to give up its control of the distribution and the prioritization of that data to a third party? The argument is that it should do so.

The option we do have, though, is for the maintenance of an independent system. In fact, I fought for that independent system when we were outsourcing that information to Lockheed Martin. I felt the investment we would be making in terms of the data and all the money to accumulate it and quantify it, and the value of its use was so important that it should be a sanctuary unto itself and not be exposed unnecessarily to unmitigated risk.

What would be the advantage of outsourcing Stats Canada's collection and distribution of data to a third party such as Shared Services? Do you have any insight? Maybe you don't have any, but I would like to hear from our experts here as to the benefits of outsourcing to a third party for that element.

**Mr. Jean-Guy Prévost:** In the case of Shared Services, according to the former chief statistician, there was a loss of control over decisions that could be made in regard to the data. The argument has been made that there's more cybersecurity or protection with Shared Services, but I would say that if you have a unique system, it will be more vulnerable. If there's a problem, the problem will extend everywhere, maybe even from a security viewpoint. Keeping control over the data for an institution such as Statistics Canada, which manages a huge set of data, I think is highly preferable.

**Mr. Brian Masse:** You can think of no real advantage, then?

**Mr. Jean-Guy Prévost:** We've had all the problems with Shared Services that made the data unavailable during certain periods of time very recently.

• (0935)

**Mr. Brian Masse:** That's what I'm trying to come up with: what's the advantage of doing this? I can think of lots of disadvantages of doing this. Even just moving information is a risk.

Also, Ms. Eichler, with regard to employees swearing an oath of confidentiality, I'd like to hear more about the code of ethics at Stats Canada versus that of maybe a third party, which could potentially outsource more of that information, more of those jobs, and wouldn't even notify Stats Canada they were doing so, under the provisions of the agreements of operation.

What's the difference between the obligations of staff at Stats Canada obligation versus those of maybe Service Canada? Can you highlight that a little bit more?

**Dr. Margrit Eichler:** As I said, anybody who is employed at Statistics Canada, even on a casual basis, has to swear an oath of confidentiality. There is no such requirement for the people who work for Shared Services Canada. To me, that is a serious problem.

**Mr. Brian Masse:** Mr. Allen, do you have any comments?

**Dr. Brian Allen:** On your previous question as to who should manage the data, Shared Services Canada or Stats Canada, I tend to agree with you. It's difficult to see advantages from Shared Services Canada managing the data. The two issues that keep coming up are confidentiality and cybersecurity.

**Mr. Brian Masse:** Mr. Schreyer, how valuable an asset to a country is the accumulation and use of data? I think one of the things that's perhaps underplayed is the accumulation of data for economic decisions, whether it be for social planning or economic development, and so forth. What's the advantage of a country investing in and maintaining a secure, properly managed, and updat-

ed data system for its population's use of services and social planning?

**Mr. Paul Schreyer:** I think it's hard to underestimate the importance of a sound information system, not only for the executive but also for society at large. That, I think, is a given for any evidence-based policy-making.

The other question, of course, is how do you put that in place? I don't have any particular insights on the specific question of Shared Services Canada, but, of course, if you look at various countries, you do have cases where certain IT services are outsourced, for example, for efficiency reasons because some services can be provided more efficiently that way. But there are major legal barriers in the sense that, for example, under the European Union legislation, the data is not allowed to be stored outside the country. It is not possible to store data in the cloud, for example, because in doing so one cannot guarantee that the data is on national territory, which limits, of course, cloud storage, for example.

The other general tendency that I see is that whenever there is outsourcing in one way or the other, there may not be a transfer of responsibility or liability of the operations by the statistic office. The statistic office has to remain in charge of the management functions in its responsibility for the data. This is not something that one sees outsourced. But, again, I have not investigated this at great length; I'm just giving you my ad hoc opinion on this.

**Mr. Brian Masse:** Thank you.

**The Chair:** Thank you very much.

Mr. Longfield, you have seven minutes.

**Mr. Lloyd Longfield (Guelph, Lib.):** Thanks, Mr. Chair.

Thanks to all the witnesses for coming forward. You're bringing a really diverse set of opinions for us to consider.

Looking at the Governor in Council selection process, which the Prime Minister has introduced to try to ensure independence and openness for all Canadians, could you maybe describe from your view where we sit with the Governor in Council selection process?

Maybe we could start with you, Mr. Prévost.

• (0940)

**Mr. Jean-Guy Prévost:** In many countries, ultimately the chief statistician is named by the government, by the equivalent of the Governor in Council. In some countries he may be nominated by Parliament, a bit like the Auditor General is. There are countries with quite an elaborate set of procedures for the selection, with international experts brought in to assess the candidates. In other countries it's a more opaque procedure.

Here we are moving to new territory. We had no fixed mandates. We had a chief statistician from 1985 to 2008. That's 23 years, which is very long. I haven't seen this in any other country. Before that, in the 1970s, we had six chief statisticians during a very short period of time.

So we're moving to something new. The idea that there's a selection committee that advises the Governor in Council would give some confidence as to the impartiality of the process.

**Mr. Lloyd Longfield:** Right. Thank you.

Mr. Allen.

**Dr. Brian Allen:** I would echo those comments.

I think one of the advantages of having a selection committee is not so much who is the final choice but to ensure that there is a very strong short-listed group, the very best in the world. You need a committee, a broadly based committee, to beat the bushes worldwide, to perhaps contact people they know but who others might not, in order to have the very best list to present to the Governor in Council.

