



Office of the  
Commissioner of  
Official Languages

Commissariat  
aux langues  
officielles

# AUDIT

of the Implementation of Part VII of  
the *Official Languages Act* at  
Industry Canada

FINAL REPORT  
May 2012



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## HIGHLIGHTS

Industry Canada is one of the federal departments that have the greatest impact on the lives of Canada's communities and businesses. The Department's mandate is to make Canadian industry more productive and competitive. It carries out numerous activities organized around three outcomes: promoting a competitive market; fostering a knowledge-based economy by investing in science and technology; and helping businesses become more productive and competitive in the global economy. To fulfill its mandate, the Department has 15 sectors, branches and agencies that report directly to a deputy minister, including the Federal Economic Development Initiative for Northern Ontario (FedNor). Industry Canada's portfolio also includes a dozen independent organizations falling under the Minister of Industry and three ministers of state.

The Office of the Commissioner of Official Languages conducted an audit of Industry Canada from March to June 2011 to determine how well the Department is meeting the requirements of Part VII of the *Official Languages Act* (the Act). Section 41 of Part VII states that, "(1) The Government of Canada is committed to enhancing the vitality of the English and French linguistic minority communities in Canada and supporting and assisting their development; and fostering the full recognition and use of both English and French in Canadian society. (2) Every federal institution has the duty to ensure that positive measures are taken for the implementation of the commitments under subsection (1)." The audit of Industry Canada dealt with these two components of Part VII.

The audit had four key objectives: to determine whether Industry Canada has established a governance framework for the implementation of Part VII; to determine whether it has taken concrete measures that have a real and positive effect on the vitality and development of official language minority communities (OLMCs) and on the promotion of linguistic duality in Canada; to determine whether OLMCs participate actively and continuously in developing Industry Canada programs; and to determine whether Industry Canada has an ongoing performance measurement process to evaluate the effectiveness of the measures taken under Part VII. We verified whether these objectives had been achieved, not only in the context of ongoing departmental programs but also through the government initiatives to which Industry Canada is committed, such as the Economic Development Initiative (EDI), which falls under the *Roadmap for Canada's Linguistic Duality 2008–2013: Acting for the Future*, and Budget 2009: Canada's Economic Action Plan.

The audit found that Industry Canada is committed to implementing Part VII and should be recognized for its progress to date. However, we noted certain shortcomings in the proactive and systematic measures taken by the Department in applying Part VII and in the mechanisms for OLMC participation in developing and orienting programs that affect them directly.

With respect to the governance framework, the audit found that Industry Canada has an effective accountability structure that takes Part VII obligations into account, and that the Department is fulfilling its responsibilities regarding employee awareness and coordination of EDI activities. We believe that an official languages policy is an essential element of any governance framework and therefore recommend that Industry Canada develop an integrated policy on official languages, including Part VII.

With respect to concrete measures that have a real and positive impact on OLMCs, we believe that the notion of positive measures must be clarified within the context of Part VII, and that employees and managers need to understand the differences between Part VII and Part IV. We also looked at the "Official Languages Filter" that is used each time a program is established or renewed. We concluded that Industry Canada needs to review the Part VII section of this filter to make it consistent with the objectives of this part of the Act. With regard to the promotion of linguistic duality component of Part VII, we concluded that a departmental strategy needs to be developed, and that specific projects associated with this strategy should be incorporated into the Department's official languages action plan. We also found that Industry Canada is fulfilling its responsibility to maintain a research program on socioeconomic data, key issues and priorities affecting OLMC development.

We examined whether OLMCs were actively involved on an ongoing basis in the development of Industry Canada programs that affect their vitality and development. To do this, we looked at the departmental OLMC consultation process from three perspectives—national, regional and FedNor—and arrived at several different conclusions. At the national level, we are satisfied with the Department's efforts in the past year in approaching OLMCs using official and ongoing consultation mechanisms. We encourage Industry Canada to use these consultations—from the perspective of EDI renewal—to suggest real and positive improvements to programs that affect OLMC vitality and development.

In the regions, given their mandate and unique characteristics, we found that, although OLMC communications initiatives exist, there is no coordinated, systematic, ongoing outreach strategy. We recommend adopting a structured consultation strategy in the regional offices, and implementing a national discussion and information sharing mechanism that will bring together representatives of regional offices and other sectors of the Department that have an impact on OLMCs. We found that FedNor stays in close contact with OLMCs through its officers and managers. We recommend that FedNor treat OLMCs as valued partners in a major regional strategic planning entitled Environmental Scan of the Economic Development of OLMCs in Northern Ontario, and that it add another objective to the project: to implement an ongoing and structured consultation process in the region.

We also examined whether Industry Canada regularly informs OLMCs of any changes that may have an impact on their vitality. The Department has excellent ways of keeping Canadians and businesses informed about its activities, and it is continuing to develop them. However, to meet its Part VII requirements, we recommend that the Department focus on its current communications initiatives and, in consultation with OLMCs, adapt them as required to meet the communities' specific interests.

The final objective was to determine whether Industry Canada has an ongoing performance measurement process to evaluate the effectiveness of the measures taken under Part VII. We believe that Industry Canada, in its program evaluation activities, meets the audit criteria for this objective, fulfills its Part VII planning responsibilities, and is able to report on its achievement of the objectives set out in its planning process.

In light of these findings, the Commissioner of Official Languages has made six recommendations for Industry Canada to improve its performance under Part VII of the *Official Languages Act*. The recommendations are listed in Appendix A of this report.

In response to the Commissioner's recommendations, Industry Canada has prepared an action plan, which is contained in Appendix C of this report. We believe that this action plan will help Industry Canada to better fulfill its responsibilities under Part VII of the *Official Languages Act*. The Department has accepted each of the recommendations contained in this report and is giving itself until the end of the 2012–2013 fiscal year to implement its action plan. Generally speaking, we are satisfied with the measures that Industry Canada is planning to take to implement our recommendations. However, we believe that some of the measures could be more specific and more detailed. This is the case for the measures to implement recommendation 4, which concerns the promotion of linguistic duality (Part VII), and for two measures under recommendation 5 that involve the process of consulting with OLMCs. The Commissioner's detailed comments regarding these measures come after Industry Canada's comments and action plan. The Office of the Commissioner of Official Languages plans to conduct a follow-up on the commitments Industry Canada has made in its action plan.

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## INTRODUCTION

Industry Canada is one of the federal departments that have the greatest impact on the lives of Canadian communities and businesses. The Department's mandate is to make Canadian industry more productive and competitive in the global economy, thus improving the economic and social well-being of Canadians. Its activities are organized around three strategic outcomes: promoting a competitive market; fostering a knowledge-based economy by investing in science and technology; and helping businesses become more productive and competitive in the global economy.

The Department comprises 15 sectors, branches and agencies that report directly to the Minister of Industry through a deputy minister and senior associate deputy minister. Sectors and branches include science and innovation, regional operations, industry, spectrum and technology, and strategic policy. FedNor, a regional development organization working in Northern Ontario, is an integral part of Industry Canada. Industry Canada's portfolio also includes 11 departments and federal organizations that fall under various other ministers and ministers of state, as well as a number of other associated organizations. The portfolio thus includes institutions such as Statistics Canada, National Research Council Canada, the Canadian Space Agency and the Canadian Tourism Commission. The Department has a regional presence through its network of 15 regional offices across the country. As part of Industry Canada's mandate, the regional offices meet the needs of regional clients by delivering various programs and services and by supporting the development and understanding of national policies, programs and regulations. Over the past few years, the regional offices' role has evolved as a result of the creation of five regional development agencies (including the Federal Economic Development Agency for Southern Ontario, the Atlantic Canada Opportunities Agency and the Economic Development Agency of Canada for the Regions of Quebec), each of which report to a minister or minister of state. These agencies play an independent and vital role in economic development. Industry Canada acts as coordinator, liaison and researcher on behalf of these agencies with respect to the Government of Canada's Economic Development Initiative (EDI) set out in the *Roadmap for Canada's Linguistic Duality 2008–2013: Acting for the Future*.

