Ottawa, Canada K1A 0N5

SEP 2 6 2017

Greffier de la Chambre des communes / Clerk of the House of Commons Chambre des communes / House of Commons Ottawa, Ontario

Monsieur Charles Robert,

Veuillez trouver ci-joint aux fins de dépôt à la Chambre des communes, en vertu de l'article 109 du *Règlement de la Chambre des communes*, et aux fins de renvoi au Comité permanent des comptes publics deux copies, dans les deux langues officielles, de la réponse du gouvernement du Canada au rapport 27, sur le Rapport 4, Surveillance de la sécurité des véhicules automobiles, des rapports de l'automne 2016 du vérificateur général du Canada.

Veuillez agréer, Monsieur, l'expression de mes sentiments les meilleurs.

Mr. Charles Robert,

Enclosed for tabling in the House of Commons, pursuant to Standing Order 109, and for referral to the Standing Committee on Public Accounts, are two copies, in both official languages, of the Government of Canada's response to the 27th Report, on Report 4, Oversight of Passenger Vehicle Safety, of the Fall 2016 Reports of the Auditor General of Canada.

Sincerely,

L'honorable / The Honourable Marc Garneau, C.P., député / P.C., M.P.

Ministre des Transports / Minister of Transport

P.j. / Enclosures



Ottawa, Canada K1A 0N5

SEP 2 6 2017

The Honourable Kevin Sorenson Chair Standing Committee on Public Accounts House of Commons Ottawa ON K1A 0A6

Dear Colleague,

Pursuant to Standing Order 109 of the House of Commons, I am pleased to provide the Government of Canada's response to Report 27 of the House Standing Committee on Public Accounts, "Report 4, Oversight of Passenger Vehicle Safety, of the Fall 2016 Reports of the Auditor General of Canada" tabled in the House of Commons on May 15, 2017.

I appreciate and value the important work undertaken by this Standing Committee in conducting a review of the performance audit of the Auditor General of Canada, which examined whether Transport Canada's regulatory framework and its oversight of vehicle safety defects and recalls have been adequate to respond to emerging safety risks and issues in a timely manner.

The Government is pleased to report back to the Standing Committee on its seven recommendations. To this end, the actions annexed in this letter detail the specific activities that Transport Canada has undertaken or will undertake in response to the findings identified by the Auditor General and the recommendations of the Standing Committee on Public Accounts.

I would like to take the opportunity to thank you and the members of the Standing Committee again for your important work.

Yours sincerely

The Honourable Marc Garneau, P.C., M.P.

Enclosure



<u>Transport Canada Response to the Standing Committee on Public Accounts</u> <u>Recommendations of May 15, 2017 on the Oversight of Passenger Vehicle Safety</u>

Public Accounts Committee Recommendation:

Recommendation 1: That, by 31 October 2017, Transport Canada (TC) confirm in writing to the House of Commons Standing Committee on Public Accounts (PACP) that it provides regular public updates on the status of its regulatory plans.

Response from TC to the PACP recommendation

TC information on planned motor vehicle safety regulatory and standards amendments, including status and notification of when the department is ready to seek input for the development of draft regulations, along with contact information, is published on the TC website and the list will be updated every six months. The first posting was May 5, 2017. The website is:

https://www.tc.gc.ca/eng/motorvehiclesafety/schedule-proposed-regulations.html

A report confirming this activity will be sent to the PACP by October 31, 2017

Public Accounts Committee Recommendation:

Recommendation 2: That, by 31 October 2017, TC provide the PACP with a report detailing the implementation of an expanded and standardized consultation process seeking comments in a timely manner from expert stakeholders on Motor Vehicle Safety's regulatory initiatives.

Response from TC to the PACP recommendation TC supports a consultative and transparent regulatory process and will expand its current regulatory stakeholder consultation process by specifically inviting comments, actively seek input from expert stakeholders, and publish a summary of comments received by stakeholders during the pre-consultation period.

A report detailing these activities will be sent to the PACP by October 31, 2017.

Public Accounts Committee Recommendation:

Recommendation 3: That, by 31 July 2018, TC provide the PACP with a report detailing how it has implemented its action plan to improve the quality of collision and injury data.

Response from TC to the PACP recommendation

TC will assess the adequacy of collision and injury data, and will work with stakeholders and the provinces and territories who own and provide the collision and injury data to develop an action plan to improve data quality. The implementation of the action plan will take place over several years.

A report detailing the action plan and the work undertaken to improve data quality will be sent to the PACP by July 31, 2018.

Public Accounts Committee Recommendation:

Recommendation 4: That, by 31 October 2017, TC provide the PACP with a report detailing the progress of the updated regulatory process and how evidence and scientific research is used to inform the development and/or modification of Motor Vehicle Safety Standards.

to the PACP recommendation

Response from TC | TC supports a transparent regulatory process and has updated its process to notate how evidence and scientific research has been used to inform standards development.

> A report outlining the above will be sent to the PACP by October 31, 2017.

Public Accounts Committee Recommendation:

Recommendation 5: That, by 31 October 2017, TC provide the PACP with a report outlining its long-term operational plan for the Motor Vehicle Safety Directorate.

to the PACP recommendation

Response from TC | TC will review the linkages between the departmental planning, research and regulatory activities to update the long term planning process. The Motor Vehicle Safety Directorate will have a multi-year operational plan for motor vehicle safety.

> A copy of the operational plan will be sent to the PACP by October 31, 2017.

Public Accounts Committee Recommendation:

Recommendation 6: That, should Bill S-2 receive royal assent, TC provide the PACP within 180 days of royal assent, with a plan detailing how the bill's new authorities will be implemented into the passenger vehicle safety regulatory regime.

Response from TC to the PACP recommendation

Under Bill S-2, Strengthening Motor Vehicle Safety for Canadians Act (introduced into parliament on May 2016), new authorities have been proposed that would require companies that make or sell vehicles in Canada to acquire, maintain and report to the Minister records that would facilitate the identification and analysis of safety-related defects.

TC will, within 180 days of royal assent, send to the PACP a letter detailing how Bill S-2's new authorities will be implemented.

Public Accounts Committee Recommendation:

Recommendation 7: That, by 31 October 2017, TC provide the PACP with a report outlining its process to support a new authority in the *Motor Vehicle Safety Act* to request that major auto manufacturers provide information on their data sources and internal processes for identifying and reporting safety defects.

Response from TC to the PACP recommendation

In support of the legislative change noted in Recommendation 6, TC has requested that major auto manufacturers voluntarily provide information on their data sources and internal processes for identifying and reporting safety defects and will develop a process for using available data.

A report outlining the process to request information from manufacturers on their data sources and their internal processes for identifying and reporting safety defects, as well as how it will be used will be sent to the PACP by October 31, 2017.