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Chair

Mr. Pierre-Luc Dusseault

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•(0845)

[Translation]

The Chair (Mr. Pierre-Luc Dusseault (Sherbrooke, NDP)): Order, please. We will begin the 28th meeting of the Standing Committee on Government Operations and Estimates.

Today, we are beginning our study on the programs and activities of the Canadian General Standards Board.

Joining us at the first meeting of this study are two representatives of the Department of Public Works and Government Services, Mr. Sobrino and Mr. Gray. They will have an opportunity to make a presentation. Afterwards, the committee members will be able to put questions to them.

I will first give the floor to Mr. Sobrino and Mr. Gray. I want to thank them for joining us this morning to tell us about the Canadian General Standards Board.

Go ahead.

Mr. Pablo Sobrino (Associate Assistant Deputy Minister, Acquisitions Branch, Department of Public Works and Government Services): Thank you, Mr. Chair.

[English]

Good morning. I am pleased to appear before you today to discuss the Canadian General Standards Board, or CGSB, and how it engages Canadians in developing standards and providing conformity assessment services to meet the national interest.

[Translation]

With me is Desmond Gray, the senior executive responsible for the Canadian General Standards Board, or CGSB, one of the organizations under his direction, within the Acquisitions Branch of Public Works and Government Services Canada.

[English]

CGSB was created 80 years ago this year in 1934 to develop specifications and standards in support of government purchasing. It is the only federal organization with a mandate to provide standards and certification services. These services are provided in support of Canada's federal procurement, health, safety, trade, socio-economic, regulatory, and environmental interests.

CGSB develops standards in response to clear needs identified by Canadian stakeholders, such as government departments, industry, and consumers.

[Translation]

The Canadian General Standards Board does not itself write the standards, but rather manages a process to bring together the groups and organizations that have the knowledge of and interest in the standards, including manufacturers and users.

[English]

To do this, CGSB leverages a network of over 4,000 people, including technical experts, consumers, industry, academics, regulators, and others, who volunteer their time and expertise to develop standards and keep them current. This work also supports Canadian innovation and the Canadian economy.

Part of CGSB's role is to ensure that no one interest dominates the standards writing process. It does this by establishing an appropriate balance of members on technical standards development committees. In addition, the standards development process is open, fair, and transparent, to ensure various interests, including the Canadian public, have a voice, and that all views are considered and addressed.

CGSB has developed and manages over 300 standards in a wide range of areas. These include: petroleum, the CGSB standard for aviation fuel provides requirements for the composition, additives, testing, and inspection of fuel; protective clothing, for example, the CGSB standard for protection of firefighters' bodies against adverse effects during wild land fires; organic agriculture, which defines general principles and permitted substances, so that products that are certified to this standard can be labelled organic; construction, such as radon mitigation and glass. These construction standards are referenced in the National Building Code, which is the model code used by provincial-territorial building codes.

[Translation]

Recently, a new standard was developed for research ethics boards, which are required in Health Canada regulations for approval of clinical trials. The standard provides research ethics boards in Canada with a common platform for their governance, membership, operations, ethics review processes and quality management. CGSB was also recently approached to develop a standard for psychiatric service dogs. These dogs may be used to assist people with post-traumatic stress disorder, for instance.

The Canadian General Standards Board also offers a certification service when there is a need for a third-party, independent verification process to ensure that the products and services meet specific requirements. Certification allows suppliers to demonstrate that their products and services have been tested and meet the quality and performance characteristics the standard requires, providing assurance to buyers that the products and services will perform as expected.

● (0850)

[English]

Let me give you another example. The Department of Fisheries and Oceans designates private sector observers to monitor fisheries activities, such as the type and number of fish being caught and retained.

In 2012, Fisheries and Oceans asked CGSB to develop a program to certify that the companies employing these observers have the proper quality management systems in place, such as training programs. As part of the certification requirements, CGSB evaluates these companies every year and conducts on-site audits every three years. This provides confidence in the information that DFO relies on in supporting sustainable fisheries.

The Canadian General Standards Board also offers certification services to both the public and private sectors based on the International Organization for Standardization, ISO, standards for quality and environmental management. CGSB developed these programs in the early 1990s to meet the emerging market demand for ISO certification in Canada. As the private sector has since developed the capacity to meet this demand, CGSB is now refocusing its programs to support federal government requirements for this certification.

CGSB also partners with the Treasury Board Secretariat to certify personnel for the federal government procurement and materiel management community. This program certifies public servants delivering procurement and materiel management services with respect to clearly defined procurement requirements. That has been recently launched.