Industry Canada has an action plan to implement section 41 of Part VII of the *Official Languages Act* (the Act). In this plan, the Department sets out its strategy to increase the contribution of official language minority communities (OLMCs) to Canada's economic development. In her message introducing the *Achievement Report 2009–2010: Implementation of Section 41 of the Official Languages Act*, the Departmental Champion for Official Languages wrote that Industry Canada will maintain its "commitment to a strong partnership with the official language minority communities to ensure that they share in Canada's economic prosperity." Industry Canada is already well on its way to fulfilling its responsibilities under section 41 of the Act.

## Background

Industry Canada is actively engaged in two government initiatives. The first is the *Roadmap for Canada's Linguistic Duality 2008–2013: Acting for the Future*, in which economic development is positioned as a priority sector. Industry Canada and regional development agencies throughout the country are responsible for implementing the EDI that promotes the acquisition of new business skills within OLMCs. The second initiative is Industry Canada's application of Canada's Economic Action Plan, which was introduced in the Government of Canada's 2009 budget. The Department has been actively involved in two key programs: the Knowledge Infrastructure Program and the Marquee Tourism Events Program. It is important to note that both of these programs were the subject of Part VII complaints filed with the Office of the Commissioner of Official Languages in 2009. Within the scope of this audit, we examined how Industry Canada fulfills its Part VII responsibilities with respect to the implementation of its ongoing programs as well as these two temporary initiatives.

Over the past few years, the Supreme Court of Canada and the Federal Court of Canada have handed down decisions on cases involving Industry Canada and its responsibilities towards OLMCs. In February 2009, the Supreme Court handed down a ruling in the *DesRochers* case, involving Industry Canada and the services provided by the North Simcoe Community Futures Development Corporation (CDFC). Although it ruled on Industry Canada's obligations under Part IV of the Act, the Court emphasized that, in



order to fulfill its responsibilities and ensure substantive equality in the delivery of services, Industry Canada—and, by extension, all federal institutions—needed to be familiar with the OLMCs’ particular situations and needs. Following the ruling, the Treasury Board of Canada Secretariat’s Chief Human Resources Officer issued a directive to federal departments, asking them to review their current programs as well as those in development to ensure that they meet Part IV requirements and comply with the Court’s ruling in the *DesRochers* case.

On January 26, 2010, the Federal Court handed down its decision in the *Picard* case, ordering the Canadian Intellectual Property Office, an Industry Canada agency, to comply with Part VII of the Act by making available “an unofficial translation of the abstract of all patents [it] issues.” In the context of this audit, we examined how Industry Canada responded to the above rulings and how it differentiates between its obligations under Part IV and Part VII.

During the audit, Industry Canada explained several times that it had changed the way it operated over the years as a result of structural changes in the federal administration. It says that, since the tabling of the Government of Canada document entitled *Advantage Canada: Building a Strong Economy for Canadians* in 2006, the Department, including the regional offices, has been playing an increasingly important role as regulator, information collector and government policy advisor rather than provider of financial support to businesses. According to the *Industry Canada Business Plan 2008–2009*, “We have shifted our focus from delivering programs to specific industry sectors to being enablers of prosperity and competitiveness.” Thus, with the establishment of the EDI, the government designated Industry Canada as coordinator, liaison and researcher, and made regional development agencies such as FedNor the funding agencies for EDI projects. We took these changes into account during our analysis of Industry Canada’s implementation of Part VII.

## Legislative framework and application principles

This audit report documents Industry Canada’s performance with respect to its responsibility for implementing sections 41(1) and (2) of Part VII of the *Official Languages Act*.

Section 41(1) states the following:

The Government of Canada is committed to

- (a) enhancing the vitality of the English and French linguistic minority communities in Canada and supporting and assisting their development; and
- (b) fostering the full recognition and use of both English and French in Canadian society.

Section 41(2) reads as follows:

Every federal institution has the duty to ensure that positive measures are taken for the implementation of the commitments under subsection (1). For greater certainty, this implementation shall be carried out while respecting the jurisdiction and powers of the provinces.

In this audit, we examined both elements of section 41(1), relating to the vitality and development of OLMCs and to the full recognition of the use of French and English in Canadian society. In Part VII of the Act, the government recognizes the need to support and foster the development of OLMCs and to promote linguistic duality as a Canadian value, which in turn necessitates ensuring the vitality of linguistic communities.

This audit also considered the obligation set out in section 41(2), which stipulates that positive measures must be taken to fulfill the government’s commitment under Part VII. The obligation to take positive measures has two components: first, the institution must act proactively to enhance the vitality and support the development of OLMCs and, second, the institution must consider the impact of its activities and decisions on the communities so that it does not impede their vitality or development. The obligation to act proactively requires that measures be taken on an ongoing basis in order to meet the specific needs of OLMCs, and that the measures are compatible with the communities’ interests. The obligation not to impede the



development of OLMCs includes the duty to analyze the impact of all proposed initiatives and to take the results of this analysis into account. In the event of possible negative repercussions, this obligation requires the institution to take measures to mitigate any negative impact on the vitality and development of OLMCs.

In both cases, these obligations require federal institutions to include Part VII in their decision-making process and to understand the specific needs of OLMCs. Understanding these needs is achieved through collaboration, which generally means a process of consulting the OLMCs involved but can also include other mechanisms that can help familiarize an institution with the needs and interests of these communities.

To help federal institutions fulfill their Part VII obligations, the Commissioner of Official Languages proposed three principles in his 2006–2007 annual report. The first, “develop a true Part VII reflex,” means that federal institutions need to take a proactive and systematic approach that considers the needs of OLMCs when developing policies, implementing programs and making decisions. The second principle, “promote the active participation of Canadians,” means that federal institutions must encourage the active participation of all partners so that they can identify courses of action that effectively address the needs of OLMCs and have a positive impact on their vitality. The third principle, “establish a continuous process for improving programs and policies related to Part VII,” means that federal institutions need to establish performance indicators and evaluate their success using these indicators. This is an ongoing improvement process. We used these principles as our basis for establishing objectives and criteria for this audit.

### **Audit criteria and objectives**

This audit had four objectives. The first was to determine whether Industry Canada has established a governance framework for the implementation of Part VII of the Act. We therefore verified whether Industry Canada had adopted internal policies or guidelines for the application of the two elements of Part VII; whether there was a

Part VII accountability structure; whether managers had performance objectives related to the implementation of the Act and were being evaluated based on these objectives; how the Department was fulfilling its EDI coordination responsibilities; and whether personnel had been informed of their obligations and responsibilities under Part VII.

The second objective was to determine whether Industry Canada is taking concrete measures that have a real and positive effect on the vitality and development of OLMCs and on the promotion of linguistic duality in Canada. We verified whether Industry Canada had a good understanding of its Part VII obligations and if it differentiated between its obligations under Part IV and Part VII; whether the Department had an analysis mechanism to systematically evaluate the impact of its programs on OLMCs; and how the Department was fostering the recognition of both official languages, as stipulated in Part VII.

The third objective was to determine whether OLMCs participate actively and continuously in the development of Industry Canada programs that affect their vitality and development. We verified whether Industry Canada had a mechanism to collect complete and current data on OLMCs and their needs and priorities; whether an ongoing consultation process was in place to encourage OLMC participation in order to identify courses of action that effectively address their needs; and whether the Department had actively informed OLMCs of any decisions or changes that could affect their vitality and development.

The fourth objective was to determine whether Industry Canada has an ongoing performance measurement and evaluation process to improve its decisions, policies and programs with respect to OLMCs and linguistic duality. We verified whether there were existing performance measures related to the implementation or continuation of departmental programs; whether Industry Canada systemically evaluated its programs to improve their performance in relation to OLMC vitality and development; and whether the Department reported on its activities and how it took central agency analyses of its activities into account.

The audit criteria and objectives are listed in Appendix B of this report.

## Methodology

This audit was conducted according to the standards set out in the Office of the Commissioner of Official Languages' *External Audit Policy* and scheduled as per the Office of the Commissioner's 2010–2011 Annual Audit Plan. It targeted only activities and organizations that report directly to Industry Canada's deputy minister or senior associate deputy minister.

In March 2011, we began the audit at Industry Canada headquarters and visited FedNor in May 2011. We also visited three regional offices (Atlantic, Ontario and Quebec) in June 2011.

