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# **Standing Committee on Government Operations and Estimates**

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**EVIDENCE**

**Tuesday, April 1, 2014**

—  
**Chair**

**Mr. Pierre-Luc Dusseault**



## Standing Committee on Government Operations and Estimates

Tuesday, April 1, 2014

• (0845)

[Translation]

**The Chair (Mr. Pierre-Luc Dusseault (Sherbrooke, NDP)):** Order, please.

Good morning, everyone. This is our 17th meeting.

As part of our study on the main estimates, we have with us today officials from the Privy Council Office: Ms. Doucet, assistant deputy minister, corporate services; Ms. Cahill, executive director, finance and corporate planning division; and Mr. Elcock, special advisor on human smuggling and illegal migration.

As usual, the witnesses will have 10 minutes for their presentation, after which members of the committee will be able to ask questions until 9:45 a.m.

Without further delay, I will give you the floor, Ms. Doucet. Thank you for joining us today to speak to the main estimates.

**Ms. Michelle Doucet (Assistant Deputy Minister, Corporate Services, Privy Council Office):** Thank you, Mr. Chair.

Good morning, everyone. Members of the committee, thank you for inviting us to speak to you today.

I am accompanied by two colleagues from the Privy Council Office—Mr. Ward Elcock and Ms. Karen Cahill. As you may know, Mr. Elcock is the special advisor on human smuggling and illegal migration. As such, he coordinates the Government of Canada strategy and response to migrant smuggling. Ms. Cahill is the executive director of the finance and corporate planning division of the corporate services branch in the Privy Council Office. In this capacity, she is also the deputy chief financial officer for the department.

My introductory comments are about the 2014-15 main estimates for the Privy Council Office (PCO) as well as its report on plans and priorities for the same year.

[English]

The PCO is seeking \$118.8 million in the 2014-15 main estimates. This is an overall reduction of \$4.6 million from the amount the PCO sought in last year's main estimates, which was \$123.4 million.

The PCO's main estimates for this year are mainly related to the following.

A decrease of \$4.4 million in savings was identified as part of the budget 2012 spending review. The PCO contribution to this exercise will total \$9.2 million in savings, taking full effect today, in 2014-15.

The PCO is one of many federal organizations that undertook this review with the goal of returning the government to balanced budgets, while at the same time improving the efficiency and effectiveness of government operations and programs.

To support these objectives, the PCO has undertaken several deficit reduction measures, including: transforming business processes across the department to achieve administrative efficiencies, further integrating the intergovernmental affairs function within the department, modernizing and streamlining the government communications function, and streamlining the cabinet system to improve the efficiency and effectiveness of decision-making.

The vast majority of PCO expenses consists of salaries and associated operational costs. As a result, most of the savings needed to be generated by having fewer employees within the department. These reductions were achieved through a fair and transparent workforce adjustment process where all affected employees were treated with respect and every possible effort was made to identify the best possible solution for each individual.

[Translation]

There is also a decrease of \$1.4 million related to statutory authorities mostly related to contributions to employee benefit plans, which was made pursuant to Treasury Board Secretariat instructions.

In addition, there is a decrease of \$0.3 million related to three efficiency exercises. The first one is the continuation of the consolidation of pay services to PWGSC's Centre of Expertise in Miramichi, New Brunswick. The two other efficiency exercises are for measures announced in Canada's economic action plan 2013: namely, the consolidation of the procurement of workplace technology device software and the reduction of travel costs.

• (0850)

[English]

These decreases are partially offset by an increase of \$1.2 million for activities related to the continued implementation of Canada's migrant smuggling prevention strategy, headed by Mr. Elcock. As mentioned earlier, Mr. Elcock's mandate is to coordinate the Government of Canada strategy and response to migrant smuggling.

In the last two years, Canada has successfully secured cooperation in transit countries in Southeast Asia and west Africa. The PCO works closely with four other federal agencies to further Canada's objectives on this important initiative. Approved funding of \$1.2 million for 2013-14 was sought through the 2013-14 supplementary estimates (B) and presented to this committee during the PCO's last appearance. Funding for 2014-15 is now included in our main estimates.

An increase of \$0.4 million represents the portion of wages and salary increases to be paid to employees during fiscal year 2014-15, in accordance with specific collective agreements that took effect last year.

[Translation]

This completes the explanation of PCO's 2014-15 main estimates.

I will turn now to PCO's report on plans and priorities for fiscal year 2014-15 to give you an overview of PCO's planning highlights.

[English]

To begin, it is important to note that the PCO's sole strategic outcome is to ensure that the government's agenda and decision-making are supported and implemented and that the institutions of government are supported and maintained.

In this regard, the PCO will continue to play a central coordination and advisory role within the public service to support the government in achieving its stated objectives for the year. The PCO plans to successfully meet this strategic outcome by focusing on four key operational priorities during the year. None of these are new priorities, but some of them have been updated recently to better highlight the importance of certain areas of the department's work. For example, you will note under priority one that the PCO is now reflecting its advisory and support role for portfolio ministers, in addition to the Prime Minister.

This role has always been done in the past and has always been reported under the plans for this priority, but the revised priority now accurately reflects that the PCO supports the Prime Minister and the portfolio ministers in exercising their overall leadership responsibilities by providing professional, non-partisan advice and support on the entire spectrum of the government's policy, legislative, and government administration priorities. This includes, among other things, advice on social and economic affairs, regional development, foreign affairs, national security, defence, Governor in Council appointments, intergovernmental relations, and the environment.

[Translation]

The second of PCO's priorities will be to support the deliberations of cabinet and its committees on key policy initiatives and coordinate medium-term policy planning. This priority has also been updated for this year to better reflect the importance of the advisory and support roles PCO has always played for cabinet and its committees.

What that looks like is that PCO manages the day-to-day activities that support the work of cabinet and its committees, such as scheduling and support services for meetings, as well as the distribution of cabinet documents.

PCO will work throughout the year to provide guidance and a rigorous challenge function to departments to advance policy, legislative and government administration proposals that are high quality, prepared in a timely manner and focused on addressing priority areas identified by the government.

[English]

The PCO's third priority is to enable the management and accountability of government. The PCO provides strategic advice on whole-of-government transformation initiatives, public service renewal, and other management reforms, which will ultimately contribute to sound government administration, enhanced productivity in the public service, and improved services to Canadians.

To this end, the PCO will support the Clerk of the Privy Council and the Deputy Minister Board of Management and Renewal in the identification of whole-of-government proposals to advance the government's priority for improved efficiency and effectiveness. In addition, the PCO will actively engage and collaborate with implicated departments and other central agencies in the implementation of these proposals.

● (0855)

[Translation]

In 2013, the Clerk of the Privy Council launched the Blueprint 2020 engagement process. As you may know, this process sought the input of all public servants on a clear vision for the future of the public service, and to determine what changes were necessary to make that future a reality. PCO will continue to support the clerk in order to achieve this vision, both across the public service and within PCO itself.

In addition, PCO will continue to provide advice and support to the Prime Minister and the Clerk of the Privy Council on the human resource management of senior leaders. This includes supporting the learning and development of senior leaders, undertaking succession planning and performance management, and supporting the Deputy Minister Committee of Senior Officials.

In keeping with the major transformational initiatives taking place across the public service, PCO's fourth and final priority is to strengthen the department's own internal management practices.

[English]

During the year, the PCO will continue to support the Government of Canada's human resources modernization initiative, which aims to consolidate and enhance the delivery of human resource services across the government. This will be achieved in large part through the adoption of common human resource business processes and the implementation of further process improvements to deliver better human resource services to clients.

In addition, PCO will continue its efforts to implement the new directive on performance management to ensure that PCO has a high-performing and adaptable workforce. PCO will also support the Government of Canada's efforts to enhance information technology through the modernization of computer desktops, the implementation of the email transformation initiative, the establishment of government-wide secure network connectivity, and the consolidation of Government of Canada data centres. To that end, PCO will be working closely with its key IT business partner, Shared Services Canada.

[Translation]

Finally, PCO will implement the Government of Canada's shared travel solutions initiative, as well as undertake a review of the department's financial processes in order to align them with the Government of Canada's financial business process modernization initiative.

In conclusion, it is through these initiatives and activities, done in support of PCO's four organizational priorities, that the department will be able to successfully fulfill its overall strategic outcome.

[English]

I would like to thank you for the opportunity to explain the initiatives related to PCO's 2014-15 main estimates and our report on plans and priorities. We would be pleased to address your questions.

[Translation]

**The Chair:** Thank you.

Without further delay, I will open the floor to members of the committee.

Mr. Martin, you have five minutes.

[English]

**Mr. Pat Martin (Winnipeg Centre, NDP):** Thank you, Mr. Chair.

Thank you, Madame Doucet. That was a helpful presentation, I think, because I'm not sure there's a clear understanding amongst MPs, and certainly amongst the general public, of the full scope of the PCO's jurisdiction and what they do. It has been helpful to see at least the plans and priorities give an outline of what you see as your priorities.

I'm a little confused as to why Mr. Elcock would be with you regarding such a small aspect of what the PCO does, but he's certainly welcome, and we're certainly interested in the category that he oversees.

One worrisome thing about the estimates generally—and I'd like you to tell us a bit about this—is that there seems to be a trend towards more and more statutory appropriations and fewer and fewer voted. That trend puts more and more of government spending outside of the scrutiny and oversight of parliamentary committees, along with the ability to amend or decrease or vote on, in fact, that spending.

One of those areas I'd like to ask you about is in the supplementary estimates (B), and I thank our analysts for pointing this out. In those there was language that essentially transferred the

office of Infrastructure Canada to be under the purview of the PCO. That's just my understanding. This is a massive shift, a \$3.3-billion budget, \$2 billion of which is statutory and only \$1.3 billion of which is voted.

With all due respect, this is what I meant about bringing Mr. Elcock and his \$1.2-million budget, while we've had no mention in your report on plans and priorities or your main estimates that the PCO has now transferred....