**Mr. Lloyd Longfield:** In terms of where we're heading with this, of having it open to all Canadians but also open to reflect diversity and merit-based, we're looking at that across all government departments right now. Trying to bring this into the fold of how we manage the appointments process is maybe.... I'm giving a speech, but it's something new for us, new territory.

We're in the Westminster system, so there will be some differences in how ministers involve themselves with the process. Regarding the selection process in the OECD, is this something that's consistent with the OECD? Is there a general statement that can be made, or is it varied across countries?

**Mr. Paul Schreyer:** It varies a lot across countries. There is no clear pattern about the nomination of the chief statistician. We recommend that whatever the process is, it should be transparently spelled out. It should be clear what the process is. I think that is the first requirement.

The other point, which I made earlier, is that we think it's good practice to somehow state that there should be some professional competence or that the chief statistician should be selected on the criterion of professional competence only. I would add that you do not consistently find this in the statistical laws of OECD countries. There is a lot of variation.

**Mr. Lloyd Longfield:** Thanks.

While we have you on the line—thank you so much for dialling in from another time zone in another part of the world—I'd like to mention that in my previous role, I was on a board of a multinational, and we had great data coming from Europe. We had okay data coming from England. The data from the United States and Canada, or the North American data, wasn't quite up to the same standard in terms of market information on how our company was progressing in different markets and different regions.

To you and perhaps Mr. Allen, with regard to the OECD, how do the different statisticians in different countries interact with each other? We continue to see this global interaction between companies around the world. In terms of the standards used in different countries, how do we come to some agreement on how we manage that?

**Mr. Paul Schreyer:** There are a number of international fora that are specifically designed to deal with statistical standards. With the OECD, for example, there is a committee on statistics and statisti-

cal policies where things are discussed. On a more global level, it is the UN Statistical Commission that basically comes up with the worldwide standards for statistics.

I think that is handled relatively well internationally, especially in those areas that are part of the standard statistical system: trade statistics, national accounts, prices. We do have relatively good international standardization.

• (0945)

**Mr. Lloyd Longfield:** Mr. Allen, in terms of this legislation, on the importance of independence so that this type of work can go on without government interference, could you highlight any of that?

**Dr. Brian Allen:** Actually, my colleague Jack Gambino would have a much better view of the details of the collection of data, for example, industry data, than I would on that matter.

**Mr. Lloyd Longfield:** Okay.

Ms. Eichler, the points that you were making in terms of dependence or independence of the data, is there anything from this conversation that you would like to add that you didn't get a chance to add?

We only have a few seconds.

**Dr. Margrit Eichler:** Well, we asked the former chief statistician to give us details on that, and he outlined the type of information that was delayed, some of which was affected by Service Canada, because it did not have the new website ready for the release of the census. That's a problem for industry because you want to have those data, and they were not in the form that they would have been otherwise.

**The Chair:** Thank you very much. We'll have to move on.

Mr. Lobb, you have five minutes.

**Mr. Ben Lobb (Huron—Bruce, CPC):** I want to throw this out here, because I have brought it up at a number of meetings. My belief is that for Stats Canada to be truly independent—or at least to the level of independence that most Canadians would aspire it to have—in the performance of the backbone of the entire system, it should at least have the very basic ability to determine how and where it stores its data.

Currently, it's my belief that they are hamstrung by Shared Services Canada. If this were anything else but government, the business, which is Stats Canada, would have severed its relationship with Shared Services Canada many years ago, and probably sued them in court and received quite a settlement.

Is there anything that should be in this bill, or anything that we should try to amend in the bill, to make sure that the current chief has the ability to put its data, on behalf of Canadians, in a place where it is safe and secure and robust enough to withstand the spikes in user traffic?

**Dr. Margrit Eichler:** Is that addressed to me?

**Mr. Ben Lobb:** Yes, sure.

**Dr. Margrit Eichler:** I think Statistics Canada used to have the capacity to run its own operations, and it should be part of the bill that this capacity is being restored to it. That includes all aspects of its work.

**Mr. Ben Lobb:** Are there any other thoughts from the members here?

**Mr. Jean-Guy Prévost:** I was going to say the same thing.

**Dr. Brian Allen:** I would agree as well.

**Mr. Ben Lobb:** I understand some of the arguments, that this is critical data and should be stored with government and on and on, yet life insurance companies have critical personal information, and there never seems to be a breach or a hack with them. Banks, credit card companies, have our most personal financial information. The e-health records are probably even more personal and vulnerable. All of those records seem to be stored somewhere on private servers, and never leaked or hacked, at least to date. I think the private sector has proven that it has ability to probably produce a better product at a much lower cost.

The other thing I want to ask you about is this. In tying in its independence with Stats Canada—but also what I would call the “scope creep” of Stats Canada and how it makes sure it's addressing its core mandate but not stretching itself too thin—is there a role for the minister to be able to tell the Stats Canada chief, “No, you're going too far here. This is the line we want you to look at.”

Is that the role of the minister? Are there any thoughts on that?

● (0950)

**Mr. Jean-Guy Prévost:** Well, if we are talking about programs, there needs to be input from the political side to statistics, and there are various forums for this, including various councils where ministries can express their wishes. So that is one thing: the ability to ask for information on this and that. I think the Minister is there to do that.