As part of this audit, we met with 72 departmental representatives in Ottawa, Sudbury and the three regions, as well as with several Canadian Heritage officials (because of their statutory role as coordinators of Part VII of the

*Official Languages Act*) and 15 OLMC representatives. These meetings gave us a better understanding of the complexity of Industry Canada's mandate and of the OLMCs' perspective in their interactions with the Department. We also examined documentation in order to better analyze the data.

On November 8, 2011, we held a debriefing session with senior departmental officials to discuss the findings and conclusions of this audit.

The Office of the Commissioner of Official Languages acknowledges and appreciates the excellent cooperation it received from all Industry Canada representatives during the audit.

## FINDINGS AND RECOMMENDATIONS

### OBJECTIVE 1

ENSURE THAT INDUSTRY CANADA HAS ESTABLISHED A GOVERNANCE FRAMEWORK FOR THE IMPLEMENTATION OF PART VII OF THE *OFFICIAL LANGUAGES ACT*.

#### *Internal policies*

Internal policies and guidelines are important elements in a governance framework, so that all members of an organization share the same vision and follow the same rules. Industry Canada does not have an official languages policy specific to its Part VII activities. However, the Department does have an integrated official languages plan that covers Parts IV, V, VI and VII of the *Official Languages Act*. This three-year plan (2011–2014) was recently approved by the Deputy Minister. It contains sections on managing the action plan and a series of activities, anticipated results and performance measures for the abovementioned parts of the Act. It states the importance of executive leadership in achieving the plan's objectives and clearly sets out the accountability obligations of various executives to achieve the desired results.

While this approach highlights the interactions between the different parts of the Act and ensures accountability in its implementation, there would be an advantage to support this plan by developing an official languages policy that brings together many elements in other existing documents. An integrated policy would allow the Department to contextualize its official languages work, including Part VII, and to clearly express the values and benefits of implementing the Act at Industry Canada. In the document that outlines its integrated official languages awareness campaign, Industry Canada's key message is that "linguistic duality is a key competitive advantage that can strengthen Canada's economic growth . . . ." This kind of message would be quite appropriate in an introduction or a preamble to a policy. The policy should also outline the uniqueness of different parts of the Act and the links between them so as to avoid any ambiguity in understanding the objectives of each part. In addition, the policy could reiterate some of the concepts from the integrated plan, such as the importance of executive leadership.

### RECOMMENDATION 1

The Commissioner of Official Languages recommends that Industry Canada establish an integrated official languages policy (including Part VII) that is specific to its activities, in order to underpin the Department's implementation of the *Official Languages Act* and emphasize the values, benefits, interactions and scope of the different parts of the Act. Industry Canada must communicate the new policy to all concerned parties.

FedNor has policies and directives on official languages requirements in a more operational context. We learned that the *Policy Bulletin* on services provided by the CFDCs is currently being revised, and that FedNor is in the process of finalizing a new official languages policy for contribution agreements involving the Northern Ontario Development Program (NODP) and EDI. In both cases, while the focus is on Part IV of the Act with regard to service delivery in both official languages, often by third parties such as CFDCs, FedNor is showing its willingness to include points that are likely to fall under Part VII, such as the following statement: "Consult OLMCs to determine their needs and priorities and ensure that these are taken into account when planning the proposed project or activity."

#### *Accountability structure*

During our meetings with Industry Canada, we learned that the Department had focused on improving its departmental accountability structure for section 41. Several points were brought to our attention. First, an assistant deputy minister had been appointed as the Department's official languages champion for Part VII. The champion is supported by a regional operations team working on Part VII. This team comprises a director general and a Part VII coordination unit that consists of two managers and senior officers. Second, in recent years, Part VII issues have been a regular item on the agenda of the departmental management committee, which is chaired by the Deputy Minister. Questions related to the *DesRochers* ruling, the use of the Official Languages Filter, the integrated action plan and the EDI have been raised. Third, the Part VII coordination unit has established an internal discussion network on official languages that brings together representatives of each sector of the Department to address issues related to the implementation of the *Official Languages Act*. Several managers emphasized the usefulness of this discussion forum, which keeps them

up to date on Part VII issues and helps them manage their official languages operations more effectively. The Part VII coordination unit also intervened in various departmental sectors to handle Part VII issues. We found this to be the case for the development of Canada's Federal Tourism Strategy, where OLMCs were associated with commitments related to this strategy.

With regard to the EDI (which is addressed in the next section), the Part VII coordination unit plays an important role in coordinating the efforts of external federal partners, including regional development agencies such as the Atlantic Canada Opportunities Agency and the Economic Development Agency of Canada for the Regions of Quebec. The unit prepares and coordinates meetings with Industry Canada and its partners, and manages EDI research.

Industry Canada managers and executives have official languages performance objectives in their performance agreements. The achievement of these objectives is evaluated annually.

Those responsible for Part VII at FedNor also hold key senior management positions. The Director of Programs and Corporate Services is the organization's Part VII champion and sits on FedNor's management committee. The champion manages a team that handles horizontal coordination and ensures that Part VII is well integrated into FedNor activities. FedNor is also a member of Industry Canada's official languages discussion network and the EDI coordination committee.

Overall, Industry Canada has a good accountability structure for the implementation of Part VII.

### ***Economic Development Initiative coordination***

As mentioned in the Background section of this audit report, under the *Roadmap for Canada's Linguistic Duality 2008–2013* and more specifically the EDI, the federal government tasked Industry Canada with coordinating the activities of FedNor and the regional development agencies that provide funding to communities for EDI-related projects and activities. This sharing of responsibilities reflects government decisions made in recent years regarding the roles and changing mandates of Industry Canada and the regional development agencies.

Industry Canada acts as a coordinator in several ways. It organizes consultations and discussions with OLMCs every two years and manages committees to follow up on these meetings; it coordinates the interdepartmental EDI committee (meetings, minutes, evaluation, etc.), which brings together representatives of various related federal institutions; it coordinates and funds research on economic development issues; and it participates in the work of Roadmap 2008–2013 management committees under the aegis of Canadian Heritage. From our analysis of the available documentation and the positive comments we received from managers—both within and outside of Industry Canada—regarding the role of the Part VII coordination unit, we concluded that Industry Canada is effectively fulfilling its EDI coordination responsibilities.

### ***Employee awareness***

In 2011, Industry Canada launched an integrated official languages awareness campaign. One of the campaign's objectives was to familiarize executives, program and policy managers, and employees throughout the Department with Industry Canada's obligations under the *Official Languages Act*. Responsibility for this campaign was shared between the Regional Operations Sector (Part VII) and the Human Resources Branch (other parts of the Act). Information sessions for executives, managers, existing employees and new employees are planned. Tools such as the *Official Languages Information Kit* were created for information session participants. The kit and information session presentations, which are also available in Wiki format, address several aspects of official languages at Industry Canada: a history of bilingualism in Canada, an overview of the federal official languages governance framework, definitions of concepts such as "substantive equality" and a copy of the Official Languages Filter, which is used to analyze the impact of departmental programs on OLMCs. The Official Languages Filter is discussed in more detail in the section on the OLMC impact analysis mechanism under objective 2.

The Regional Operations Part VII coordination unit intervenes as needed in various sectors when a Part VII question arises. The unit has intervened in several sectors in recent months, including the Small Business Internship Program, the Computers for Schools Program, and the

Canadian Intellectual Property Office. The interventions often involved explaining the significance of the Supreme Court's decision in the *DesRochers* case or the Federal Court's decision in the *Picard* case, or clarifying various sectors' obligations under Part VII and explaining how they differ from Part IV obligations. Managers and employees who spoke to us all indicated that they appreciated the Part VII coordination unit's awareness work in their respective sectors.

We also learned that the Department's Legal Services sector evaluates each contribution agreement before approval to ensure that it meets the requirements of the Act, including Part VII.

We believe that Industry Canada has developed good employee awareness mechanisms and encourage the Department to continue its efforts in this regard.