Let's just see the language there:

Pursuant to a decision by "The Executive" to position the Office of Infrastructure of Canada in a separate Infrastructure, Communities and Intergovernmental Affairs portfolio, Order in Council P.C....transfers to the President of the Queen's Privy Council for Canada the control and supervision of the portion of the federal public administration known as the Office of Infrastructure of Canada, effective July 15, 2013.

I'm not sure that we or the general public was aware of that substantial transfer to the PCO, to the Prime Minister's department. Can you explain where we see reference to that in your plans and priorities, what impact that's had on the PCO, and where we get the scrutiny and oversight that we desire for all of these expenditures?

● (0900)

**Ms. Michelle Doucet:** Thank you for the question.

I think we have a bit of a two-part answer on that. I'm going to start, and Madame Cahill is going to speak after me.

The reference to the executive decision in the estimates refers to the machinery decision made by the Prime Minister to include the portfolio of intergovernmental affairs together with the portfolio of the minister also responsible for Infrastructure Canada. So what you see in front of you is a reflection of the machinery decision. PCO is not responsible for the funding associated with the infrastructure portfolio.

Pardon me?

**Mr. Pat Martin:** I think we do understand that, but our problem is that it's harder for us to see now if there has been an increase or a decrease in that infrastructure spending. How do we track this now that it's been transferred into the PCO? Under statutory spending it's very difficult for us to do the due diligence and scrutiny and oversight that our committee is charged with doing.

Can you help me to understand that?

**Ms. Michelle Doucet:** Probably not as much as I would like to. I will say, first of all, that my colleagues at Infrastructure Canada of course have their own CFO, who I'm sure would be pleased to explain their spending.

As well, on the question of statutory appropriations, my colleagues at the Treasury Board Secretariat were here before you last week, as you know, continuing their conversation with the committee on both how the estimates are conducted and explained, and our desire across Government of Canada to always do a better job on that.

I'll just turn to Karen to see if she wants to speak to the subject of statutory appropriations.

**Ms. Karen Cahill (Executive Director, Finance and Corporate Planning Division, Privy Council Office):** Thank you, Michelle.

Actually, for this specific statutory appropriation, it will be reflected under Infrastructure Canada's main estimates and tracked under Infrastructure Canada. As Madame Doucet indicated, they have their own CFO. They provide their RPP as well as their main estimates, and the forecasted expenditures will also be reflected in their 2014-15 RPP.

The PCO has a portion of the budget for Minister Lebel, but this does not pertain to these functions. Those are absolutely reflected under Infrastructure Canada.

[Translation]

**The Chair:** Thank you. I have to stop you there. Mr. Trottier now has the floor for five minutes.

[English]

**Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC):** Thank you, Mr. Chair.

Thank you for coming today to present the main estimates for 2014-15.

In your presentation, Madame Doucet, you mentioned that the PCO provides professional, non-partisan advice and support on the entire spectrum of government policy, legislative, and administrative priorities. I'm curious to know how that works in practice. Obviously Parliament is a partisan place.

You mentioned that there are 851 people in the PCO, or at least 851 full-time equivalent people. Are all of those people non-partisan? How does that actually work in practice when you're dealing with partisan members of Parliament and their staff?

• (0905)

[Translation]

**Ms. Michelle Doucet:** Thank you.

[English]

It's a very good question. Thank you for the chance to speak to that.

I think as all of you will well appreciate, we are fortunate in this country. We have an elected government. We have a democratic system.

But governments can change. They reflect the will of the people. In order to ensure stability and continuity of government and to provide the best expertise possible, the public service exists. It is absolutely essential for the public service to be non-partisan to continue to ensure the stability of the country and to support the will of the people.

I think that one of the things folks might have a hard time understanding is how the PCO actually operates. What does this department that supports the Prime Minister actually do with our just over 800 folks? Maybe I'll take a few minutes to explain that.

Our main purpose is to provide advice. All departments provide advice to ministers. We are no different. Ministers can choose to take that advice or to disregard it. It is up to them. So we provide advice. I would say that's what a whole lot of people at PCO do, and they have different specialties. We have folks who are specialized in all of the domains that I spoke about in my opening remarks. For instance,

we have a group that supports the Prime Minister on foreign and defence matters.

We have a group that supports the Prime Minister on making economic decisions. What would that include? That would include portfolios like transport, agriculture, and Industry Canada. When they have decisions that need to be made through the cabinet process, the Prime Minister needs advice on the questions that are being put to them. The Privy Council Office provides that advice.

The other thing those specialists also do is that we're organized in a way that supports the functions of the various cabinet committees and the subcommittees. There's a group that supports the Cabinet Committee on Priorities and Planning and the subcommittee that takes decisions on economic matters, like the ones I just talked about. Then there is the subcommittee that takes decisions on social matters. We have I think some of the best and brightest public servants in government working at the PCO, who support those committees and who work with other departments to make sure we play the challenge function when they have ideas that they want to put before the government.

There are two other things we do at the PCO that are of interest. One, there are the unique things that we do. We provide the Prime Minister with advice on the machinery of government, and government and council appointments, and we have a specialty in doing the paperwork to process the decisions made around that. That's unique to the Privy Council Office. Then finally, of course, there's the function that my branch does, which is internal services. Those are all centralized at the Privy Council Office. We don't have satellite internal services offices across the rest of the department. They're centralized in the group I lead.

**Mr. Bernard Trottier:** Thank you. That's helpful when it comes to clarifying the context you operate in.

Now I want to talk about your estimates, and actually not just this year's estimates, but the longer-term trend. When I read your report on plans and priorities, I see that going back to 2011-12 there was a total appropriation of \$155 million. There is what I would say is a healthy trend in terms of cost containment in going from \$155 million in 2011-12 and projecting out in 2016-17 to \$117 million, which is a significant reduction.

You mentioned the best and brightest and some very sage advice being offered to these cabinet committees, so how did you prioritize when you went through your reductions in your estimates? Obviously in any organization you could find some activities that are of lower value and some that are of higher value. Every department across government has been asked to do that. You've done a very strong job, I'd say, in terms of prioritizing your activities in the PCO.

• (0910)

**Ms. Michelle Doucet:** I'll start. Karen might have something to add, although we don't have a lot of time. Thank you.

[Translation]

**The Chair:** You have about one minute left.

**Ms. Michelle Doucet:** Thank you.

[English]

Our reductions were made, I think, in a couple of broad categories. One was areas where we could transform the way that we worked. So, for instance, we had a secretariat, a group of people who were supporting the operations subcommittee of cabinet, and the assistant deputy minister who ran that secretariat put her hand up and said, "You know what? We don't need this many people to do this, and we don't need a separate secretariat. We can change the way that we work and integrate ourselves in with the broader branch. We can do just as good a job with fewer people, but we'll have to change the way we work." That's what they did. So that's an example of a transformation initiative.

Then the other way that we got the reductions was through good old-fashioned efficiencies. I'm sure that you've heard lots from my colleagues across the public service, but we did that. A number of efficiencies took place in my branch, but certainly also across the rest of the department.

[Translation]

**The Chair:** I have to stop you and give the floor to Ms. Day.

Ms. Day, you have five minutes.

**Mrs. Anne-Marie Day (Charlesbourg—Haute-Saint-Charles, NDP):** Thank you, Mr. Chair.

My questions are primarily for Mr. Elcock.

Illegal migrants are often people who leave their countries for economic reasons, criminals or terrorists. They might transit through Canada to go to another country or they might stay here for a while.

The estimates provide for a \$1.1-million increase in funding for the Office of the Special Advisor on Human Smuggling and Illegal Migration. Can you tell us what purpose will the funding serve?

[English]

**Mr. Ward Elcock (Special Advisor on Human Smuggling and Illegal Migration, Privy Council Office):** Mr. Chairman, in a sense it's a bit of a misnomer to say that it's an increase because the \$1.1 million is the same budget we had previously, but it was expected earlier that this program would sunset, so there wouldn't be any expenditure in this year. In fact the program was continued on for up to another two years. That's why there's a \$1.1 million increase, or what looks like a \$1.1 million increase.

In point of fact it's the same budget we had before. It goes essentially to the same places: mostly to travel, some salary dollars, and a lot of salary dollars to travel. We have a small contracting capacity and the normal things that any other government office has in terms of training, and so on and so forth. It goes exactly to the same places that the previous budget went to.

[Translation]

**Mrs. Anne-Marie Day:** PCO expects the number of employees to shrink from 851 to 835? Will your office be affected by this reduction? I don't understand why you are telling me that it's the same thing. Having \$1.1 million extra is not the same thing as having \$1.1 million less. I think there is a difference.

Overall budgets are dropping, but yours is going up. So what purpose will the funding serve?

[English]

**Mr. Ward Elcock:** We have a very small office. It varies between about five and six people. Virtually all of those people are in fact seconded from other departments and their salaries are absorbed by other departments. We have declined in the number of PCO dollars spent on salaries. We have one fewer support staff, but that's essentially the only difference from previous years.

[Translation]

**Mrs. Anne-Marie Day:** The NDP member for Compton—Stanstead, Jean Rousseau, is constantly complaining about the fact that his region is a haven for human smuggling.

Has your sector taken action to reduce human smuggling?

● (0915)

[English]

**Mr. Ward Elcock:** Mr. Chairman, there is an ongoing effort by border enforcement agencies to deal with people crossing the borders by walking over them or driving through border checkpoints, as has happened. That effort by the police, by enforcement on both sides of the border in fact, has borne considerable truth. I think the numbers are down, which isn't to say that with a long border that spans some 5,000 miles, it isn't hard and difficult to police at all times of the day. There are still incidences of people crossing the border, but certainly the enforcement agencies on both sides of the border, the RCMP, Canada Border Services Agency, and Canada together sometimes with their American counterparts have done a considerable amount of work to try to reduce the flow across the border.

[Translation]

**Mrs. Anne-Marie Day:** You said that a number of your employees had been seconded from other departments. Can you tell us how many people work for you, but are not paid directly by the Privy Council Office?