It's another thing when there's a technical dimension that has various consequences for the quality of the data. With regard to this aspect, the expertise lies with the chief statistician, and at least—as we find, more or less, in proposed section 4.2 of the present bill—if he does not agree with what is proposed, he should ask for it to be made public and could express himself publicly in a manner other than by resigning.

**The Chair:** You have about 30 seconds.

**Mr. Ben Lobb:** I have one last quick thought. The example I would give is the current study, or beginning of the study, on housing data and the perils that may lie within that if it gets too big. You have the Canadian Real Estate Association, the banks, and CMHC tracking data, so I think Statistics Canada has to be very careful about how far in scope this is. It's obviously been given a pretty big budget to study the data. Many can argue that it's important. However, it doesn't seem logical to have all these other agencies recording this data and then Statistics Canada starting fresh or tying in in how it works. That's just one example I would give you.

**The Chair:** Thank you very much.

Now we're going to move on to Mr. Sheehan. You have five minutes.

**Mr. Terry Sheehan (Sault Ste. Marie, Lib.):** Thank you very much to all our presenters. It's been very informative and a great discussion thus far.

My first question is for Brian Allen. I've asked the question before. I'm from Sault Ste. Marie, and when the long-form census was not there, we, as a community, didn't get very good data for planning. We also heard testimony that it was not only the communities like Sault Ste. Marie, but also chambers of commerce, businesses, and non-profit organizations that just didn't quite get that data that was available.

Bill C-36 is trying to ensure that Statistics Canada has a clear mandate and remains responsive to the needs of Canadians and their governments. How does it do this? Could you comment also on the importance of that statistical data being available for those organizations?

**Dr. Brian Allen:** Yes. As you said, the long-form census collects a great deal more information that is relevant not only to government, but also to industry and commerce. The main issue in 2010-11 had to do with whether the respondents would be randomly selected and required to respond. That would guarantee that the responses would be unbiased—in other words, that good data would be collected. So, it certainly is an essential feature for modern society.

**Mr. Terry Sheehan:** I just have a further question in follow-up. Do you have any comments on the relationship between Statistics Canada and other federal departments and agencies that are involved in the policy-making processes?

**Dr. Brian Allen:** Probably not. I'm not associated with Statistics Canada at all, in any way. I'm just not on the inside. Again, if my colleague who is president had been here, he would, I'm sure, have had very useful comments.

**Mr. Terry Sheehan:** Fair enough.

I guess I'll go to Paul Schreyer, who is with us from Paris.

You talked about the advisory councils and some of their sizes. You mentioned the Irish one having eight members, and you mentioned 10 and 12. What are the advantages of small advisory councils as opposed to larger ones? Also, are there any medium-sized ones of, let's say, 20 or 25 that you're aware of, and how effective are they?

● (0955)

**Mr. Paul Schreyer:** I guess the trade-off is between the reactivity and operability of a council versus its full representativity of different parts of society in the country. I guess you need a minimum level of diversity that is reflective of the society that you want to cover. As I said before, I sit on the Swiss Federal Council, which has a relatively good representation of.... You have trade union members. You have representatives of business. You have academia and you have someone from the international side—that's me—and then statisticians. It's a group of 10, and it can meet two or three times a year. It can respond rather quickly when questions come up, which would probably be more difficult if it were a group of 50 people, because then you get into issues of how to vote, and you need elaborate orders of proceedings, and so on.

I think the main advantage of a small group is that it can act quickly. It can react without major bureaucratic movements.

**Mr. Terry Sheehan:** Thank you very much. That was important to hear.

Margrit, part of what the organization you represent is proposing is a requirement to seek consent for the transfer of census-related data to Library and Archives Canada 92 years after a census.

What are your comments about that particular number and your organization and what it represents in trying to access data for research purposes, etc.?

**Dr. Margrit Eichler:** My understanding is that people can actually refuse to have the data released. If it's on a voluntary basis, then we would be all in favour of having those data accessible because it makes sense in order for genealogical types of studies. It makes sense when you're pursuing an issue where you need to correlate or look for causality in a way that you haven't done previously.

We would be in favour of that.

**Mr. Terry Sheehan:** Thank you.

**The Chair:** Thank you.

We're going to move to Mr. Nuttall.

You have five minutes.

**Mr. Alexander Nuttall (Barrie—Springwater—Oro-Medonte, CPC):** Thank you for the presentations. I will direct my questions to Mr. Schreyer off the top here.

You just mentioned you're on the Swiss advisory council. What's the appointment process for that council?

**Mr. Paul Schreyer:** The members are appointed by Parliament. There's a suggestion made by the chief statistician, but the approval process goes through the Swiss Parliament.

**Mr. Alexander Nuttall:** So that would be somewhat similar except it's being proposed to go through cabinet here.

Sorry? Go ahead.

**Mr. Paul Schreyer:** I didn't quite hear what you said, sorry.

**Mr. Alexander Nuttall:** That would be somewhat similar to what's being proposed here in this bill.

Has there ever been a circumstance where there's a feeling that partisanship has gotten in the way of who is being appointed to the committee or how the appointments are taking place?

**Mr. Paul Schreyer:** Not that I knew of, or certainly not since I've been a member of that group.

**Mr. Alexander Nuttall:** You mentioned in response to Mr. Sheehan's earlier questions that the composition of the committee, and certainly the number of persons on the committee being down to 10 versus a much larger one, was good for management and how quickly the committee could react, etc.