## OBJECTIVE 2

ENSURE THAT INDUSTRY CANADA TAKES CONCRETE MEASURES THAT HAVE A REAL AND POSITIVE EFFECT ON THE VITALITY AND DEVELOPMENT OF OFFICIAL LANGUAGE MINORITY COMMUNITIES AND ON THE PROMOTION OF LINGUISTIC DUALITY IN CANADA.

### ***Positive measures***

The question of positive measures was the topic of a number of discussions during meetings with representatives from various sectors of Industry Canada. We noted a general lack of knowledge about exactly what a positive measure under Part VII of the *Official Languages Act* is. In most cases, we observed that what were intended to be Part VII measures actually fall under Part IV. For example, actions described as positive measures under Part VII included translating documents to make them bilingual, setting up a toll-free number to answer questions in both official languages, and having Industry Canada employees deliver their presentations in both official languages. These measures actually fall under Part IV, however. In some cases, practices were proposed that could result in the development of positive measures, such as reaching out more actively to OLMCs or consulting them more regularly. We noted that, in general, grants to OLMCs are considered a positive measure under Part VII.

It is not always easy to differentiate between a Part VII measure and a Part IV action; however, to understand the different objectives of the Act, obligations under Part VII must be differentiated from obligations under Part IV.

Part IV obligations are intended to ensure “substantive equality” for the two official language communities in the delivery of federal services to the public and in communications between federal institutions and members of the public. The Supreme Court of Canada has recognized that developing and implementing identical services for each language community may not be sufficient to guarantee true equality, and that Part IV requirements must take the nature and purpose of the service into account. More specifically, in the case of economic development services provided by Industry Canada, the participation of the target communities, including OLMCs, is necessary to develop and implement programs and services that achieve their goal. In this context, communications with, consultation with, and participation of the target communities, including OLMCs, are ways to fulfill the requirements of providing substantive equality in service delivery and therefore fall under Part IV of the Act.

Part VII includes a paragraph on “enhancing the vitality of English and French linguistic minority communities in Canada.” These communities include English-speaking minority communities in Quebec and French-speaking minority communities outside of Quebec. By definition, a measure that targets both the majority and the minority is not a positive measure for the minority. Part VII therefore requires positive measures that go beyond the obligations already set out in the Act, as they relate to substantive equality in service delivery. Consequently, the positive measures under Part VII must be designed specifically for and focus specifically on English- and French-language minority communities, not the general public. These positive measures must contain added value for OLMCs that exceeds the basic Part IV obligations.

To clarify the ambiguity regarding Industry Canada's obligations under Parts IV and VII of the Act, the Department needs to provide a clear explanation to its staff as to what exactly a positive measure under Part VII is. An official languages awareness campaign, similar to the one described above, is an appropriate way to do this. If the ambiguity were to persist, then Part VII activities would continue to be confused with those under Part IV, which would reduce the scope and potential for action under Part VII.

## RECOMMENDATION 2

The Commissioner of Official Languages recommends that Industry Canada:

- a) clarify the definition of a positive measure under Part VII of the *Official Languages Act* as it relates to the implementation of its programs, and that it clearly differentiate between which measures fall under Part IV and which fall under Part VII when analyzing actions to be taken;
- b) use its integrated awareness campaign to clearly explain the requirements of Parts IV and VII and the differences between them so that it may reduce ambiguity in its staff's interpretation of these two parts of the Act.

### ***Official language minority community impact analysis mechanism***

Industry Canada analyzes the impact of its programs on OLMCs through its Official Languages Filter, a questionnaire that is used for all memoranda to Cabinet, Treasury Board submissions and program reviews. The current filter, which is an update of the first version, was prepared following intervention by the Treasury Board of Canada Secretariat's Chief Human Resources Officer to help departments comply with the Supreme Court's decision in the *DesRochers* case. The questionnaire must be completed and signed by a senior executive or the assistant deputy minister responsible for the program in question.

A program's impact on OLMCs is analyzed in the new filter's Part VII section. This section includes questions on the consultation process, on the impacts of economic development programs on OLMCs, on measures for tailoring programs to the needs of OLMCs, and on the performance indicators required to evaluate whether the desired results have been achieved. The questions in this section, however, are oriented towards achieving substantive equality in service delivery, which falls under Part IV. We verified this by examining the use of the Official Languages Filter in the renewal of the NODP in 2011. We noted that the analysis of the questions asked in the section on Part VII focused on the substantive equality of services. These questions dealt with service delivery methods and changes to make to ensure substantive equality of service delivery.

Industry Canada should therefore amend the Part VII section of its Official Languages Filter in order to comply with this part of the Act and with the obligation to take positive measures.

## RECOMMENDATION 3

The Commissioner of Official Languages recommends that Industry Canada review the Part VII section of its Official Languages Filter in order to make it compliant with all of the requirements of Part VII of the *Official Languages Act*.

### ***Promotion of linguistic duality***

Section 41 of Part VII of the Act deals not only with the vitality and development of OLMCs, but also with the promotion of English and French in Canadian society. However, very little exists in the way of documentation or reflection on this matter in the federal government. It is also more difficult to identify the right audiences for this aspect of Part VII.

This audit sought to identify Industry Canada activities related to the promotion of linguistic duality. During our meetings, employees often cited initiatives such as the distribution of bilingual material, presentations in both official languages, and Web sites in English and French as examples of the promotional aspect of Part VII. These activities fall under Part IV, however. We noticed that there were several ways of interpreting how an initiative could fall under the promotional aspect of Part VII. Nevertheless, efforts by the Part VII coordination unit within the Department aimed at increasing employee awareness have gone a long way to promoting a better understanding and appreciation of Canada's linguistic duality within the Department. We also noted that there is no coordinated departmental strategy for the promotion of linguistic duality in Canadian society within its area of responsibility.

Section 41 highlights the relationship between OLMC vitality and development and the promotion of linguistic duality. One depends on the other. Accepting linguistic duality as a Canadian value makes it easier to accept support for OLMCs. Similarly, linguistic duality cannot survive if there is no support for OLMC vitality and development. Given the importance of this relationship, we believe that Industry Canada should focus on promoting linguistic duality in its areas of expertise, even if there is no policy framework for the promotion of linguistic duality in the federal government. We know that the Part VII coordination unit is currently examining the issue of promoting linguistic duality in the context of a project on developing a national tourism strategy.



## RECOMMENDATION 4

Given the importance of linguistic duality as a Canadian value and the synergy between the two components of Part VII of the *Official Languages Act*, the Commissioner of Official Languages recommends that Industry Canada:

- a) develop a departmental strategy for the promotion of linguistic duality component of Part VII in its areas of expertise;
- b) identify specific projects related to this strategy in its integrated official languages action plan; and
- c) effectively communicate the new strategy to all concerned parties.

## OBJECTIVE 3

ENSURE THAT OFFICIAL LANGUAGE MINORITY COMMUNITIES AND OTHER PARTNERS IN CANADIAN SOCIETY PARTICIPATE ACTIVELY AND CONTINUOUSLY IN THE DEVELOPMENT OF INDUSTRY CANADA PROGRAMS THAT AFFECT THE VITALITY AND DEVELOPMENT OF THESE COMMUNITIES AND LINGUISTIC DUALITY IN CANADA.

### Research program

In the context of the EDI, Industry Canada has allocated a budget of nearly \$1.6 million over five years to establish a research program to maintain its socioeconomic database, improve its knowledge of small and medium-sized enterprises in OLMCs, and examine the economic issues that these communities have to deal with. The government has encouraged Industry Canada to work with community, university and interdepartmental partners. This research program was created in August 2009 and is part of Industry Canada's overall plan, under its business support priority.

We found a number of studies, including the March 2010 Environics study, *Socio-Economic Analysis of Official Language Minority Communities*, which contains a wealth of information on the socio-economic status of OLMCs in various regions of Canada and compares the socio-economic status of the minority and majority communities. Another study, *Promoting OLMC participation in the knowledge-based economy* by the Centre for Innovation and Productivity in Moncton, New Brunswick, looks at strategies to stimulate a knowledge-based economy in OLMCs. We identified 10 research projects that are underway or completed. We also learned that FedNor has announced its own large-scale research project for 2011–2012: the Environmental Scan of the Economic Development of OLMCs in Northern Ontario. A review of projects that are underway and completed found that Industry Canada is fulfilling its responsibilities in terms of research initiatives under the EDI. The Department shares the results of its studies with interdepartmental and community partners.