[English]

**Mr. Ward Elcock:** We have a total of about four officers, Mr. Chairman.

[Translation]

**Mrs. Anne-Marie Day:** Do you have a minimum number of your own people, who do not come from other departments?

[English]

**Mr. Ward Elcock:** There are two of us, Mr. Chairman.

[Translation]

**Mrs. Anne-Marie Day:** So there are six of you in total.

[English]

**Mr. Ward Elcock:** It varies between five and six. We go up and down occasionally, as we need an additional person for specific tasks.

[Translation]

**The Chair:** Ms. Day, your time is up.

Ms. Ablonczy, you have the floor for five minutes.

[English]

**Hon. Diane Ablonczy (Calgary—Nose Hill, CPC):** Mr. Elcock, just to continue, could you give us an idea of the scope of the issue of human smuggling and more precisely what your mandate is?

**Mr. Ward Elcock:** Mr. Chairman, the problem of smuggling around the world is considerable. Canada is in some respects smaller than most other countries. If you visit some of the southeast Asian countries, the flows of people they have are in the hundreds of thousands and in some countries there are upwards of two or three million illegals.

There are very large flows, for example, if you look at the flows that Australia experienced up until very recently, in the last year they had something in the order of 20,000 people arriving by boat and about 350 boats. I forget the exact numbers but the number of people at the end of the year was about 20,000. That's a fairly substantial flow by maritime smuggling.

There are other flows north across the Mediterranean. There have been some maritime efforts to come to Canada and there still are some out there. You'll recall that two boats came here in 2009 and 2010. Our focus has been, to a large extent perhaps, ensuring that there aren't further maritime smuggling events, but we have also taken some interest in the other areas, such as the flow over the land border and through other areas.

Essentially my job is to try to coordinate the efforts of a number of departments. We work with four in particular on a day-to-day basis, but over a period of time we've worked with as many as five, six, eight, or ten departments. It depends on the issues we're dealing with at any time. Sometimes we're working with the Department of Transport; other times we're not. Sometimes we're working with the military; other times we're not. But we're concentrated with the RCMP, CBSA, and others in an effort to try to support their efforts, to coordinate their efforts with other various agencies to get the maximum bang for the buck, if you will. As distinct from those agencies simply doing their specific tasks, can we work together? Can those agencies work together and get a better effect for the dollar?

Obviously that involves working with departments and agencies here in Canada, but it also means working with agencies of other governments. We work very closely with the Australians, for example. We have some of their problems but by no means the same volume of flow as the Australian situation.

We also work with a number of other countries in Southeast Asia, working on the issue of people smuggling in that area, which ultimately could have some impact on Canada, and also in west Africa, in particular.

• (0920)

**Hon. Diane Ablonczy:** In your expert opinion, what proportion of smuggled individuals would be economic migrants and how many would be smuggled for shall we say criminal purposes?

**Mr. Ward Elcock:** The whole of the endeavour is criminal. The people who are smuggling people, even if they're—

**Hon. Diane Ablonczy:** I understand that.

**Mr. Ward Elcock:** Even if the people being smuggled are in some sense legitimate, the people smuggling them are rarely if anything but criminals. The proportion of economic refugees is probably the largest part of the flow. There are others involved in the flow who may be criminal or have other characteristics one wants to deal with.

**Hon. Diane Ablonczy:** What's your biggest challenge, then? You mentioned to Ms. Day the length of our border, but what is the challenge for you?

**Mr. Ward Elcock:** Clearly the length of our border is a challenge if you're thinking in terms of smuggling across the border, but as I say, I think agencies have taken considerable steps to reduce that.

The other reality for us is that to stop smuggling you really have to reach out into countries and help them to stop smuggling from their side. It's not particularly effective to try to stop people in the middle of the ocean. You have to really reach out to other jurisdictions and help them improve their ability to exercise their own laws in respect of human smuggling in order to work against the smugglers and to build, if you will, a defence outside of Canada.

[Translation]

**The Chair:** Mr. Byrne, you have the floor for five minutes.

[English]

**Hon. Gerry Byrne (Humber—St. Barbe—Baie Verte, Lib.):** Thanks, Mr. Chair.

Thank you very much to our witnesses.

The Privy Council Office is sometimes a little bit of a mystery to a lot of Canadians and to parliamentarians as well, but one of the key functions—and I don't mean that disparagingly. I just mean that you're involved in some pretty high-level lofty stuff.

As to the Canadian Intergovernmental Conference Secretariat, could you give an overview of exactly what that does? I'll target my question. There have not been a whole lot of first ministers' conferences chaired by the Prime Minister, and I'm just curious. Are we keeping this effort going? What's its budget? Why are we keeping the Canadian Intergovernmental Conference Secretariat going?

**Ms. Michelle Doucet:** Thank you for the question and for your interest in that part of the Prime Minister's portfolio.

The acronym that we use in my office is CICS. That's what we call it. I have not sufficient information with me today because I'm actually not responsible for that institution. It's run by another chief operating officer, and they have a CFO who I'm sure would be happy to come and answer your questions.

But what I can tell you is that at this time last year, when I was here before this committee on main estimates, I was fortunate enough to have those folks here with me representing CICS, and they spoke at length, addressing, if I recall correctly, your very questions. In addition to the transcript, if memory serves correctly, I think they're actually quite busy with the work they do, because bilateral meetings between provinces continue to happen and they provide the support function that they have been doing for many years around that. They had certainly a pretty solid set of metrics around the work they continue to do in support of their mandate.

**Hon. Gerry Byrne:** Thank you very much.

If there could be a message sent back, given the fact that this committee will be asked to vote on vote 1 under the Canadian Intergovernmental Conference Secretariat, it may always be wise to have representatives either at the table or in the room who might be able to answer questions, but I do appreciate your valiant stab at it there.

If I could move now to polling, is the Privy Council Office still extensively involved in polling data of Canadians, in contracting polls and disseminating that information to other departments?

• (0925)

**Ms. Michelle Doucet:** Thank you for the question.

Again, I think I'm not going to give you a very satisfying answer. I have no knowledge of what we do on polling at the Privy Council Office.

Generally speaking, any matters pertaining to communications I would refer to my colleague, Mr. Ian McCowan, who's the ADM of communications and consultations. His focus tends to be on the communications end, but I'm afraid I'm not in a position to be able to speak to you on what we do on polling at the Privy Council Office.

**Hon. Gerry Byrne:** That said, here's what I'd like to ask about, just to go back to the first ministers' conferences or the bilateral relationship. What exactly is the budget of the Canadian Intergovernmental Conference Secretariat?

**Ms. Michelle Doucet:** Unfortunately, I don't have that with me because I'm not the chief financial officer for that institution, and I'm sure that if the committee wanted to invite them to appear before you to speak to their budget, both the amount and how they're planning to spend it, they would be happy to appear before you.

**Hon. Gerry Byrne:** Thanks, Mr. Chair.

[Translation]

**The Chair:** If our information is correct, the amount for vote 1 under the Canadian Intergovernmental Conference Secretariat is \$4,161,718.50.

Mr. O'Connor, you have five minutes.

[English]

**Hon. Gordon O'Connor (Carleton—Mississippi Mills, CPC):** I just have some questions about the Queen's Privy Council organization. What are the President of the Queen's Privy Council's functions? What does he actually do?

**Ms. Michelle Doucet:** Well—

**Hon. Gordon O'Connor:** It's not one of those things you say I don't know to, because you're the PCO.

**Ms. Michelle Doucet:** Thank you for the question. Unfortunately, that is my answer again this morning. In terms of the nature of the Privy Council itself and what a privy councillor is, there is the usual political science explanation around that and—

**Hon. Gordon O'Connor:** Sorry. I'm talking about the appointment of the President of the Queen's Privy Council. That is, the individual today who is the infrastructure minister is also a privy councillor. I'm asking what his function is. Forget Infrastructure. What's his function?

**Ms. Michelle Doucet:** That's a very good question. Thank you for that. I think that question is best answered by my colleague, Mr. Joe Wild, who is in charge of machinery of government and could probably best describe for you what his function is. I apologize for not having that answer at my fingertips today.

**Hon. Gordon O'Connor:** Therefore you couldn't tell me how many people work for him, not at Infrastructure but in the other job?

**Ms. Michelle Doucet:** We support the portfolio ministers for the Prime Minister, all of them, at the Privy Council in a couple of ways. We support the operation of their offices in the sense of technical and administrative support, so providing them with computer services, with HR services, and the normal internal services. Minister Lebel receives the same support from us. That would be he would have ministers' offices support from folks in my branch.

In addition to that, Minister Lebel has a number of responsibilities, and if that requires advice from the Privy Council Office, from all of those folks I talked about earlier, the bright analysts, then he would be receiving advice on matters pertaining to the various aspects of his mandate. For instance, on intergovernmental affairs, we have a centre of expertise that provides advice on that, and all the other analysts at PCO who have to speak to federal, provincial, and territorial matters also provide advice. That would be an example of the kind of support that we would provide to PCO portfolio ministers. It would extend to each and every one of them. If they have a portion of their mandate that pertains to our advice and expertise at Privy Council Office, we would provide that advice.

• (0930)

**Hon. Gordon O'Connor:** Does Mr. Lebel consult the premiers? Does he consult the various provinces on some common issues?

**Ms. Michelle Doucet:** Mr. Lebel, as the Minister of Intergovernmental Affairs, would have at the essence of his mandate communications with the leaders of provinces and territories. He is supported in doing that, as I said, by the analysts who are specialists in that at the Privy Council Office, who work closely with their counterparts across the rest of government whenever we have to deal with federal and provincial relationships.

For instance, we can think of a number of departments that would have a key role to play, like the former HRSDC, which deals constantly with their provincial and territorial counterparts. They would do that in coordination with us at PCO. We would advise Minister Lebel if there's anything he needs to know about that. He would play his role as appropriate for having pan-governmental responsibility. The minister of that portfolio, the specialist portfolio, would also have a role to play in the conversations with the provinces and territories. As the Privy Council Office, we would work to coordinate that.