What are the strengths of having a larger committee? Are there any? Are there things that we should be taking into consideration on that front, or is your opinion that the smaller, the better, within reason?

**Mr. Paul Schreyer:** I think there are two aspects that come into play here. One is how well you want the various parts of your society represented. Of course, the bigger the country and the more provinces, nationalities, and so on that you have in the country, the

more there is a cost of having a small group, because not everyone will be well represented.

The other question that was raised at the very beginning of the conversation here was whether there are other groups that could cover the more technical aspects in advising the chief statistician? I do think it is important to have technical groups that advise on, say, the consumer price index, trade statistics, and so on, but those can be different from the council. They don't have to be integrated into it.

• (1000)

**Mr. Alexander Nuttall:** I have one other question, because you have a breadth of experience from around the world, I guess. Is it common practice for the advisory councils to be appointed by cabinet, and not by a third party chief statistician or some other body?

**Mr. Paul Schreyer:** There's no clear pattern here. Really, you have all sorts of configurations in different countries, so I don't think you can make a general statement on this.

**Mr. Alexander Nuttall:** To your knowledge, what percentage of the countries that you have been dealing with would have a cabinet appointment of these advisory councils?

**Mr. Paul Schreyer:** I don't think I can throw out a figure here without—

**Mr. Alexander Nuttall:** Is it a majority? Is it a majority of them?

**Mr. Paul Schreyer:** Really, I can't give you a good answer. I can research this a bit and come back to you, if you are specifically interested in this. We are just building up a little database on this, for the OECD countries at least, so I can provide that information later on.

**The Chair:** We're going to move to Mr. Jowhari. You have five minutes.

**Mr. Majid Jowhari (Richmond Hill, Lib.):** Thank you, Chair, and thank you to all the presenters from all over the place.

I want to go back to the mandatory long-form census. It was great that we had the opportunity to bring it back in 2015. However, I did not receive a long-form census in 2015 to complete. I received the short form online, and I'm hoping we're going to be able to address that with this legislation.

So I have two questions for each of you. First, do you feel that the long-form census should be mandatory? Yes or no?

Second, if you feel that this legislation does not address it, what specifically would you change? Let's start with Madam Eichler.

**Dr. Margrit Eichler:** Absolutely it should be mandatory, and I would suggest that the legislation should specify that.

**Mr. Majid Jowhari:** And what would you specifically change?

**Dr. Margrit Eichler:** It does, at the present time, give a financial penalty if you do not answer. It gets rid of the potential prison sentence, and we are in favour of both of those.

**Mr. Majid Jowhari:** I'm more concerned about mandatory in the sense of Stats Canada or the minister using his or her discretion to decide not to go to the mandatory form, but to use the short mandatory form, and then use the long form as a method of survey.

I want to know what we need to change in the legislation if we want to make sure that neither the chief statistician nor the minister has the flexibility to opt not to use the long-form census.

**Dr. Margrit Eichler:** I don't have the legislation in front of me right now, but there's no problem in formulating this. It is one of the tasks that will be undertaken at regular periods, and that is part of the law.

**Mr. Majid Jowhari:** Thank you.

Mr. Allen.

**Dr. Brian Allen:** You mentioned that you hadn't received the long form in 2016. The long form is a sample, in that not everyone is selected to fill out the long form. Those who are selected are selected by random means, and that's the important feature.

My understanding of mandatory is that if you receive the form, you are obligated to fill it out, but it does not mean that everyone should receive the long form.

I thought that the previous legislation brought in by the Liberal government addressed that issue adequately, so I'm not aware of what changes should be incorporated into this bill.

• (1005)

**Mr. Majid Jowhari:** Mr. Prévost.

**Mr. Jean-Guy Prévost:** The long-form census is the census, so it's mandatory as it's written now.

This long-form census ceased to exist in 2011. It was replaced by something very different, but the whole thing, the short and long forms, are the census. Now we may have another model. In the U.S. they have a short census, and they have a rolling sample inquiry that goes out on a regular basis with a long set of questions, like a long-form census. It's a sample of the population, but there's still an obligation.

**Mr. Majid Jowhari:** Mr. Schreyer.

**Mr. Paul Schreyer:** I don't have any particular point to make concerning the short or long-term form in regard to Canada, because I haven't studied it closely enough. In general, we do think that responses to the census should be mandatory, and this should be laid down in a legal framework.

**Mr. Majid Jowhari:** I'm going to pass it to the next person.

Thank you all.

**The Chair:** We're going to go to Mr. Masse, you have two minutes.

**Mr. Brian Masse:** Thank you.

One of the things that's been brought to our attention is that former chief statisticians have argued for a preamble on the census in the bill.

How important is that for setting an overall tone? It has been referenced at the OECD with regard to a preamble. Perhaps we can hear from that element of this, because a preamble is not enforceable, but at least it sets a tone for the interpretation of legal discourse thereafter.

Is it something that anybody has any comments on, because this has been raised by both of the chief statisticians that have resigned?

**Mr. Jean-Guy Prévost:** The preamble is symbolic up to a certain point, but with issues like independence, trust, and confidence, symbolism is important. Things could appear as a violation if they contradict the preamble, even though they might not strictly be illegal.