### Consultation process

This audit examined existing consultation processes and mechanisms, as well as ongoing discussions at Industry Canada, to identify OLMC priorities and needs.

The Part VII coordination unit is responsible for the EDI's national consultation process. So far, the unit has organized two national meetings: the first (September 28, 2010) was with French-speaking organizations for the Francophone Dialogue Day on OLMC Economic Development and the second (October 6, 2010) was with English-speaking organizations for the Dialogue Day with the English Linguistic Minority Community of Quebec. In both cases, key partners from federal departments and OLMCs were present. These dialogue days are scheduled to be held every two years. Between meetings, the Part VII coordination unit maintains ties with representatives of the two communities. For the English-speaking community, a community-government follow-up committee was set up to follow up on decisions made during the dialogue day. The Part VII coordination unit also created a similar follow-up mechanism with representatives of the French-speaking community. Additional formal consultations will be held as part of the renewal of the *Roadmap for Canada's Linguistic Duality 2008–2013*.

Industry Canada wanted to work more closely with the OLMCs of the two communities and to have them be more involved in discussions on national economic development. However, it is still too early to identify program or policy changes that would result from this increased participation.

FedNor has a different approach, preferring to consult the OLMCs on a more personal level during projects, initiatives and community meetings. This approach favours ad hoc personal contact, based on current projects and on needs arising from meetings and discussions with OLMCs. For example, during our meeting with the Réseau de développement économique et d'employabilité (RDÉE) de l'Ontario, we learned that the Executive Director of FedNor had gone to Ottawa to meet with representatives of the RDÉE to discuss economic development in Northern Ontario. On March 2, 2011, a FedNor community economic development officer welcomed more than 50 French-speaking businesswomen and talked with them about their specific needs at the "TOUTES POUR UNE : Le leadership entrepreneuriELLE!" forum held in Sudbury.



In the regions, the situation varies because of the mandate given to their offices, the specificity of each region and the increased role of regional development agencies. As mentioned previously in the Background section, the regional offices primarily act as advisors, prepare analyses and gather information related to major economic issues. They work with the provincial governments, business representatives, universities and business organizations in their regions.

For this audit, we visited three of Industry Canada's regional offices: Atlantic, Ontario and Quebec. Relationships with OLMCs vary from one region to another. In Quebec, all official consultation is done by the Part VII coordination unit at the national level, although the Quebec regional office did participate in the dialogue day. Organizations such as the Quebec Community Groups Network and the Community Economic Development and Employability Corporation are considered to be national organizations, much like the Fédération des communautés francophones et acadienne du Canada and the RDÉE on the French side. Industry Canada's Quebec office maintains contact with members of the English-speaking community, including universities and businesses such as Quebec's aerospace industry. In the Atlantic region, efforts are concentrated in New Brunswick, because of the size of its French-speaking community. Industry Canada's Atlantic office participated in New Brunswick's community-government discussion table in November 2009, which led to the creation of its 2009–2013 master plan. The office also maintains relationships with the Université de Moncton and participated in events organized by the Conseil économique du Nouveau-Brunswick that brought together many of the province's French-speaking businesspeople. In Ontario, the Canada Business Ontario initiative resulted in a number of meetings and presentations with OLMC representatives. As can be seen from these three cases, most contacts and relationships are established at events or meetings where OLMCs are present.

After reviewing Industry Canada's three consultation processes—national, FedNor and regional—we then examined how well each of them fulfilled the consultation requirements under Part VII. On a national level, closer relationships between the two communities resulted from official consultation mechanisms and ongoing contacts

on a more regular basis. We encourage the Part VII coordination unit to continue its efforts in this regard. We are pleased to see that Industry Canada is willing to work with the communities to discuss what will happen when the Roadmap for Canada's linguistic duality ends in 2013, in case there is a need to develop a new version of the government's action plan affecting OLMCs throughout the country. Given this perspective of renewal and the fact that there are still nearly two years before the end of the current EDI, we believe that these consultations have the potential to produce concrete results. We encourage Industry Canada to take every opportunity that arises after the consultations—in the spirit of EDI renewal—to propose real and positive improvements to its programs and activities that affect OLMC vitality and development.

FedNor's approach—meeting with OLMCs as needed during projects, forums or gatherings—gives it a good understanding of the needs of different OLMCs in Northern Ontario. However, we wonder whether this approach can ensure comprehensive coordination on an ongoing basis and support a shared vision of economic development for Northern Ontario as a whole. Upon review, we believe that the 2011–2012 Environmental Scan of the Economic Development of OLMCs in Northern Ontario project, which aims to establish a regional development plan for OLMC economic development in Northern Ontario, would be an opportunity for FedNor to engage OLMCs in a structured and ongoing regional process. The project brief states that OLMCs will be consulted in the same way as other parties. The OLMCs, however, are the primary partners and should be an integral part of the project. This project should aim to create a permanent, structured regional OLMC consultation and feedback mechanism, which would make it possible to create and maintain a shared comprehensive vision of the development of these communities in Northern Ontario.

With respect to Industry Canada's regional offices, it is not our intention to propose any changes to their mandate. However, during our meetings with the OLMCs, the communities all expressed their disappointment at the lack of regular and ongoing contact with Industry Canada in the regions since the creation of the regional development agencies. We believe that they perceive Industry Canada to

be in the best position to have a comprehensive vision of issues related to the development of industry in Canada, to analyze these issues and to make Canadian industry more competitive. This is essentially the Department's mandate. We believe that the regional offices would benefit from getting closer to OLMCs when carrying out their information gathering functions so that OLMC needs and priorities can be included in a structured and coordinated manner and taken into account in any analysis of regional issues.

We also think that the national Part VII coordination unit should ensure that regional offices are regularly kept apprised of any developments regarding the implementation of Part VII and that they should have a Part VII discussion and information sharing mechanism. It would be beneficial for all sectors of Industry Canada affecting OLMCs to participate in this kind of discussion and dialogue.

As a result of our analyses, we believe that certain improvements should be made to Industry Canada's existing consultation process.

## RECOMMENDATION 5

The Commissioner of Official Languages recommends that Industry Canada:

- a) through FedNor, consider official language minority communities to be its primary partners in the Environmental Scan of the Economic Development of OLMCs in Northern Ontario project, and expand the scope of the project's objectives to include the creation of a permanent, structured regional consultation and feedback mechanism for these communities;
- b) through its regional offices, develop structured official language minority community consultation mechanisms, incorporate the needs and issues of these communities into its analyses and propose concrete measures to enhance their vitality and development;
- c) on a national level, create a mechanism to encourage key partners, including representatives of regional offices and other sectors that affect official language minority communities, to discuss and share information on Part VII.

## Access to information

It is important for OLMCs to be informed of any changes that might have an impact on their vitality. There are several ways to communicate this information, including the departmental Web site, information bulletins and electronic communications. For example, a large number of subscribers (including OLMCs) receive the quarterly *Ontario Economic Overview*, a bilingual Industry Canada e-publication that provides an overview of the economic and financial performance of the province's businesses and includes policy analyses and forecasts. Another initiative in which Industry Canada is partnering with Ontario is Canada Business Ontario, which gives Ontario businesses access to a range of essential information via the Internet. Industry Canada's Ontario region focuses on information and access to information and is currently working with partners on sharing databases to be able to better adapt to client needs.

On a national level, there are many activities underway related to a variety of client communication mechanisms. For example, Industry Canada's Web site is being revamped, and Canada Business Network is focusing on using social media, such as Twitter, Facebook and blogs. Canada Business Network already has a Twitter feed, blogs and electronic distribution of its news releases. The Part VII coordination unit is also working to revitalize CommunAction, a sub-component of Industry Canada's Web site specifically for OLMCs.

Apart from CommunAction, most of Industry Canada's work in the field of access to information targets both language groups and therefore falls under Part IV. However, to meet Part VII requirements, these initiatives should be reviewed and, in consultation with the OLMCs, specific components should be developed to meet their specific needs.