**Hon. Gordon O'Connor:** I assume the minister of democratic reform is under your aegis somewhere. I can't imagine he comes up with every idea himself, so he has to get learned advice. Does he get this learned advice from members of your staff?

**Ms. Michelle Doucet:** All ministers get advice from various sources. The public service is just one of them. I described earlier the mandate of the public service vis-à-vis ministers. Certainly at the Privy Council Office we have a small section of folks who provide advice, non-partisan public servants who provide advice directly to the minister of democratic reform through the usual channels that are provided across government. That is one source of advice the minister receives. I can't speak to the other sources of advice he would receive, but we certainly play that very important part in our PCO mandate of providing advice to all of our ministers.

[Translation]

**The Chair:** Thank you for your answers.

To wrap up, you have five minutes, Mr. Martin.

[English]

**Mr. Pat Martin:** Thank you, Mr. Chair.

I'm glad to have the opportunity to continue where I left off, actually. I'm still not satisfied that I understand what seems to be a shell game of shuffling around budgets here. I opened my remarks before by saying that there has been a disturbing pattern that more and more expenditures seem to be in the statutory category and not voted.

Let me just back up here and say that under the office of Infrastructure Canada there has been a decrease of \$2.5 billion from votable issues to statutory, that shift.

Now when all of this was transferred to the PCO, why would there not be a corresponding amount of money showing up in the statutory or votable items of the PCO? We seem to have lost track of that money or lost oversight of that money.

This is a big ticket item, and it worries me that under the same minister—I mean, the president of the Privy Council is the same person as the Minister of Infrastructure—this \$2.5 billion that we used to be able to vote on is now shifted neatly out of the purview of public oversight.

Am I reading this right?

[Translation]

**Ms. Karen Cahill:** Thank you for your question.

As I said earlier, unfortunately, the Privy Council Office has no vision of what the Department of Transport does. This information

would come from the chief financial officer of the Department of Transport. The Privy Council has no funding whatsoever related to that statutory item in its own statutory appropriations.

Those are usually very simple. They include benefits, wages and vehicle allowances for ministers and ministers of state. The PCO's statutory appropriations have not changed much over the past few years.

● (0935)

[English]

**Mr. Pat Martin:** Yes, I understand that. That doesn't help me to understand where we track this money, this transfer.

Are some of the office of Infrastructure Canada's voted appropriation now found in its statutory items? Can you help me to understand that, now that this all falls under you? I'm not explaining this very well at all, I don't think. I'll do a little more research on this perhaps, and we'll try to get down to the bottom of it ourselves.

It appears to me we have lost the oversight of a lot of money under Infrastructure. Then in July of last year, it was all transferred to the PCO from Infrastructure Canada, Intergovernmental Affairs, etc. The oversight or the responsibility was transferred to the PCO, but I don't see a corresponding transfer of accountability for that block of money.

**Ms. Michelle Doucet:** You are correct in saying that you don't see oversight from PCO for that block of money, because we don't have oversight for that block of money. I, as the chief financial officer, and Karen, as the deputy chief financial officer, advise the clerk and the Prime Minister on the appropriations we're seeking from this committee today, which are our main estimates, and then on any other funds that we would seek through the course of the year. We have done our best to explain those in the main estimates, and our RPP document has further detail on those.

We do not have accountability or oversight for the budget of Infrastructure Canada. Our function is limited to supporting Minister Lebel in his role as a minister in the PCO portfolio, specifically in the ministerial office function. That comes down to almost an internal services role for us.

Let me be a little bit more precise. I talked earlier about the support that we give to the minister of democratic reform. I believe Mr. O'Connor asked if we provide advice to the minister of democratic reform, and my answer was that we do. That's part of our mandate at the Privy Council Office.

Advice provided to Minister Lebel, as the Minister of Infrastructure, is provided by a separate deputy and chief financial officer and set public servants whose specialty that is. PCO's role in that would only come in if there were a proposal before cabinet that required our normal challenge function and coordination function and advice to the Prime Minister. As well, on a day-to-day basis, we make sure that Minister Lebel has a car and that we look after our part of supporting the running of his office. He also has folks in other departments who support him on that, too, and we coordinate with our colleagues in the Department of Transport to do that.

[Translation]

**The Chair:** I have to stop you there.

That concludes the first portion of our meeting. Thank you for being here.

Before I suspend the proceedings, I will call for the question on the votes, since this is our last meeting on the main estimates.

With your unanimous consent, I will group the 22 votes so that we vote only once.

Is there unanimous consent to proceed in this fashion?

[English]

**Mr. Pat Martin:** As long as you could have the record show that they are passed on division.

[Translation]

**The Chair:** Absolutely.

Since we have unanimous consent, I am going to group all the votes in the estimates into one vote here.

CANADA SCHOOL OF PUBLIC SERVICE

Vote 1—Canada School of Public Service—Program expenditures..... \$39,921,868

(Vote 1 agreed to on division)

CANADIAN INTERGOVERNMENTAL CONFERENCE SECRETARIAT

Vote 1—Canadian Intergovernmental Conference Secretariat—Program expenditures..... \$5,548,958

(Vote 1 agreed to on division)

CANADIAN TRANSPORTATION ACCIDENT INVESTIGATION AND SAFETY BOARD

Vote 1—Canadian Transportation Accident Investigation and Safety Board—Program expenditures..... \$25,757,380

(Vote 1 agreed to on division)

GOVERNOR GENERAL

Vote 1—Governor General—Program expenditures, the grants listed in the Estimates and expenditures incurred on behalf of former Governors General..... \$17,150,426

(Vote 1 agreed to on division)

OFFICE OF THE PUBLIC SECTOR INTEGRITY COMMISSIONER

Vote 1—Office of the Public Sector Integrity Commissioner—Program expenditures and contributions..... \$4,923,694

(Vote 1 agreed to on division)

Privy Council

Vote 1—Privy Council—Program expenditures..... \$105,754,626

(Vote 1 agreed to on division)

PUBLIC SERVICE COMMISSION

Vote 1—Public Service Commission—Program expenditures..... \$71,676,677

(Vote 1 agreed to on division)

PUBLIC SERVICE LABOUR RELATIONS BOARD

Vote 1—Public Service Labour Relations Board—Program expenditures..... \$12,501,779

(Vote 1 agreed to on division)

PUBLIC SERVICE STAFFING TRIBUNAL

Vote 1—Public Service Staffing Tribunal—Program expenditures..... \$4,891,908

(Vote 1 agreed to on division)

PUBLIC WORKS AND GOVERNMENT SERVICES

Vote 1—Public Works and Government Services—Operating expenditures for the provision of accommodation, common and central services..... \$1,786,071,771

Vote 5—Public Works and Government Services—Capital expenditures..... \$759,963,628

(Votes 1 and 5 agreed to on division)

REGISTRY OF THE PUBLIC SERVANTS DISCLOSURE PROTECTION TRIBUNAL

Vote 1—Registry of the Public Servants Disclosure Protection Tribunal—Program expenditures..... \$1,664,105

(Vote 1 agreed to on division)

SHARED SERVICES CANADA

Vote 1—Shared Services Canada—Operating expenditures..... \$1,176,098,834

Vote 5—Shared Services Canada—Capital expenditures..... \$216,592,917

(Votes 1 and 5 agreed to on division)

The Senate

Vote 1—The Senate—Program expenditures..... \$57,532,359

(Vote 1 agreed to on division)

TREASURY BOARD SECRETARIAT

Vote 1—Treasury Board Secretariat—Program expenditures..... \$231,214,433

Vote 5—Government Contingencies—Subject to the approval of the Treasury Board, to supplement other appropriations and to provide for miscellaneous, urgent or unforeseen expenditures..... \$750,000,000

Vote 10—Government-Wide Initiatives—Subject to the approval of the Treasury Board, to supplement other appropriations in support of the implementation of strategic management initiatives..... \$3,193,000

Vote 20—Public Service Insurance—Payments, in respect of insurance, pension or benefit programs or other arrangements..... \$2,260,002,208

Vote 25—Operating Budget Carry Forward—Subject to the approval of the Treasury Board, to supplement other appropriations for the operating budget carry forward from the previous fiscal year..... \$1,600,000,000

Vote 30—Paylist Requirements—Subject to the approval of the Treasury Board, to supplement other appropriations for requirements related to parental and maternity allowances..... \$1,450,000,000

Vote 33—Capital Budget Carry Forward—Subject to the approval of the Treasury Board, to supplement other appropriations for purposes of the capital budget carry forward allowance from the previous fiscal year..... \$600,000,000

(Votes 1, 5, 10, 20, 25, 30 and 33 agreed to on division)

● (0940)

**The Chair:** Shall I report to the House these 22 votes of the 2014-15 main estimates, less the amounts voted in interim supply?

**Some hon. members:** Agreed.

**The Chair:** On that note, I thank the witnesses for being here.

We are going to suspend for a few minutes to welcome other witnesses and talk about a different topic.

• (0940)

(Pause)

• (0945)

**The Chair:** Order, please. We'll reconvene the meeting.

In this second hour, we are turning to a completely different issue, or at least a slightly different issue. We are receiving witnesses who will provide us with information on our study on the government's open data practices.

Today, we are pleased to have two witnesses with us: first, Mr. Sharma, founder of XMG Studio Inc. and, second, Mr. McKay, head of public policy and government relations at Google Inc.

Each witness will have 10 minutes at most for their presentation, after which members of the committee will be able to ask questions related to our study on the government's open data practices.

Without further delay, you have the floor for 10 minutes, Mr. Sharma. Thank you for appearing before our committee today.

[*English*]

**Mr. Ray Sharma (Founder, XMG Studio Inc.):** Good morning. Thank you for the opportunity to address everyone this morning. I have a lot of content to cover so I'm going to jump right in.

I'm going to address some of the questions that I think are important to the committee's agenda.

I'll tell you a little bit about myself. I've had a bit of a “de-evolutionary” career. I started out on Wall Street and in Silicon Valley working for a firm called Credit Suisse First Boston. I repatriated back to Toronto to Bank of Montreal Nesbitt Burns, and JMP Securities. From there I went into the start-up world. Just as a quick overview of that—I won't even go into the stuff that I experienced on Wall Street and Bay Street—I'll focus more on some of my start-up investing and entrepreneurial activities.