**Mr. Brian Masse:** Would you agree with them then?

**Mr. Jean-Guy Prévost:** Yes.

**Mr. Brian Masse:** Mr. Allen.

**Dr. Brian Allen:** I would agree as well. I think it's maybe more than symbolic. It sets the broad framework for the legislation, and this broad framework may turn out to be useful in subsequent legal proceedings. So I think it's important.

**Mr. Brian Masse:** That's my understanding too, that it may not be specific, but it could set an overall framework for interpretation. It would be almost like a tie-breaker in many respects if there were any unclear, unintended consequences, and so forth.

**Dr. Brian Allen:** Yes, it might allow a judge to gain a better understanding of what the intent of the bill was.

**Mr. Brian Masse:** So, protecting the integrity of the—

**Dr. Margrit Eichler:** I would agree with that.

**Mr. Brian Masse:** Mr. Schreyer, as well, is that consistent with your members?

**Mr. Paul Schreyer:** We have not looked at this specifically, but it sounds like a very reasonable thing to have.

**The Chair:** Thank you very much.

We will be able to get through four more questions.

Mr. Longfield, for seven minutes.

**Mr. Lloyd Longfield:** Well, this is a bonus round that I wasn't expecting. Thank you for that.

We're covering a lot of ground, and so I'm trying to look for what we haven't covered. I'm looking at Mr. Schreyer regarding the benefits of aligning Canadian practices with international ones. I had started to address this in my previous questions regarding the timing of our doing this, and whether other countries are also going through reviews. Are we aligning ourselves properly with that?

**Mr. Paul Schreyer:** Following the passage of the OECD recommendation on good statistical practice, we have put in place review processes in all of the OECD countries. This is on the way as we speak. It will be finished by the end of next year.

Canada has not been reviewed yet, because it makes sense to wait on what is happening with legislation before we look into this. All of the OECD countries are reviewed against their compliance with the council's recommendation. This is something that will then be discussed by our committee on statistics, which is composed of members of all the OECD countries.

• (1010)

**Mr. Lloyd Longfield:** In terms of our timing then, how critical is it for us to get this legislation passed, let's say, this year? Would we be able to still fit the review processes that are going on internationally? Do we need to have this legislation done by June, or would we be able to do it by the fall?

**Mr. Paul Schreyer:** If the legislation is complete by the end of 2017, that would certainly be sufficient for us to review it, because we only have to report back to the OECD council by the end of 2018, and so we could time things appropriately.

**Mr. Lloyd Longfield:** It sounds as though this is very appropriate timing then.

**Mr. Paul Schreyer:** Absolutely.

**Mr. Lloyd Longfield:** Terrific.

In terms of the separation of...we've had some conflicting statements in the last three meetings around Shared Services and its independence.

This is maybe for Ms. Eichler.

The chief statistician and former statisticians all said that they're the ones who provide the methodology. They control their own destiny in terms of what is done with the census or the statistical reports that are requested.

From your testimony I was getting a sense that Statistics Canada in your opinion didn't have that type of independence or control over what they're asking of Shared Services. My picture was that Shared Services is a repository. It's the database. It's the infrastructure. But it's not the people who manage the census itself, so the control of information is really from Statistics Canada to them as a data processor.

**Dr. Margrit Eichler:** As we understand the process, this is only partially true, because as the former chief statistician said, there is a veto power on the part of Shared Services by failing to act quickly, for instance. He cited examples of when they had to pay for a service twice, which is a problem because you take money away from where it should go. It was part of the money that was sent over to Shared Services Canada. They had to pay for it again, and then it moved at glacial speed—those were his terms.

That also means that certain things simply weren't done. One example is that the website was not ready for releasing the type of census data that they wanted.

I would like to come back, if I may, to an earlier question you asked with respect to outsourcing. Having had a few minutes to reflect on it, I think it would not be correct to apply that term to Shared Services Canada. Statistics Canada—

**Mr. Lloyd Longfield:** It's all part of the same thing.

**Dr. Margrit Eichler:** —may, and has in the past, and I'm sure will in the future, delegate certain tasks to people that they hire, but if they hire them, then these people have to swear the oath and it's outsourced by Statistics Canada, whereas Shared Services Canada is imposed on them. So to call that outsourcing is, I think, a misunderstanding of the current relationship.

**Mr. Lloyd Longfield:** I appreciate your comments on that.

Mr. Allen, in terms of the interaction between departments and where Statistics Canada supports the work of other departments and agencies under the Government of Canada, could you comment on how that relationship is in terms of your take on things or where it has been and where it's heading?

**Dr. Brian Allen:** Probably not with any degree of insight. I've never been employed by the government and certainly not Stats Canada. I've been an academic at the University of Guelph for many years.

**Mr. Lloyd Longfield:** Great. It's a good school.

**Dr. Brian Allen:** It's a good school. Yes, it is.

**Mr. Lloyd Longfield:** That's great.

**Dr. Brian Allen:** I'm sorry, but I just don't have any insight on that.

**Mr. Lloyd Longfield:** We're going towards database decision-making, and I'm thinking that this is going to be a very strong tool for us once we get this legislation in place.

I didn't know that you had the Guelph connection. Thanks for mentioning that. The University of Guelph is near and dear to my heart.

Mr. Prévost, from your perspective, where could this help or assist in government operations?

• (1015)

**Mr. Jean-Guy Prévost:** In fact, Statistics Canada has been assisting government for a number of years. The data it produces goes into the policy process, so it's very closely connected. That's where part of the problem comes. It needs to be very close to government, but it also needs to be somewhat protected from more overtly political intervention.