## RECOMMENDATION 6

The Commissioner of Official Languages recommends that Industry Canada review its current and upcoming communications initiatives and, in consultation with the official language minority communities, develop components targeted to meet the specific needs of these communities.

### OBJECTIVE 4

ENSURE THAT INDUSTRY CANADA HAS AN ONGOING PERFORMANCE MEASUREMENT PROCESS INVOLVING DEPARTMENTAL OR EXTERNAL AUTHORITIES THAT CAN EVALUATE THE EFFECTIVENESS OF THE MEASURES TAKEN UNDER PART VII.

#### *Evaluation of activities*

In our interviews with representatives from Industry Canada's Audit and Evaluation Branch, we confirmed that the Department had evaluated a number of programs and that the question of official languages had been raised in these evaluations. The Internal Audit Directorate has audited the implementation of Part IV throughout Industry Canada.

For this audit, we focused on NODP and EDI program evaluations. For the EDI, the evaluation falls under the federal official languages strategy that resulted from the 2008–2013 action plan for official languages. In the fall of 2006, a consulting firm contracted by Industry Canada completed its formative evaluation of the *Action Plan for Official Languages 2004–2008* dealing with section 41 of the Act and OLMC economic development. The evaluation recommended “that Industry Canada develop precise indicators to measure the impact of activities on OLMCs . . . .” Subsequently, in accordance with the new performance measurement and program evaluation strategy (2009), the government presented the EDI performance measurement strategy in the Roadmap 2008–2013.

The EDI logic model identifies different levels of results to be achieved. For intermediate results, it aims to improve OLMC social and economic development in three areas: capacity building, business development and community development. The performance measurement strategy that accompanies the logic model includes performance indicators to evaluate results achieved in each of these three areas. For example, capacity building is evaluated

by counting the number of studies and plans on strategic positioning, market development, increasing productivity and innovation commercialization. Industry Canada, as part of the horizontal summative evaluation of the Roadmap 2008–2013, is in the process of evaluating the EDI in cooperation with the regional economic development agencies. The evaluation is expected to be completed in early winter 2012.

In February 2011, Industry Canada presented the results of its evaluation of FedNor's NODP to senior management. The evaluation found shortcomings with respect to OLMC participation in a number of the program's funding projects. In the program renewal proposal approved by the Minister, a new logic model was established, which includes the following statement among its immediate results: “Special population groups are involved in economic development projects and benefit from supported initiatives (e.g., Official Language Minority Communities, Aboriginal people, youth and women).” The program's performance measurement strategy contains performance indicators for this result. These include “number and value of NODP contribution agreements involving and/or benefiting special population groups” and “proof of the benefits to special population groups resulting from the projects funded.”

It is important to note that the abovementioned immediate result is not the only one that will have an impact on OLMCs. In this particular case, it will have the direct effect of measuring FedNor's progress in strengthening its support for OLMCs. Other results target building and strengthening strategic alliances with OLMCs in order to “mobilize stakeholders around key economic development issues and opportunities,” or ensure that “businesses in Northern Ontario are created, maintained, expanded and modernized.” When applying the new logic model for the NODP, we encourage Industry Canada to differentiate between measures that address Part VII requirements and activities that fall under Part IV.

### **Activity reports**

For this audit, we examined Industry Canada's Part VII action plans and activity reports.

As mentioned previously, the Department has an action plan for implementing Part VII. This plan covers 2008–2013 and illustrates how it commits to taking OLMC priorities into account when developing and implementing programs and services. The activities in the plan are grouped into six categories: awareness, consultation, communication, coordination and liaison, funding, and program delivery and accountability. For each category, there is a result, activities to achieve this result, and outputs and indicators to measure the result.

Each year, Industry Canada prepares a progress report on the expected results of this plan based on the six categories. The most recent publication was the 2009–2010 report, and the Department is currently in the process of completing its 2010–2011 report. The report is submitted to Canadian Heritage for analysis and comments. The comments are then sent to Industry Canada's deputy minister for action.

Canadian Heritage noted that Industry Canada's activity reports often do not distinguish between Part VII and Part IV activities. This touches on the concerns we have expressed in this report on differentiating between Part VII and Part IV activities.

Industry Canada's new integrated action plan, which will be used internally from 2011 to 2014, identifies key results on three categories included in the 2008–2013 Part VII action plan (awareness, consultations and OLMC funding). Its goal is to raise awareness among Industry Canada managers of their responsibilities under Part VII. To this end, it contains a section on the obligation of managers to report on results in each of the categories. We encourage the Department to continue its efforts to implement this plan.

## CONCLUSION

In general, this audit found that Industry Canada is fully committed to implementing Part VII of the *Official Languages Act* and should be recognized for its progress to date. The Commissioner of Official Languages has made some recommendations to help Industry Canada improve its implementation of Part VII.

Our audit looked at four elements that are essential for the implementation of Part VII. First, we looked at management's commitment to applying Part VII by verifying whether policies were in place, whether the Department had an accountability structure, and how it informs its employees of the requirements under Part VII. We also analyzed the way Industry Canada fulfills its EDI coordination and research responsibilities under the *Roadmap for Canada's Linguistic Duality 2008–2013: Acting for the Future*. The Commissioner recommended that Industry Canada establish an integrated departmental policy for the implementation of the Act.

The other elements that we examined fell under three themes: institutions must be proactive and systematic in their approach to Part VII; they must encourage OLMCs to participate in providing guidance for programs that may affect them directly; and Part VII must be part of the government activity planning and evaluation cycle to

ensure lasting results that meet established expectations. The Commissioner made recommendations on positive measures, Part VII consultation mechanisms, promotion of linguistic duality, mechanisms for analyzing impact on OLMCs, and communication and information mechanisms. We found that Industry Canada's implementation of Part VII would be greatly improved by differentiating between Part IV and Part VII objectives, by modifying its Official Languages Filter, by developing a strategy on the promotion of linguistic duality, by improving the existing consultation processes, and by adapting its current communication technologies and social media to better meet the requirements of Part VII.

We observed that the Part VII coordination unit is very motivated and wants to succeed in improving Industry Canada's performance under this part of the Act. This is an encouraging sign and we are confident that Industry Canada will make progress in implementing Part VII in the coming months and in carrying out its action plan in response to the recommendations in this report. We invite senior management in its leadership capacity to support the team's efforts.

## APPENDIX A

### LIST OF RECOMMENDATIONS

#### RECOMMENDATION 1

The Commissioner of Official Languages recommends that Industry Canada establish an integrated official languages policy (including Part VII) that is specific to its activities, in order to underpin the Department's implementation of the *Official Languages Act* and emphasize the values, benefits, interactions and scope of the different parts of the Act. Industry Canada must communicate the new policy to all concerned parties.

#### RECOMMENDATION 2

The Commissioner of Official Languages recommends that Industry Canada:

- a) clarify the definition of a positive measure under Part VII of the *Official Languages Act* as it relates to the implementation of its programs, and that it clearly differentiate between which measures fall under Part IV and which fall under Part VII when analyzing actions to be taken;
- b) use its integrated awareness campaign to clearly explain the requirements of Parts IV and VII and the differences between them so that it may reduce ambiguity in its staff's interpretation of these two parts of the Act.

#### RECOMMENDATION 3

The Commissioner of Official Languages recommends that Industry Canada review the Part VII section of its Official Languages Filter in order to make it compliant with all of the requirements of Part VII of the *Official Languages Act*.

#### RECOMMENDATION 4

Given the importance of linguistic duality as a Canadian value and the synergy between the two components of Part VII of the *Official Languages Act*, the Commissioner of Official Languages recommends that Industry Canada:

- a) develop a departmental strategy for the promotion of linguistic duality component of Part VII in its areas of expertise;
- b) identify specific projects related to this strategy in its integrated official languages action plan; and
- c) effectively communicate the new strategy to all concerned parties.