For each of the logos you see on the screen, I was involved in the first start-up capital for each of those companies. Several of them went public. The only company that was an exception was a local Ottawa company, Bridgewater. I was involved in first capital for that business. Through Extreme Venture Partners we've been fortunate to have several exits. We sold a company to Google. Google has acquired five companies in the Toronto area alone over the last five years. We sold a company to Apple. That was Apple's first acquisition in Canada over the last 10 years. We sold a company to Salesforce.com, one of the Facebook billionaires. In total that has created about 1,000 high-tech jobs primarily in the downtown Toronto area, representing about \$75 million to \$80 million in annual salary.

I'll transition to talk a little bit about the app economy. This is a subject I've spoken about all over the world, including last year at the Milken Institute.

In Canada, a recent report published by the ICTC noted that the app economy had led to the creation of about 64,000 jobs and about \$1.7 billion of revenue, which will grow to an estimated \$5.2 billion by 2019. What's interesting about this statistic is that we often talk

about the strength of the games industry in this country and the fact that it's the third-largest employer in the world, yet the actual app economy already dwarfs the number of jobs that exist in the gaming sector of the Canadian economy.

Minister Tony Clement and I were fortunate enough to meet through a third party. Over the course of time, the minister found the courage to see that there was an opportunity to take this data in open data and present it to the world through a hackathon concept. It takes a bit of courage to be the Government of Canada and to be involved in something that's even called a hackathon. It has a bit of a strange name by it's very nature.

What we sought to do through this project called CODE, which stands for the Canadian Open Data Experience, was to create an event that would let the world know that this data—at data.gc.ca—exists and to talk to the opportunities that it represents.

We were fortunate enough to be partnered with a bunch of other individuals like OpenText, Colin from Google, as well as IBM—some amazing brands. XMG was involved because it's one of the companies I've been involved in starting up, and it's the company that's maybe closest to my heart, that I really love.

XMG was the creator of a hackathon called the Great Canadian Appathon. The Great Canadian Appathon has had four different iterations. We're on the fifth version. It's a national competition. It's the only one of its kind that unites all post-secondary colleges and universities. In the last GCA, we had over 35 colleges and universities participate across the country. The reason XMG does this and the reason I'm involved in this is that it's our way of giving back to the community, for those 1,000 jobs. We're a huge beneficiary of our phenomenal academic system in this country. The purpose of this competition was purely to educate students on how to develop code in a 48-hour competition. We never expected it to be as successful as it has been. If you do a quick search on it, you'll see that there have been hundreds and hundreds of points of media about this competition. It was really the foundation on which CODE was established.

We have a short video, but we can skip it. It hasn't been translated, in any event. It would just give us a flavour for what happened that weekend. You would see developers sleeping as they were working throughout the night. I have some pictures that I'll show in just a minute, which will hopefully do justice to the event.

When the minister and I started off on our little adventure of CODE, we were hoping to get 100 participants across the country and to really bring knowledge and awareness of this phenomenal treasure trove of data called open data.

• (0950)

The bittersweet result is that the Great Canadian Appathon is no longer the largest hackathon in Canadian history, but that's because CODE is now the largest hackathon in history, or at least in this country's history, with over 930 participants, 290 teams, and 110 apps created that weekend.

As you see in this next graphic, which is a geographical representation, we had participants from coast to coast in an amazing geographical distribution from B.C. all the way to the east coast in Newfoundland. I'm very happy with the result.

The next slide talks to an event we did on the Friday of that weekend. On that Friday, we brought in experts—again, from our sponsors, and people who were industry experts from all over the world—to basically educate the participants about open data and about the different opportunities. I gave a presentation myself about how to visualize this data, because data in its raw form is very difficult to consume, but the human interface is very important. Shown here are snapshots of the different participants from McKinsey and so on.

At 111 Richmond Street in downtown Toronto—also the offices for Google—there's a big data accelerator. This is where the participants, at least 100 or so of them, got together for a very intense weekend of coding. The result at the end of the weekend was some really good products and applications. It was a very intense time period for everybody.

I want to switch to why open data has such awesome potential, in my humble opinion. This next slide is a graphic that comes from McKinsey. It talks to the potential economic impact of open data. You may have seen this in the past. It came out in September or October of last year, in that timeframe. The statistic here talks about \$3 trillion in global economic impact of open data. That's trillion with a T, and it's a significant number. I want to talk a bit about what's driving this.

In the next slide, "The Power of Open Source", you'll see a bunch of graphics and images. I just want to touch on what these graphics are. Linux is the kernel upon which Android is based. It's an open source project that was openly developed by developers all over the world. MySQL is a database product that is the most popular database product in the world. About 25% of the world's databases use MySQL. The "W" shown here stands for WordPress. A tremendous number of the world's websites use WordPress. Mozilla is an open-source product; their CTO resides in Toronto. Wikipedia is the one that we all know very well.

In the next slide, we talk about the power of crowdsourcing. You may be familiar with Kickstarter, which is a venture capital type of phenomenon in which people's products are funded by the community. One thing you may not know is that Twitter has been a tremendous beneficiary of the crowdsourcing phenomenon. I'll give you some examples: "trending" and "what's trending", hashtags, and even the word "tweet" itself are all from the community.

There was one interesting point when Twitter tried to stop people from using the word "tweet". They actually said, no, it's not "tweet"; it's "Twitter". They eventually gave in and trademarked the word "tweet" and it is what it is today. Twitter is an unusual beneficiary. It's such a popular product that the users have been a large reason for why it's so successful.

A local example is Goldcorp. In the 2005 and 2006 time period, it had all this geological data. This may be something that you're already familiar with, but it's a tremendous story. They had this

geological data, but they were running out of funds. The company was about a \$100-million market cap company at the time. Then what happened was that they put out a half-a-million-dollar competition and put all their geological information out there on the web. Then some developers in Australia actually determined where the gold was located. Today, Goldcorp is the second most valuable gold company in this country.

Locationary is the company that Apple acquired last year. My best friend from university was actually the CEO of that company. When Locationary was acquired by Apple, they had 6.5 billion data sets about location information. Not only would this particular service say "this is the Parliament building and this is the GPS latitude and longitude", it would say whether or not there was Wi-Fi and whether there was accessible parking, and all of the other deeper pieces of information that you just don't find in the Yellow Pages.

If you've been watching what's been happening with the Malaysian airlines story recently, you've seen that the people of the world have all contributed to try to go through the satellite information to help determine the location of that particular tragedy.

● (0955)

Open data combines the best of both open source and crowdsourcing. It's interesting that the root word for both is source and that's why, I think, it has very interesting potential. However, before I turn to this next slide—probably my favourite two slides in the presentation are coming up now—if you have all this data, yet you do not have applications in which to present them, then there is unfortunately.... How can you get utility out of it?

When you look at entertainment on a per hour basis, you'll see that the reason apps are so successful is you'll look at movies at two hours at \$12.50 or \$13.50 for your experience. That's \$6.25 an hour. You can all do the math for these different things. When you talk about an app like Angry Birds and you're getting 20 hours of experience for a dollar application, you're talking about pennies per hour in terms of the cost of entertainment.

This next slide I'll skip through very quickly, but it shows you.... If you look at the bottom graphic, it took AOL nine years to get to one million users; Facebook, nine months; and this app called Draw Something, nine days.

Just last week, I was part of the committee that was put together to put in a report for the Ontario government on their open data initiative. I'm happy to talk about those results in the Q and A. That's the most recent and comprehensive report on open data. It was published last Thursday and the URL is indicated there. I would encourage you to look at it. We did look at best practices around the world, and I'll try to address the answers to these questions during the Q and A, out of respect for time.

In conclusion I would say that the Canadian government is one of the world leaders when it comes to open data. Certainly within Canada there are some pockets of leadership: the City of Edmonton, the B.C. government. I did study the U.K. government, the Australian government, the Indian government—a whole bunch of governments around the world—to see where we stand.

Lastly, I know transparency is really important to a lot of people in this room and Canadians, but I see the biggest impact is in productivity. We can elaborate on that in the question and answer period.

Thank you for your time.

• (1000)

[*Translation*]

**The Chair:** Thank you.

Without further delay, I give the floor to Mr. McKay, a representative for Google Inc.

Mr. McKay, you have 10 minutes.

[*English*]

**Mr. Colin McKay (Head, Public Policy and Government Relations, Google Inc.):** Thank you very much, Mr. Chair, and honourable members of the committee. Thank you for the opportunity to speak with you today.

I just want to recognize the work that Ray has put into advancing open data in Canada. He mentioned the success of CODE and the efforts of his hackathon, but really his team has put a lot of effort into it. It's really through his dedication that the hackathon was a success and that we've moved forward to this part. I'm glad to be sharing a table with him

Ray closed off with productivity, to which I'll largely be speaking today—the use of open data and government data by both individuals and members of the private sector to create businesses and increase the productivity of Canadian businesses. There's real promise inherent in making government data open to individuals, groups, and businesses. As Ray hinted, with the right data and effective analysis, individuals can make better choices about their education, their health care, home purchases, investing in their businesses, and even such mundane tasks as their restaurant choices.

We now live in a world where a free and open Internet can connect every Canadian to the data, services, communities, and customers we value no matter where in the world. That's important. We're talking about technology and networks that allow Canadian businesses and Canadians as citizens to make contact with their colleagues and their counterparts around the world. Data-driven innovation, the ability to derive insight and influence decision-making, is now available to us all. Government data can inform and guide our decisions as individuals, businesses, and governments, especially when it's correlated with experience in other countries and compared with data available from other governments.

I'm very glad to see this committee taking an interest in making government data open and available to all. I appreciate the opportunity to contribute to your discussion.