I would say that the role of data in drafting policy is becoming and will become more and more important.

**Mr. Lloyd Longfield:** Right. I think we've hit on exactly why we're doing all of this work. We don't want political interference, but we do need the support and data to make the right policy decisions.

Thank you, Mr. Chair.

Thank you all for great, thoughtful answers.

**The Chair:** Thank you very much.

We're going to move to Mr. Dreeshen. You have seven minutes.

**Mr. Earl Dreeshen:** Thank you very much. I think I'll do a little bit of cleanup.

There were a number of different items that I wanted to speak of.

As always, there is the story of the mandatory long-form census, which comes back to the 60,000 people who were part of the Jedi religion when one of the censuses took place.

The suggestion that you're always going to get good data is not necessarily reflective of the way it is. You must have statisticians who are able to look at it and do certain tests on any information that comes in. I recognize that as a significant part of the science of statistics.

What I would like to do is put on record some of the suggestions that have come forth on potential amendments to section 4. This came from Professor Paul Thomas. We had a brief that he sent in, but I'm not sure whether he had a chance to put this on the record. I wanted to go through some of them. He proposed the following:

Section 4.1(1) should be amended to require that before a directive respecting an operational/technical matter comes into force it must be tabled in Parliament and be subject to a 60 day notice and comment period.

That's one of the suggestions he made. The second pertains to that same proposed subsection:

Section 4.1(1) should be amended to clarify that the Chief Statistician has the authority to disagree publicly should the cabinet modify the scope and content of the Census of Population in a manner that contradicts the advice of SC.

The third is on proposed subsection 4.2(1).

Section 4.2 (1) should be amended to require that any policy directive issued by the minister be placed on the cabinet agenda for potential discussion. No policy directive should amount to an indirect amendment of the Statistics Act.

Those are three amendments that have been presented. I simply wanted to put them on the record. I wonder if there are any other thoughts of amendments that one could consider as far as section 4 is concerned.

Does anyone have any comment on any of those I have presented?

I realize it is difficult when it is done verbally, but are there any specific things that you think we could look at on section 4?

Mr. Prévost.

**Mr. Jean-Guy Prévost:** I've read Dr. Thomas' brief. I would say his proposed amendments go in the direction of making public the changes. I think that's the general direction we should go.

If the government, the minister, or the Governor in Council, considers that there should be an intervention in the programs or even regarding some aspect of the methods, this should be made public before the decision is final, so that there could be some public discussion about it. I think his proposals go in that direction.

**Mr. Earl Dreeshen:** Thank you.

Mr. Allen, do you have any comments?

**Dr. Brian Allen:** I have no additional suggestions of amendments.

**Mr. Earl Dreeshen:** Ms. Eichler.

**Dr. Margrit Eichler:** Neither do I.

**Mr. Earl Dreeshen:** Thank you.

Mr. Schreyer, do you have any other comment on that?

Mr. Schreyer, Bill C-36 could make the census of the population mandatory but grant the Governor in Council the exclusive authority to determine the census questions. I am wondering how other countries with a population census similar to ours at StatsCan determine what the census questions are going to be.

**Mr. Paul Schreyer:** A country's executive lays out the basic information that it wants to have, but the specific formulation that is used in the census or the specific method that is employed to obtain that information is typically left to the statistics office.

In many countries, you do have a ministerial conclusion that a particular survey or census should be conducted at a particular moment, typically because you need budgetary resources to do so. The technicalities of how it's being put in place and how questions are being formulated is typically something that is left to statisticians.

• (1020)

**Mr. Earl Dreeshen:** Thank you.

I have the policy paper by the OECD council on good statistical practices, which I'm referring to. One of the parts of this is a commitment to the quality of statistical outputs and processes, dealing with timeliness, punctuality, relevance, accuracy, credibility, coherence, and comparability. It's analyzing data over time and trends, while of course making sure that people can then relate to it. I think the critical part, as we look to the future, of all data analysis is to make sure that it's in a machine-readable form and it's open data, so that people can take a look at it.

It becomes a way for individuals to be able to mine the data and use it in ways that we haven't even imagined yet. I think that's the critical part. Sometimes we just think that what we have is an obtrusive kind of form. As a farmer and a teacher, I know that when the form comes out on May 10 and someone is right in the middle of working 30 days of 20-hours each, it's difficult to have the time to complete that mandatory long-form ag census to grab all of that data. But it's more a case of once you have it, what can we do with it? Who has the ability to go in and purchase the data if they need to and disseminate reports from it?

I'm just wondering. The report talks about ensuring that there's "user-friendly data access and dissemination", and that's a critical component of it. The final part says, "this also entails a commitment to respond to major misinterpretations of data by users." I refer back to when, during the recent elections, we had something called "vote compass", and our national broadcaster decided this would be a good thing to help people decide what their thoughts were or where they would be. I still have people in therapy from when they found out they were Liberals.

Anybody can use statistics for their own purposes, and I think it's critical that we look at it.

I'm just wondering if you could, in the short time that is remaining—or the zero time that is remaining—

**Some hon. members:** Oh, oh!

**Mr. Earl Dreeshen:** I'd just like to thank you for being here and giving us your expertise. Thank you.

**The Chair:** Thank you very much.

Mr. Masse, you have seven minutes.