#### RECOMMENDATION 5

The Commissioner of Official Languages recommends that Industry Canada:

- a) through FedNor, consider official language minority communities to be its primary partners in the Environmental Scan of the Economic Development of OLMCs in Northern Ontario project, and expand the scope of the project's objectives to include the creation of a permanent, structured regional consultation and feedback mechanism for these communities;
- b) through its regional offices, develop structured official language minority community consultation mechanisms, incorporate the needs and issues of these communities into its analyses and propose concrete measures to enhance their vitality and development;
- c) on a national level, create a mechanism to encourage key partners, including representatives of regional offices and other sectors that affect official language minority communities, to discuss and share information on Part VII.

#### RECOMMENDATION 6

The Commissioner of Official Languages recommends that Industry Canada review its current and upcoming communications initiatives and, in consultation with the official language minority communities, develop components targeted to meet the specific needs of these communities.

## APPENDIX B

### LIST OF AUDIT OBJECTIVES AND CRITERIA

| <i><b>Objectives</b></i>  | <i><b>Criteria</b></i>  |
|---|---|
| 1- ENSURE THAT INDUSTRY CANADA HAS ESTABLISHED A GOVERNANCE FRAMEWORK FOR THE IMPLEMENTATION OF PART VII OF THE <i>OFFICIAL LANGUAGES ACT</i> .   | <ul style="list-style-type: none"> <li>- Verify whether Industry Canada has adopted internal policies or guidelines for the application of both components of Part VII, namely OLMC vitality and development and promotion of English and French in Canadian society;</li> <li>- Verify whether Industry Canada has an accountability structure for Part VII, including the responsibilities of the senior official responsible for Part VII and the group responsible for the implementation of Part VII;</li> <li>- Verify whether Industry Canada managers and executives have performance objectives for the implementation of the <i>Official Languages Act</i> and are evaluated based on these objectives;</li> <li>- Verify how Industry Canada is fulfilling its Part VII coordination, planning and liaison responsibilities, particularly for the EDI;</li> <li>- Verify whether all Industry Canada personnel are regularly and effectively informed of their obligations and responsibilities under Part VII.</li> </ul> |
| 2- ENSURE THAT INDUSTRY CANADA TAKES CONCRETE MEASURES THAT HAVE A REAL AND POSITIVE EFFECT ON THE VITALITY AND DEVELOPMENT OF OFFICIAL LANGUAGE MINORITY COMMUNITIES AND ON THE PROMOTION OF LINGUISTIC DUALITY IN CANADA.   | <ul style="list-style-type: none"> <li>- Verify whether Industry Canada correctly understands its obligations under Part VII and distinguishes between its Part VII and Part IV obligations;</li> <li>- Verify whether Industry Canada has an analysis mechanism to systematically evaluate the impact of its programs on OLMCs and on Canada's linguistic duality, both for existing programs and services and for special government initiatives;</li> <li>- Verify how Industry Canada is promoting the recognition of both official languages in Canadian society under Part VII.</li> </ul>  |
| 3- ENSURE THAT OFFICIAL LANGUAGE MINORITY COMMUNITIES AND OTHER PARTNERS IN CANADIAN SOCIETY PARTICIPATE ACTIVELY AND CONTINUOUSLY IN THE DEVELOPMENT OF INDUSTRY CANADA PROGRAMS THAT AFFECT THE VITALITY AND DEVELOPMENT OF THESE COMMUNITIES AND LINGUISTIC DUALITY IN CANADA. | <ul style="list-style-type: none"> <li>- Verify whether Industry Canada has a research program and mechanisms to collect complete and current data on OLMCs, their needs and their priorities;</li> <li>- Verify whether Industry Canada has an ongoing consultation process to ensure OLMC participation in order to identify courses of action likely to best meet their needs;</li> <li>- Verify whether Industry Canada actively informs OLMCs of any decision or change that may affect their vitality or development.</li> </ul>  |
| 4- ENSURE THAT INDUSTRY CANADA HAS AN ONGOING PERFORMANCE MEASUREMENT PROCESS INVOLVING DEPARTMENTAL OR EXTERNAL AUTHORITIES THAT CAN EVALUATE THE EFFECTIVENESS OF THE MEASURES TAKEN UNDER PART VII.  | <ul style="list-style-type: none"> <li>- Verify whether Industry Canada has Part VII performance measures for implementing or renewing departmental programs and whether the Department systematically evaluates its programs to make them more effective in terms of OLMC vitality and development;</li> <li>- Verify whether Industry Canada reports on its activities to implement Part VII and how the Department is taking into account feedback received from central agencies.</li> </ul>  |



## APPENDIX C

### LIST OF RECOMMENDATIONS BY OBJECTIVE, INDUSTRY CANADA'S COMMENTS AND ACTION PLAN AND THE COMMISSIONER'S COMMENTS

We would like to thank Industry Canada for submitting its action plan in response to the recommendations in this report. Industry Canada has told us that it appreciates the recommendations and comments that resulted from the audit, and that the audit enabled it to clarify certain concepts and to gain a better understanding of the areas that need to be improved. We believe that this action plan will help Industry Canada to better fulfill its responsibilities under Part VII of the *Official Languages Act*.

Industry Canada has accepted each of the recommendations contained in this report and is giving itself until the end of the 2012–2013 fiscal year to implement its action plan. Generally speaking, we are satisfied with the measures that Industry Canada is planning to take to implement our recommendations. However, we believe that some of the measures could be more specific and more detailed. This is the case for the measures to implement recommendation 4, which concerns the promotion of linguistic duality (Part VII), and for two measures under recommendation 5 that involve the process of consulting with OLMCs. Our detailed comments regarding these measures come after Industry Canada's comments and action plan. We would like to thank the Industry Canada representatives we met with for the constructive dialogue we had with them throughout the audit.

#### OBJECTIVE 1

ENSURE THAT INDUSTRY CANADA HAS ESTABLISHED A GOVERNANCE FRAMEWORK FOR THE IMPLEMENTATION OF PART VII OF THE *OFFICIAL LANGUAGES ACT*.

#### RECOMMENDATION 1

The Commissioner of Official Languages recommends that Industry Canada establish an integrated official languages policy (including Part VII) that is specific to its activities, in order to underpin the Department's implementation of the *Official Languages Act* and emphasize the values, benefits, interactions and scope of the different parts of the Act. Industry Canada must communicate the new policy to all concerned parties.

#### *Industry Canada's comments and action plan*

Industry Canada continues to strive for excellence in fulfilling its mandate, which includes promoting economic growth, competitiveness, productivity and the knowledge economy, in both official languages. In order to uphold the letter and the spirit of the *Official Languages Act*, Industry Canada has adopted an integrated action plan for the implementation of Parts IV, V, VI and VII of the Act. This action plan is based on collective leadership and the commitment of the organization's management.

With a view to maximizing the effectiveness of this action plan, Industry Canada has included official language objectives in the **People Management Strategy for Renewal and Results**, as well as in all the key aspects of the strategic human resource planning process. Ensuring that official languages issues are taken into consideration at all levels of the planning process and, if applicable, integrated into Industry Canada tools, will make it easier to ensure that they form an integral part of the values and ethics regime and the Department's operational practices.

To consolidate this approach, Industry Canada will, by the end of the 2012–2013 fiscal year:

- develop a policy statement that incorporates Parts IV, V, VI and VII of the Act and supports the official languages action plan; and
- inform senior management and all employees about the policy statement.

#### *Commissioner's comments*

We are satisfied with the proposed measures and timeline.

## OBJECTIVE 2

ENSURE THAT INDUSTRY CANADA TAKES CONCRETE MEASURES THAT HAVE A REAL AND POSITIVE EFFECT ON THE VITALITY AND DEVELOPMENT OF OFFICIAL LANGUAGE MINORITY COMMUNITIES AND ON THE PROMOTION OF LINGUISTIC DUALITY IN CANADA.

## RECOMMENDATION 2

The Commissioner of Official Languages recommends that Industry Canada:

- a) clarify the definition of a positive measure under Part VII of the *Official Languages Act* as it relates to the implementation of its programs, and that it clearly differentiate between which measures fall under Part IV and which fall under Part VII when analyzing actions to be taken;
- b) use its integrated awareness campaign to clearly explain the requirements of Parts IV and VII and the differences between them so that it may reduce ambiguity in its staff's interpretation of these two parts of the Act.