Let's take a moment to remember life as it was before we had access to these networks, tools, and data. Think about weather forecasts. You could find them in three places: the upper right-hand corner of the morning newspaper, the 6:30 p.m. local news broadcasts, and on the radio on the nines or on the elevens, depending on where you lived. Now stop and think, when the last

time was you were caught in a rain shower or truly surprised by a sudden snowfall—last Sunday excepted.

What about maps? Remember the epic Griswold family-style vacations, paper map in hand and near daily confusion about which turn to take on the highway? Today who doesn't have immediate access to traffic and construction data about any route they choose to take today or tomorrow?

Obviously, both weather and maps are shining examples of how government data, when used imaginatively and taking full advantage of today's technology, can have a significant impact on how we live our everyday lives. An important point is that I've described consumer experiences to you, but technology has greater impact and creates greater efficiencies among our businesses who depend on weather and traffic reports to run really efficient logistics chains.

In Canada we often look to our past when setting economic goals. We're global grain exporters, we're lumber barons, we're nickel magnates, we're car manufacturers, we're telecom giants. Thanks to data, technology, and the Internet, these industries are being revolutionized and new ones are being created, as Ray mentioned. Stop and ask a farmer how weather forecasting, local mapping, soil analysis to a square metre, and market forecasts have changed their business.

I'd like to bring up the example of the famine early warning system, which is a 25-year-old project by organizations like the national oceanic administration in the United States and NASA. They use data that they collect through satellites to anticipate drought, subsequent agricultural market collapse, and famine conditions in 35 developing countries, all by analyzing bundles of government data and making that available for free, and publicly, to those 35 developing nations.

Similarly, researchers used 10 terabytes of data on mobile phone usage in Rwanda to understand the role that mobile phone payments play in the Rwandan economy and the social patterns of payment sharing within those communities.

Ray mentioned some numbers around how much of an impact open data can have on your economy. The open data provided by the U.S. National Weather Service supports a private weather industry worth over \$1.5 billion per year. Here in Canada, Pelmorex and others run similar services available to consumers and businesses.

When the government decides to open up its data to public review, analysis, and reimagination—importantly, “reimagination”—it effectively asks the community how that data can be used better.

• (1005)

Local entrepreneurs use it to create transit apps, track infrastructure investment—or infrastructure non-investment, in many cases—and better understand the economic, social, and security challenges in their neighbourhoods.

In making economic, market, and scientific data available, businesses can make more informed decisions about their investments, their products, and the markets they choose to enter, both in Canada and internationally. Open data helps translate individual initiative; that is, the sort of person who obsessively attends an appathon, a hackathon, has an idea about a social policy or an economic policy challenge, and wants to use the data available to derive insight and deliver a product to their consumer. They translate that initiative into business opportunities, into jobs, into that most elusive of economic drivers: innovation. After all, that's why we're all very excited about appathons and hackathons. They're the very representation of an innovative spirit and a concentrated energy.

Now, what does that mean in terms of real economic impact? The European Commission estimates the aggregate direct and indirect impact from open data applications in use across the EU is 140 billion euros a year. It's important to remember that's direct and indirect, because within that we have both the direct impact for the consumer, businesses, as well as the productivity gains, as well as the efficiency gains across both consumer and business applications.

Open data also sets the stage for greater efficiency in other government programs. In both the United Kingdom and the United States, the government is looking to health data as a source of inspiration for better program management and improved citizen services. How do you overlay data about infection rates in clinics versus length of stay at hospitals, versus frequency of infections to viruses, and then derive insight on how you anticipate health challenges within society, and therefore reduce the long-term costs of reacting to those health care challenges, rather than simply being in a reactive health care system?

As I noted earlier, innovation and entrepreneurship are at the heart of any strategy based on open data. Gone are the days when government held data close to its chest, developed a range of options, and advocated within Ottawa's own hallways for the best course of action in the face of a given policy challenge. Given access to the same information, community members can often do this in a more effective, more innovative, and less costly manner than the government could on its own.

The role of government then, in my opinion, is to develop open data policies that will best serve those outside of government, who are best placed to make use of open data, maximizing its value to the public. As I see it, there are three main elements to ensuring that an open data policy will be robust and effective.

First, open data initiatives with strong political and bureaucratic support achieve higher maturity and better results. Ray mentioned that he was working on the Government of Ontario's open data plan, and mentioned examples in other countries. I differ slightly with him in that I see that the U.S. and the U.K. are considered leaders on open data policy. Both countries have committed substantial resources to the pursuit of open data and have placed responsibility for driving these policies in the hands of senior members of the executive. They are transparent about their goals and their success in achieving them.

The good news—as Ray points out—is that Canada is catching up. Though we started work later than the U.K. and the U.S., we are making progress in encouraging the private and public sector to take

advantage of open data. The federal government's data portal hosts close to 200,000 data sets. It is engaged with the international Open Government Partnership and signed on to the G-8 open data charter. Just last month, it committed \$3 million to a new Open Data Institute. In Vancouver, Edmonton, Ottawa, and Montreal we see that municipal data is empowering transit infrastructure and democracy activists. The governments of British Columbia and Ontario are taking concrete steps to build relevant open data strategies for their citizens.

The second essential element of open data policy is fairly straightforward: make the data useful. I mentioned 200,000 data sets. You'd be hard pressed to identify a number that people actually find relevant to their policy challenges. Open data needs to be relevant and accessible. The government needs to focus its efforts on identifying and making available the kind of data that generates the most interest from users and will have an impact.

It's certainly worth highlighting that any open data needs to be regularly updated. Innovators, whether in the community or in business, need to know that the core data they are basing their projects on will not slowly grow obsolete.

● (1010)

Last, but certainly not least, the third key element is encouraging user participation through appathons, through hackathons. But importantly, it boils down to making sure that the people who use the data are able to contribute to policy discussions that affect their lives over the long term.

As this committee considers the value of open data and how Canada should move forward on open data policy, I encourage you to keep these key elements in mind. Obviously, I could speak for hours on open data, but in the interest of time, I'll wrap up my remarks with one closing thought.

From my point of view—and obviously I represent Google, and I represent somewhat of an exceptional point of view—Canada is in the process of economic transformation. Data innovation is fuelling innovation in every sector of our economy, from the most traditional resource industries to our world-leading health care providers. In the past six months two Canadian online platforms have been valued at over \$1 billion. These are companies that did not exist six years ago. The government has traditionally had the resources and interest to invest in data sets with economic and social relevance to all Canadians and in specialized data that is extremely valuable to specific industries. It must recognize that, by dedicating the resources to unlocking this data and making it easily available to all, it could trigger innovation at home, in our community, and across our business community.

Thank you.

[*Translation*]

**The Chair:** Thank you for your presentation and for keeping to the time constraints.

We will now move on to questions from committee members.

Ms. Day, you have five minutes.

[*English*]

**Mrs. Anne-Marie Day:** Just on time....

[*Translation*]

Welcome. Thank you both for being here. You represent an important symbol for many Canadians.

As you know, our study is looking specifically at data that can encourage economic growth in an information economy. It's really quite specific.

What kinds of expenses do you think a system like the one Canada is putting forward will require? What kind of investments need to be made for this sort of approach to be successful? What is the cost of designing and maintaining this system?

**The Chair:** Would you like to specify who your question is for?

**Mrs. Anne-Marie Day:** Mr. McKay.

[*English*]

**Mr. Colin McKay:** Okay.

I think the question is dedication of resources within the bureaucracy. By that I mean that, as I brought up in the example of the U.K. and the U.S., they've identified people with specific digital skills and an awareness of the importance of open data, and have encouraged them to work with departments to recognize which data sets are valuable to both citizens groups as well as businesses, and work with them to format the data sets in a way that's accessible and open to all.

There are maintenance costs involved in identifying the data sets, maybe translating them from the way they're stored right now, which frankly is often quite inaccessible to the outside world, and that's a recurring cost. But really it's about getting the focus of policy analysts and the people who own responsibility for that data within the departments and recognizing that they need to look outward when they are collecting the data, when they're preparing it, and

when they decide how to make it available. They need to get into an open mindset where they realize they have two communities to serve with these data sets: internal departmental analysts, as well as the outside community.

The investment is not tremendous when you're talking about data sets that have already been created and that are available within departments. It's rather a change in mentality and it's a change in procedure for a lot of these departments. The Government of Canada has already put in the tool to distribute them through the open data portal and has already demonstrated they've had engagement from the community. The question is how to do this over the long term and how to do it in a way that both the community and businesses recognize as sustainable.

• (1015)

[*Translation*]

**Mrs. Anne-Marie Day:** I have a question about economic development. Take Japan and its nuclear development, for example. Economic development encourages companies to establish themselves, but at the same time, there is cross-tabulated data. Certain events, such as earthquakes, can have an impact later.

Are cross-tabulated data taken into account when our system is being developed? I don't know which of you I should ask to answer the question.

[*English*]

**Mr. Ray Sharma:** Earthquake data is a good example because it's one of the few real-time data sources that exists within open data. One of the biggest challenges within the different government layers is the unification of standards and protocols. The federal government is taking the leadership role, and in the Ontario government report that we released last week we actually advocate following the federal government policies when it comes to this one regard. In terms of the reason why that's of importance, I'll give you the example of a developer in St. Catharines who was developing a municipal traffic application, but outside of the city of St. Catharines they could not provide continuity to adjacent townships like Welland. So having a unified standard is of importance so that people can string together the different jurisdictions.

You asked a question earlier about how much money will be required for the development of some of these companies. I think you were looking at it from a government perspective. I just wanted to state to you that the one company, Xtreme Labs, which has 400 of those 1,000 employees, which was acquired by that Facebook billionaire gentleman, was started up by us with \$300,000 invested capital. The beauty of the investment required on the application side is that sometimes it's as low as in the hundreds of thousands of dollars to develop. In fact, of the 15—last Friday was when we announced the winners of the CODE hackathon—several had already been approached by venture capitalists for investment, and the dollar amount is literally in the hundreds of thousands of dollars to get these things going.

[Translation]

**The Chair:** Thank you.

Your time is up, Ms. Day.

Mr. Aspin, you have five minutes.