**Mr. Brian Masse:** Thank you, Mr. Chair. I'm going to conclude as well, with a few comments here. I think the rest of the decision-making becomes a political process for the most part, but I do want to highlight a couple of things that are important for our guest to understand and also with regard to where the government goes.

We see that in the House of Commons the government has decided to move closure on Bill C-25 while accepting only one amendment from all the testimony we heard at this committee on, basically, an amendment that was suggested in the original debate that I'd proposed in the House of Commons to at least have a review of that. The rest of the decision-making process will involve political decisions about this.

It's interesting, and I thank the researchers for coming back with regard to a question I had on Shared Services Canada and the bonuses that had been received there and the processes involved. We do have a serious problem here, though, that we have to solve with regard to our census in terms of privacy, to enshrine the independence of Statistics Canada and to protect its integrity at a time when we have formed, with Shared Services, a bureaucratic government agency that's unheralded in Canadian history in terms of its information-gathering component. I don't think we want to undermine the significance of that project that was created, but it is vulnerable to privacy breaches.

I'd point to the privacy breaches that we've all seen in the past. Some of them can be quite dramatic but comical in a sense. We have private industry, companies like Ashley Madison, which has had privacy breaches affecting people. At J.P. Morgan, there was a breach involving banking records. I am a Sony PlayStation player, and we've had a breach there as well. Finally, when shopping on eBay and other sites, privacy has been the most important aspect for consumers, but has often been the least protected. Hence, we have our Privacy Commissioner in Canada to oversee some of these things.

I'll conclude by saying that I think that, obviously, our decision-making and our integrity protection are going to be the most important things for our stats and for setting a model for the world. I found some of the most interesting testimony here today the point that most countries do not outsource their information. One of the things that got me involved in my early career here in Ottawa was the outsourcing of Stats Canada information to Lockheed Martin. There were, obviously privacy issues involved, but also ethical issues. I disagreed with the government's outsourcing of that. In fact, it cost Canadian taxpayers more money to do that, because what we exposed was the fact that it was susceptible to U.S. legislation under the Patriot Act. Moreover, we found out in-house, after the contract was rewarded to Lockheed Martin, that it cost Canadian taxpayers millions more dollars to alter that contract to keep the data here. The so-called outsourcing or privatization of the information to a third party actually cost Canadian taxpayers more.

I want to thank all the witnesses for being here. At the end of the day this is about political decisions and whether or not this government has any intent, whatsoever, to make use of the testimony that we heard and to apply it to legislation in the House of Commons. Apparently, that seems to be void at this particular point in time.

• (1025)

**The Chair:** You still have time.

**Mr. Brian Masse:** No, thank you, Mr. Chair.

**The Chair:** Mr. Sheehan, you have the last seven minutes.

**Mr. Terry Sheehan:** Thank you very much.

It was great testimony today—very thoughtful and thought-provoking.

I'm going to go back, quickly, to the advisory council. We've been talking a lot about the numbers that should be there. Mr. Schreyer pointed out that there are examples of such councils with eight, ten, or twelve members. I asked what the advantages were of that and they said that they're nimble—for lack of a better term—in being able to respond quickly and get together. I asked about the large ones and there was an indication that larger ones of, say, fifty or so have an opportunity to perhaps have more representation on them.

However, we've sometimes seen in Canada examples of large boards on which, for example, females have not been represented very well or have been only to a small extent.

My question is to all of you, and it's about something I've been grappling with. We just had a bill before us, Bill C-25, which talked about diversity on boards and in decision-making. Also, in talking about the Liberal government, the Prime Minister indicated that in cabinet there would be gender parity, an equal number of women and men. Statistically, that's what we have here in this country.

My question is for all of you. I'd like your thoughts about having—regardless of the size, although size is an important thing that we must land on—a diverse board, particularly with more female representation on it.

If anybody would like to kick it off, please go ahead.

Margrit.

**Dr. Margrit Eichler:** I'd be happy to talk about that. I have a background in feminist studies, so I have given considerable thought to that. It is very clear that if you're differently located within a society—and women and men at this point are differently located—you have different issues that come up. So I think in general you can expect better questions and better representation of what the actual problems are if you have a more diverse type of group.

I would add that it would also be very helpful to have an aboriginal perspective, because there is, again, a totally different set of questions. In terms of the census, there were whole sets of aboriginal communities that didn't exist in that census, and so I think it's very important to have both gender parity and diversity, because it's the types of questions being asked that are important.

• (1030)

**Mr. Terry Sheehan:** Thank you very much.

Would either one of you care to chime in?

**Mr. Jean-Guy Prévost:** Well, a council has to reflect or express the needs of users, so diversity goes hand in hand with this, but at the same time, statistical councils in many countries also have a role in assessing quality, and here there's an element of expertise that comes in. So I think you must also have in the council the elements of expertise, diversity, and the means to conduct a thorough evaluation of quality, but then have some distance vis-à-vis the statistical bureau, also.

**Mr. Terry Sheehan:** Brian.

**Dr. Brian Allen:** Yes, there are all sorts of dimensions here when you start thinking about representation from various groups. Age hasn't been mentioned. Age is another element, and geographic representation as well.

But I think it would be important to have proper technical statistical representation, and perhaps some economic and other disciplines as well on the committee.

So that precludes, I think, having a very small committee, if one wants to have good representation and all in several different dimensions.