### ***Industry Canada's comments and action plan***

Industry Canada must fulfill its obligations under the Act as concerns communications with the public and the delivery of services (IV), language of work (V), the participation of English-speaking and French-speaking Canadians (VI) and the promotion of English and French (VII). To this end, Industry Canada will be conducting an awareness campaign over the course of the period from 2010 to 2013. The objectives of the awareness campaign are to:

- raise awareness of Industry Canada's obligations under the Act among senior executives, program and policy managers and employees in all sectors, so as to ensure that they can take them into account in their strategies, plans and programs; and
- communicate the significance and impact of the CALDECH decision as concerns the implementation of the Act.

Industry Canada will, in 2012–2013:

- clarify the distinctions to be made between the requirements of Part IV and Part VII of the Act;
- adjust its training material accordingly; and
- explain to employees the scope of the requirements of these two parts of the Act.

### ***Commissioner's comments***

We are satisfied with the proposed measures and timeline.

## RECOMMENDATION 3

The Commissioner of Official Languages recommends that Industry Canada review the Part VII section of its Official Languages Filter in order to make it compliant with all of the requirements of Part VII of the *Official Languages Act*.

### ***Industry Canada's comments and action plan***

The Official Languages Filter is a tool used to analyze the impact of the Department's programs and policies on official languages. Managers use it when implementing or making changes to a program or policy.

Before the end of fiscal 2012–2013, Industry Canada will review the Filter, as recommended by the Commissioner of Official Languages, to ensure that it better reflects all of the requirements of Part VII of the Act.

### ***Commissioner's comments***

We are satisfied with the proposed measures and timeline.

## RECOMMENDATION 4

Given the importance of linguistic duality as a Canadian value and the synergy between the two components of Part VII of the *Official Languages Act*, the Commissioner of Official Languages recommends that Industry Canada:

- a) develop a departmental strategy for the promotion of linguistic duality component of Part VII in its areas of expertise;
- b) identify specific projects related to this strategy in its integrated official languages action plan; and
- c) effectively communicate the new strategy to all concerned parties.

### ***Industry Canada's comments and action plan***

Linguistic duality provides a competitive advantage that can boost economic growth in Canada, and Industry Canada is working with regional economic development agencies to strengthen this duality and support the vitality of OLMCs within the framework of the *Roadmap for Canada's Linguistic Duality 2008–2013*. Through its various activities, the Department aims to diversify the economic base of these communities by increasing their participation in current and new federal programs and services.

By the end of fiscal 2012–2013, Industry Canada will:

- include the promotion of linguistic duality in its commitment with respect to OLMCs, as set forth in the **Federal Tourism Strategy**;
- designate, in the integrated action plan, specific projects related to this strategy; and
- communicate the strategy to all parties concerned.

### ***Commissioner's comments***

We agree that the Federal Tourism Strategy is a good starting point for including the promotion of linguistic duality in Industry Canada's commitments regarding Part VII. In fact, we referred to this strategy in the audit report as an example of a good initiative to promote linguistic duality. However, as we also mentioned in the report, there is no coordinated comprehensive strategy on the promotion of linguistic duality within the Department. The recommendation called for the development of such a strategy, which would then be applied to various initiatives, such as the Federal Tourism Strategy. We maintain that Industry Canada also needs to focus on promoting linguistic duality in a comprehensive manner in its own areas of expertise.

### **OBJECTIVE 3**

ENSURE THAT OFFICIAL LANGUAGE MINORITY COMMUNITIES AND OTHER PARTNERS IN CANADIAN SOCIETY PARTICIPATE ACTIVELY AND CONTINUOUSLY IN THE DEVELOPMENT OF INDUSTRY CANADA PROGRAMS THAT AFFECT THE VITALITY AND DEVELOPMENT OF THESE COMMUNITIES AND LINGUISTIC DUALITY IN CANADA.

### **RECOMMENDATION 5**

The Commissioner of Official Languages recommends that Industry Canada:

- a) through FedNor, consider official language minority communities to be its primary partners in the Environmental Scan of the Economic Development of OLMCs in Northern Ontario project, and expand the scope of the project's objectives to include the creation of a permanent, structured regional consultation and feedback mechanism for these communities;
- b) through its regional offices, develop structured official language minority community consultation mechanisms, incorporate the needs and issues of these communities into its analyses and propose concrete measures to enhance their vitality and development;
- c) on a national level, create a mechanism to encourage key partners, including representatives of regional offices and other sectors that affect official language minority communities, to discuss and share information on Part VII.

### ***Industry Canada's comments and action plan***

Industry Canada is proud to have introduced official and ongoing consultation mechanisms that allow it to regularly interact with OLMCs within the framework of the Roadmap's EDI. Further to the Dialogue Days held in September and October 2010, the Department set up two follow-up committees with the communities. FedNor is in contact with the communities on an ongoing basis within the framework of support provided for OLMCs organizations. However, with a view to improving its consultation approaches, FedNor is currently carrying out a project called Environmental Scan of the Economic Development of OLMCs in Northern Ontario. This initiative is expected to foster valued partnerships with the communities.

Between now and the end of fiscal 2012–2013, Industry Canada will:

- for FedNor – review the findings of its Environmental Scan of the Economic Development of OLMCs in Northern Ontario (conducted in 2011–2012) in order to more accurately pinpoint the measures to be taken to support the economic development of OLMCs in Northern Ontario;
- support regional offices in their efforts to identify possibilities for co-operation with OLMCs; and
- use tools such as the Official Languages Discussion Network to gain a deeper understanding of issues that are affecting OLMCs and which are of interest to the regional offices and the various sectors of Industry Canada.

### ***Commissioner's comments***

Regarding recommendation 5a, Industry Canada mentions that the Environmental Scan of the Economic Development of OLMCs in Northern Ontario (conducted in 2011–2012) is expected to foster valued partnerships with OLMCs. We fully agree with this view, given that it was included in the Commissioner's recommendation. Unfortunately, this concept of partnership is not specifically mentioned in the Department's commitments. We would like Industry Canada to keep this in mind when implementing this recommendation and ensure that the partnerships are actually formed with the communities.

Recommendation 5a also included a component aimed at making sure that a permanent, structured consultation mechanism for OLMCs is included in the objectives of the Environmental Scan of the Economic Development of OLMCs in Northern Ontario. There do not appear to be any commitments to this effect in Industry Canada's action plan. Once again, we would like the Department to keep this in mind and ensure that the establishment of a permanent, structured mechanism is incorporated into the process set out in the environmental scan.

Regarding recommendation 5b, Industry Canada proposes to support its regional offices in their efforts to identify possibilities for cooperation with OLMCs. It is our opinion that this commitment is not specific enough to address the recommendation to develop structured consultation mechanisms to reach out to the communities and incorporate their needs and issues into the analyses conducted by the regional offices. We would like the action plans dealing with regional offices to be more specific in this regard.

## **RECOMMENDATION 6**

The Commissioner of Official Languages recommends that Industry Canada review its current and upcoming communications initiatives and, in consultation with the official language minority communities, develop components targeted to meet the specific needs of these communities.

### ***Industry Canada's comments and action plan***

The CommunAction Web site is currently being revamped and the new version should be launched in 2012–2013. CommunAction, a component of the departmental Web site, will feature information about the EDI and its partners, and about federal programs for current or potential entrepreneurs. It will also have a section dealing specifically with official languages, including the federal government's obligations and commitment with respect to official languages. The modernization of the site was based on Canada-wide consultations with OLMCs in the fall of 2011 aimed at finding out about their information requirements and determining how to keep them informed.

CommunAction will add to this new communication platform a unique information dissemination module, namely an economic bulletin, which will include information from the federal government (news about programs, analyses and studies) and community partners. Information about economic development for both OLMCs will be available under a single heading. This electronic bulletin is expected to be launched in the fall of 2012.

Industry Canada is currently looking into the possibility of offering remote information/training sessions to meet the communities' needs. The identification of needs and the communication method(s) remain to be determined. This exercise will be carried out in close co-operation with federal partners responsible for economic development in Canada, as well as with national community organizations, in order to avoid any overlapping of activities. The project will be completed by the end of 2012–2013.

### ***Commissioner's comments***

We are satisfied with the proposed measures and timeline.