[English]

**Mr. Jay Aspin (Nipissing—Timiskaming, CPC):** Thanks, Chair, and welcome, gentlemen, to our committee to help us with this interesting subject.

I'm going to try to work in a couple of questions for both of you. I'll begin with Mr. Sharma.

Could you tell me, Mr. Sharma, how your company has benefited from open data? How can other companies do the same?

**Mr. Ray Sharma:** We really got involved with CODE and this particular event to give back to the government community. Similar to how we felt we were the beneficiary of the academic community, which was the reason why we created GCA, we got involved with CODE because we're a huge beneficiary of programs like SR and ED, and the media tax credit program in Ontario. So the truth of the answer is that we have yet to benefit from open data as a company, XMG in particular. But what we're hoping is that through our leadership and through showing these application examples we could try to marry up the industry with the entrepreneurs, and they would take it from here and exploit the opportunities.

**Mr. Jay Aspin:** Along that line, how do you think we can get more companies to work with the federal government on open data?

**Mr. Ray Sharma:** That's exactly what I'm trying to accomplish by spending my time and effort and energy on this. I went to Vancouver and I met with about 20 venture capitalists there. The way I've been doing it is through the venture capitalists and the investment angle. My hope is that through them, they will work with the entrepreneurs, and the entrepreneurs, combined with the VCs, will be the ones who can exploit the opportunity within open data.

**Mr. Jay Aspin:** Very good.

To you, Mr. McKay, what are some of the specific and tangible benefits that industry has seen from the Government of Canada's open data initiative? I realize it's early in the game.

**Mr. Colin McKay:** As Ray was just discussing, we're at a transition point where open data for the past six to seven years has been the interest and obsession of people who have very specific policy challenges: they want to fix potholes; they want to get better transit apps; they want to track infrastructure investment. In some cases, the geospatial information and weather information that's been available to them has been translated into business apps for the agricultural community and for logistics companies.

But we're really in a transition where we need to find a mechanism through which people who have ideas based on the data sets they see available to them can translate that into nascent businesses and can see a viable growth pattern for themselves. That challenge is both based in finding venture capital and firms that are willing to invest in an idea and a team of three or four or five, but also being confident that the data sources upon which they rely that are being provided by the government, among other sources, are dependable, are

consistent, and will be available to them in coming years. So they need to see maturity among the data sets and the data available.

• (1020)

**Mr. Jay Aspin:** Very good, and would you see the release of all this data as a step towards transparency and openness? How would you characterize it?

**Mr. Colin McKay:** From the point of view of a public policy wonk, I would say any release of data sets that have traditionally been held in cabinets, in government buildings, is a step towards transparency, and certainly in releasing data you provide essential nutrients for the growth of strong policy ideas in the public, which offers both a challenge and an inspiration for the government in identifying policy options that would benefit Canadians.

**Mr. Jay Aspin:** Thank you, Chair.

[Translation]

**The Chair:** Mr. Martin, you have five minutes.

[English]

**Mr. Pat Martin:** Thank you.

Thank you, both, for your very helpful presentations as we get started in trying to get our minds around this expansive issue. I was just saying to my staff that I wish there were more people under 30 around the table because some of us who are my age, with all due respect, are struggling to even get our minds around some of the concepts that you're introducing to us.

You've been very good about pointing out some of the commercial opportunities, the business elements to this, but I start from a fundamental principle that the public has a right to know what their government is doing with their money. The public has a right to see research done by the government. It was their tax dollars that paid for it and it was their permission given to the government to create it, and therefore it shouldn't be hoarded. It shouldn't be like pulling teeth trying to get information out of the government, but that has been the experience, and not just with this government. That's been the pattern. Secrecy is an important default position of government and information is to be rationed out in a very selective way.

So my question to you is, when we do adopt the default position of openness rather than the default position of secrecy, who's going to make sure that everything is being released? Who's to say that government still doesn't hold back a research paper that they did that might be contrary to some of their policies, or embarrassing even? I'm not saying they should release cabinet confidences and private information, but there's a lot of research done and there have been accusations that a lot of scientists have been muzzled recently if the results of their research aren't quite what the government wanted to hear.

Should there be an independent third body somewhere that makes sure that it's truly open and that information is being released?

Ray, I see you're nodding with interest in that.

**Mr. Ray Sharma:** I think this is an excellent question. This is a question that we should keep in the back of our minds throughout this entire process. So the title of the Ontario government report is “Open by Default”, and I think the way we should look at the data sets is that first we should screen them for security and privacy concerns. There's server technology that exists. None of it is 100%, by the way. As long as you have a gateway and you have an interactive channel somewhere in the system, you have the opportunity for exploitation. It's just fundamental. But if you adopt these security and privacy scrubbing capabilities, outside of those two—call them screens—then data should be open by default. That's our position in the provincial report.

What's ironic is the number one user of this data, at least in my estimation, is going to be the government itself. When I was presenting to 51 different agencies not too long ago with the CIO of government, I was talking to them about how they could use open data, and I was using that as a way to get them to see how they could benefit from this phenomena. Initially, they were resistant to release this information. It puts them at risk of embarrassment. There's a possibility the data is inaccurate.

**Mr. Pat Martin:** It goes against the best instincts of most bureaucrats, frankly.

**Mr. Ray Sharma:** Right. That's why it needed to be pointed out, so they could see how they could potentially benefit from this.

One thing I think Colin can speak to phenomenally, with his unique perspective—I'll pass it over to you, Colin—is that when you combine open data and the transparency that it represents, along with social network feedback, you could really change the way government governs, potentially. I don't mean to say anything outside of my expertise, but if you think about that combination of transparency and the feedback loop that social networks represent, it will create a circular connection of information and communication. It may sound a little bit cliché, but I think communication plus information equals revolution.

I'll pass it over to Colin to see if he could expand on that.

• (1025)

**Mr. Colin McKay:** You mentioned at the beginning of your remarks the age of the people in the room—and I'm probably in that demographic as well. I think it's a process of culture change, but it's not age based. It's about your approach and the way you conduct your work.

Within the government, we're slowly seeing a culture of innovation and openness develop among small segments of the population, people who are interested and compelled to use these tools in their everyday work.

As we move to a process whereby we abandon the traditions and the habits of the 20th century, where we believed there was a room where the six policy analysts who understood this issue the most held all the information and were the people most capable of determining the proper course of action for the country, to a model where those six highly skilled and highly informed people are charged and energized with guiding a much broader conversation, whether it's within Ottawa or across the country, and pulling in inputs externally and analyzing and presenting them within context for the government, we'll get to a place where that sort of oversight

may not be necessary. We'll get to a mechanism and a habit whereby open government and the creation of truly open public policy options for deliberation by a larger community will help inform the government's decision-making.

[Translation]

**The Chair:** Thank you.

Mr. Hillyer, you have five minutes.

[English]

**Mr. Jim Hillyer (Lethbridge, CPC):** Mr. Sharma, when you were giving your presentation, it seemed as though you had a little less time than you had hoped to cover it. Do you want to expand a bit on the last slide you were on, Ontario?

**Mr. Ray Sharma:** Thank you so much for that. I apologize for how fast I went through all that information.

This will also connect to the question Mr. Martin asked about how we can enable the maximum benefit of this whole initiative for the government and citizens.

One of the things I wanted to communicate by crowdsourcing, that whole concept of putting it out there to the crowd, is that as long as you can provide us the information and the data, the community will find a way to exploit and make use of this data. That's the power of crowdsourcing. That's the power of hackathons, because you do not know what they will come up with.

I want to tell you about some of the applications that came as a result of this CODE event.

One young woman from the University of Toronto created an application that measures all the air quality, carbon dioxide, etc., in every city across the country. Another person made an application targeted at immigrants. It allowed them to look at their education and their demographic, and decide where in Canada it would be optimal for them to immigrate. Another application I worked on looked at tuition costs across the country. You could see how much a psychology degree costs at the University of Calgary, how much it was at another university on the east coast, and the average salaries for a student coming from those programs, so that you could determine your return on tuition investment.

Colin touched on the opportunities with some examples. I was smiling during his presentation. Some of the things he said were quite profound, if he had the time to explain them further. The number of little ideas that can emerge from open data is way beyond the imagination of everyone in this room. I assure you of this. We need to do some things to help this happen.

Colin also mentioned that a bunch of the data sets are not that useful in a sense, and that is true. We went through thousands of the data sets to highlight 50 or 60 that would be useful. The more the data sets can be in real time, the more useful they will be for the users.

The government is already working toward other things like the unification of standards. These things are of critical importance.

**Mr. Jim Hillyer:** In terms of these hackathons and open-sourceathons, etc., I think you're right that we can trust people to make up stuff. We don't have to push them in any direction. We'll just present the data and ask them to think of something.

How can we get more non-techies like me to weigh in? I may not be able to look at data and say I know how to do this, that, and the other thing, but I may be able to say I would like.... It seems as though right now we're inviting mostly techies to be involved. How can we get other people involved who may have great ideas?

• (1030)

**Mr. Ray Sharma:** There is going to be a natural evolution in this market. As with any technology sector, we'll go through a period of hype. We're not quite there yet, but there will come a time when the opportunity will get overestimated in a sense, and it will go through a natural cycle.

In the maturity part of the cycle, you'll start to see tools being developed by independent developers that will make the development of these technologies easy to use, even for the layperson. There's a product on the market called GameSalad. With GameSalad my nine-year-old son was able to create an Angry Birds look-alike in 15 minutes. If you can use PowerPoint, you can use GameSalad.

**Mr. Jim Hillyer:** GameSalad...?

**Mr. Ray Sharma:** GameSalad.

That type of product doesn't necessarily emerge in the early part of a cycle. It will emerge in the more maturing part of the cycle.

**Mr. Colin McKay:** An important addition to your point is that any organization is not overloaded with technologists. Ray's company and mine are exceptions. So the expectation is not going to be that society has to ramp up and learn programming languages and applied mathematics. In fact, adopting these tools will be the most profitable and the most useful for us.