**Mr. Terry Sheehan:** Mr. Schreyer, do you have any comments from Paris?

**Mr. Paul Schreyer:** I would just confirm that I do think, again, that the balance should be a matter of course for all bodies that we are looking at. In terms of technical expertise, that is indeed useful. I should add, however, that quality of statistics is not only a matter of technical accuracy. We also have as a quality dimension, also the factors of accessibility and use—and you don't need to be a probability specialist to make an informed statement about how useful the data is, and how easy it is to get hold of it.

But to cover those, I do still think that one can do it with a reasonable number of participants.

**Mr. Terry Sheehan:** Those are good statements.

My next question is for Jean-Guy.

The proposed amendments being put forth in Bill C-36 are intended to reinforce the credibility of Statistics Canada and the ongoing trust of Canadians in their national statistical agency. My first question is, how will formalizing Statistics Canada's independence be better for Canadians in terms of the quality of the data?

**Mr. Jean-Guy Prévost:** Independence is mainly about maintaining credibility, I think. Quality depends a lot on the means that are provided to Statistics Canada, and that is not strictly a legal aspect. So I would think quality depends on assessing, on a regular basis, the programs, the results, the data. It's more a question of means than of legal aspects.

**Mr. Terry Sheehan:** That's a fair statement.

Could you elaborate on the independence of Statistics Canada and the importance of its being independent from outside authorities? Will Bill C-36 make Statistics Canada more independent than it was before?

**Mr. Jean-Guy Prévost:** My point of view was that there is some progress in that direction in the bill. It could be improved, but we are moving from a law in which there was no mention of this. There was a culture of independence, but nothing was written in

law. Now we're moving to a law where it will be written up to a certain degree. It could be improved, but it has moved forward, I think.

**The Chair:** We appreciate that very much.

On that note, we have a couple of minutes of housekeeping to take care of, so I'd ask everybody to just stay back.

I'd like to thank our panellists for coming in and sharing their thoughts and ideas with us. It's been very helpful. Thank you all very much, and have a great day.

There are just a couple of things. I'm sure you all received from the clerk information on the Royal Norwegian Embassy, which is for Monday, May 8, possibly Tuesday, May 9. I'm not sure what your thoughts are on that, but I will leave that there, and we can talk about it further on Thursday.

What I really did want to touch base on is that in our first hour on Thursday we will be working on our travel to Washington. We still need to finalize the members who will be going. Earl, I know you're there, but I'm not sure what's happening on the other side. Thursday is the last day before our trip, so we need to be able to finalize some things.

The clerk is going to send out a brief. We've been working on this brief back and forth from what people have been sending us, which hasn't been a lot, but we need to be able to hammer out the details on Thursday because we won't see each other again after that for two weeks.

Then in the second hour we will have the minister from 9:45 to 10:45. Those are the two things.

Are there any questions on the trip?

Brian.

• (1035)

**Mr. Brian Masse:** I still would like to know the objective of the trip. We're asked to—

**The Chair:** We sent it.

**Mr. Brian Masse:** Yes, but we still don't have any real agenda, I guess. It seems to be a trip trying to happen for a trip's sake versus that of...

**The Chair:** We have put together an agenda after getting feedback from both sides. Actually, Earl, you sent some information as well. We have an agenda laid out. Obviously this is very broad because, in our committee, we're very broad, so we're trying to fine-tune it with suggestions from the committee as to why we're going down there, what we expect to get from it, and whom we can meet.

The clerk has already sent that out previously. You received that, right?

**Mr. Brian Masse:** Yes.

**The Chair:** That's why I've been asking for more input, and we have an hour to finalize it on Thursday.

**Mr. Brian Masse:** Okay.

**The Chair:** All right, Mr. Lobb has something to say.

**Mr. Ben Lobb:** Is there anything else I can bring up on another topic, or are we still talking about that topic?

**The Chair:** We're done on travel.

**Mr. Ben Lobb:** Okay, I just want to read my motion. I submitted it on February 28:

That the Committee consider undertaking a review of the recent acquisition of Retirement Concepts by Anbang Insurance and be satisfied that the acquisition met the *Investment Canada Act* threshold.

Basically, what I would like to do is to have a couple of meetings, if possible. The minister has assured us that the department has done a great job and that it has been 100% transparent.

I think one of the jobs of this committee, considering that we are really treading close to the line as far as Anbang is concerned—and any subsidiaries, but in particular with Anbang—is to determine whether or not they are truly a private company or a state-sponsored company.

There have been some results in the U.S. that would raise at least one or two flags of caution, and I feel it's the duty of this committee, considering that the Minister has said the department has been transparent, to have a public meeting or two—probably two would be a start—to make sure that we are satisfied going forward that the

department has the ability and resources to adequately determine what is and what isn't a state enterprise.

It may sound pretty obvious or trivial, but I have my doubts as to whether or not they have the proper resources to be able to do that.

• (1040)

**The Chair:** Thank you.

We don't really have time to debate it today. You've already submitted it, so do you want to move your motion?

**Mr. Ben Lobb:** I've read it into the record.

**The Chair:** Yes, okay.

Timewise, we do have an hour. I think that if we can solve the details of our Washington trip within a short time, perhaps we could spend some time debating your motion on Thursday in that first hour.

**Mr. Ben Lobb:** I won't be there Thursday morning, so we'll have to schedule another day to discuss it.

**The Chair:** Okay, we'll have to find time to debate it.

There being nothing else, we are now adjourned.

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