As Ray mentioned, we're going to get to a phase where both identifying an idea and then finding a way to implement it become much easier, because—you're right—at the moment products are created by truly obsessive and dedicated individuals who have a very specific goal in mind, which is extremely admirable, but we need to see widespread adoption across the entire economy and across our whole society.

[Translation]

**The Chair:** Thank you, Mr. Hillyer. Your time is up.

We will now go back to Ms. Day for five minutes.

**Mrs. Anne-Marie Day:** Thank you, Mr. Chair. I am pleased to have the floor again.

I have two questions.

In your opinion, what are the success factors that would make data.gc.ca really favourable for our companies and our economic development?

Also, what would be the right way of evaluating data.gc.ca so that it is constantly up to date and people have access to the right data at the right time?

[English]

**Mr. Colin McKay:** I think in my discussion I already mentioned the ready accessibility of data sets that are relevant, well structured, machine readable, and regularly updated. I think one of the key measurements, luckily for everyone, is the actual use of the data. The data portal itself has unlocked this information from cabinets and from offices and has freed it from bureaucratic restrictions. We can, today, go and see which data sets are actually downloaded and used.

The transition from making them available to making them useful will be harder to measure, because that will involve measuring both how often they're downloaded and how they're used from the portal, as well as trying to get an impression of how Canadian citizens are benefiting from that data. That in some ways is a hidden productivity gain and a hidden efficiency gain.

We already see examples elsewhere in the world that whether crowd-sourced or developed by a business for a specific commercial purpose, applications do create markets and do identify revenue streams and customer bases in very sizable numbers, with great relevance.

There's an opportunity here. The metrics will be developed alongside the opportunities.

**Mr. Ray Sharma:** There are a couple of intangible ways to measure success, at least early on. The fact that the CODE hackathon had so many participants is actually a very good sign. It's a lot easier to get people to develop code for a game than it is for something like open data. The fact that the participation rate was that high was a good early indicator.

A couple of months ago I actually nominated data.gc.ca for an award for its excellence. You'll see, I think, that it is recognized internationally and where it stands.

Actually, I strongly agree with something, Colin.... Maybe I misspoke earlier. I would say that the Canadian government is one of the leaders, but not the leader. On balance, it's maybe in the top three to five worldwide when it comes to the open data initiative.

There is one thing the U.S. does. Colin has pointed to the U.K. and the U.S. I would agree that those are two of the leaders we can learn from. The U.S. government has this site called Challenge.gov. If you have not seen it, I would strongly encourage everyone to take a look at it as a reference point. You'll see things there such as NASA putting up a \$15-million challenge. If someone can help them improve battery life on their Mars rover, NASA will give them \$15 million, because that will save NASA \$100 million. There are many examples of that type of thing. The Department of Energy is doing stuff. It's just taken off. Now they have this website—Challenge.gov—that allows government bureaucracies to benefit from putting these challenges out there.

To specifically answer your question, over time the way we'll be able to measure its success is by looking at the number of times the data is pulled from the website. Every time somebody pulls on the data, it'll result in something called an "API call". That's a technical term, but it just means the number of times they're accessing the data. As we track the number of times the data is accessed over time, we'll be able to see whether or not this is a successful initiative.

•(1035)

**Mr. Colin McKay:** Just to add to that point about Challenge.gov, kaggle.com is how the private sector conducts exactly the same experiment. They put up challenges for business questions and ask statisticians and data experts to help them solve them for financial awards.

[Translation]

**Mrs. Anne-Marie Day:** You spoke about positioning. My understanding is that, with Google, the more a site is visited, the better chances it has for appearing in the top 10 or 20 hits when someone does a search.

Government data are beacons of knowledge, since our public servants and our research centres are interrelated. I think people have access to mapping by satellite, which provides a great deal of information.

How can we make this data more popular? How do we get Canadians to use data in the many portals of cities, provinces and the federal government? How do we ensure that this data is not completely forgotten and the most interesting economic data appear easily and enable our employers to be informed and our businesses to grow?

[English]

**Mr. Colin McKay:** Once again we're in a typically Canadian conundrum. There's a small number of companies that already understand this and are looking to the data portal to improve and to provide them with information that they can use in their business practices—in many ways they are. But there are also a lot of individuals and businesses in Canada that really haven't grasped onto the potential of using the tools and the technology available to them.

Ray mentioned the simplicity with which you can scale up your information technology services without a substantial investment thanks to open source software, thanks to online services, and thanks to ready access to the Internet. They haven't seized on the value of data in helping them make decisions, whether that's at the government level or the commercial level.

I'll point to the most frequent interaction we have with government on open data at Google, in a product we call "crisis maps". This is a service we provide when there's been a substantial crisis. You mentioned nuclear radiation, such as after Fukushima. Our local team of Googlers jumped on the opportunity to provide information to the victims and families of people who suffered in that crisis. In the case of Fukushima, we took our map product and overlaid our street view imagery and our geospatial imagery so that the first-response rescuers would have a very effective idea of where they could and could not go.

We then overlaid data we got from the Japanese government about radiation exposure. We overlaid data from the responders about where to find the retreats and the rescue centres where people had been evacuated to, and for individual Japanese we created a site called "Person Finder" where you could type in your relative's name and see whether they were in a specific rescue centre, or if they had unfortunately been identified as a victim of the tsunami.

It's in that sort of crisis point where you have five or six days to go to hydro companies, to go to local municipalities, to go to the

nuclear authorities and ask what data they have available right now that is relevant to the crisis that can be overlaid on that map and made available to the public. It's "real-time", as Ray said. That really pushes people to realize the impact of this data on their everyday lives.

What we find after those crises is that engagement is longer term. That's the sort of thing that encourages Calgary to move to open data. That's the sort of thing that has in the past encouraged the U.S. to make their open data sets available, because they've had a crucible point.

•(1040)

[Translation]

**The Chair:** Thank you.

I have to stop you there to give the last five minutes to Mr. Trottier.

[English]

**Mr. Bernard Trottier:** Thank you, Mr. Chair.

Thank you, guests, for being here today.

You mentioned some examples of the kinds of customers for open data. You talked about a couple of municipal examples, such as transit and traffic.

I'm trying to think of customers of federal government data. We think of fishers and farmers and miners who have dealings with Fisheries and Oceans Canada or Agriculture Canada or Natural Resources Canada. Based on your discussions you've had with different players in the Canadian economy, who expresses the greatest need for more government data?

I'll give you an example. You talked about productivity. If you're a fisher and you require some historical map information from way back in the 20th century, you'd go to one of these libraries and put in a request. You'd lose a day of fishing to get there, and you'd get a paper map. Today they want that instantly, and they want it online, and they want it accessible from a boat via satellite.

There are benefits in government operations; it's more efficient and so on. But there are also huge benefits for the customers.

Who are the customers out there that are asking for federal government data?

**Mr. Ray Sharma:** Presently the most popular data sets are the immigration data sets. You'll find that more than half of the top ten data sets are immigration data sets by nature. If you think about it, there will always be at least several million international folks who will be interested in what's going on with the latest trends in immigration. The biggest subset of data sets of the 200,000 is natural resources. About 80,000 to 90,000 of the data sets are in that world. So the way you framed the question is very appropriate given that it seems to be where a lot of the data sets are coming from.

One of the key points in the Ontario report that I think I would be remiss in not strongly emphasizing here today is that we really need to start thinking of data as a public asset. It is not only incumbent upon us to look at it from a transparency perspective but this data, just because it's intangible, does not make it of any less worth than a physical asset. It is an asset that belongs to the people and we should be doing things—this goes back to Mr. Martin's question earlier—to ensure that the government is preserving the data. The day we announced the report it was completely washed away by the gas plant scandal, because that's all that people would talk about that particular day. But that points to the whole centralized issue of data as an asset.

We have to find balance because Google's an awesome company, right? How many companies can build a multi-hundred-billion dollar business from free Gmail, free Google search, free everything? It's awesome. One of the things Google is doing right now is that they are 3-D mapping the world, so for highways and overpasses they're making 3-D representations of these physical assets.

The question becomes, is that a public asset or is that a corporate asset? We don't want to discourage Google from doing something that's so awesome like that because it is in the interest of the public. At the same time, the government is producing data that should be considered an asset of the people. You know, we're going to have to find that balancing act, I think.

**Mr. Bernard Trottier:** Okay.

What about you, Mr. McKay, in terms of customers who you have encountered, people saying, we want more data from the government?

**Mr. Colin McKay:** I think Ray, in his examples points out—once again I'm coming back to the transition point—that there are some easy victories, which are natural resources data, which for Canada are extremely valuable. It's traditionally been the sort of data that companies have had to collect themselves and have had to make heavy investment in in order to get to a point where they can arrive at a natural resources discovery, whatever the sector they're in. Those

data sets being collected by the government and being made available by the government will help those traditional industries grow.

But the transition point is that there's much more esoteric information. So, for example, I'll admit to being a cross-border shopper and I access cross-border wait times on a horrible website. It's a brutal 1998 HTML framework website that isn't useful to me and I have to scroll. This is information that's not just useful to me as an individual but to the hundreds of thousands of cars and trucks that are actually conducting business across the border every day. It's information that if made more easily available to logistics companies, to our manufacturers, allowing them to make decisions about which border crossing was the most efficient, and it importantly provided that analysis over time, would inform infrastructure investments, would inform routing decisions on their part. It's the sort of data analysis that firms like Purolator and FedEx and UPS already make every day. But it's also information that's so easily available it could help inform many of the much smaller companies that also co-exist along our shared border.

● (1045)

[*Translation*]

**The Chair:** Thank you, Mr. Trottier.

[*English*]

**Mr. Bernard Trottier:** Thank you very much.

[*Translation*]

**The Chair:** It is 10:45 a.m. and that is the end of the meeting.

Thank you both for being here and for sharing your expertise. We will be pleased to share the results of our study with you.

I would like to thank the committee members for being here. On that note, I adjourn the meeting. We will meet again on Thursday at 8:45 a.m.

The meeting is adjourned.





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