Internationally, Canada participates in agreements to recognize other countries' standards and certification systems and likewise to ensure Canadian standards and product certifications are recognized and accepted elsewhere, without the need for costly retesting. These agreements help provide Canadian businesses with access to global markets without additional administrative burden, delays, and costs. The Standards Council of Canada coordinates the national standards system and represents Canada internationally.

[Translation]

The Canadian General Standards Board and other Canadian standard development organizations—such as the Bureau de normalisation du Québec, Canadian Standards Association and Underwriters Laboratories of Canada—participate in and contribute to this international work on behalf of Canada.

[English]

While CGSB typically works to harmonize its standards with international or North American standards, it also ensures that needs

related to our country's unique climate, geography, and technological infrastructure are reflected in Canadian standards. For example, the standards being developed for radon mitigation need to consider Arctic-type extreme temperature conditions, Canadian soil geology characterized by high uranium content, unique geological formations, and Canadian building and construction work practices.

[Translation]

CGSB's work is carried out by a team of some 35 employees within PWGSC's Acquisitions Branch. CGSB's services are considered optional under the Treasury Board Common Services Policy, and the board derives approximately 80% of its budget from the recovery of costs from those who use its services.

● (0855)

[English]

Over the last 80 years, the CGSB has been a crucial forum for collaboration among Canadian stakeholders, helping develop standards that are supported and able to be implemented by industry.

To summarize, CGSB standards are often referenced in regulation, which helps minimize technical barriers to trade, as standards consider existing international requirements and are written in performance-based language, rather than vendor-specific.

CGSB standards allow Canadian industry to share knowledge and best practices, to foster innovation, and to be more competitive internationally. CGSB standards support government procurement by defining requirements in a consistent and efficient manner for goods that government needs to buy. CGSB standards and certification support federal government departments in protecting the health, safety, and welfare of workers and the public, in protecting our environment and in supporting the Canadian economy.

[Translation]

We trust this overview of the Canadian General Standards Board's programs and activities provides you with an understanding of the value of standardization for Canadians.

I would be happy to answer any of your questions.

[English]

Thank you very much.

[Translation]

The Chair: Thank you for your presentation.

We will now move on to members' questions, starting with you, Mr. Martin. You have five minutes.

[English]

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

Thank you, Mr. Sobrino, for the presentation. I guess you understand that the reason we've asked you to come here today is to explain some of the operations of the General Standards Board. It seems to those of us around this table that it's an organization that's been flying under the radar with very little scrutiny or oversight by any parliamentary committee for possibly many years—maybe ever.

I suppose, to put all of our cards on the table, there was a concern that there may be a duplication going on here, that this work may be being done effectively elsewhere by the Canadian Standards Association or whoever else manages these things. I guess your job here today will be to defend why the Government of Canada needs their own standards oversight organization.

I was interested to hear about the broad range of things the standards board is involved in. The designation of what can be labelled organic produce is something of great interest to Canadians, more and more. As they go to the grocery store and look to buy organic produce, can they really trust the label when it says this? If that's the type of thing the organization is involved with, then it seems to me, given the budget we're seeing, we're getting a real bargain. If we have 30 people looking for the best interests of Canadian consumers for a total price, after cost recovery, of \$1.2 million.... That hardly makes up staff.

I notice that the budget is roughly \$3 million, but the net cost is only \$1.2 million. Where does the cost recovery come from? What kind of fees do you charge for this service—to the private sector, I imagine?

Mr. Pablo Sobrino: On the fees, I'll ask my colleague to look for that information.

The cost recovery is done from those who ask us to develop a standard, for instance. Back in the 2010 evaluation of the program, we had already instituted cost recovery, but they asked us to move to a full cost recovery organization. Most of the standards organizations are full cost recovery. They're driven by the fact that there's a particular interest across industry or by a regulator to institute a standard. We ask them to...under the common service policy we have, we recover costs that way.

The majority of our work, since about 2010, has been really refocused on government requirements. There are government departments who require standards for either regulatory purposes or for their particular mandates who ask us to come in and do those standards. Industry will approach us as well in areas where standards are just not viable in terms of the amount of investment to develop those standards. We're often asked to participate in doing that. So we tend to pick up those standards.

I think one of the important things, just to go back to one of the observations in your preamble, is that we have seven recognized standards organizations in Canada. One of the things we work on is to not duplicate the development of standards. We work with other standards organizations to try not to do the same work that others have done. It's costly and it takes a lot of time. Fundamentally, because standards organizations are accredited, they all follow the same process to arrive at the standards. There's no reason to suspect that another standards organization's standards aren't up to quality.

I will take another example—fuel, for instance. The interest that the federal government has on having a fuel standard is that we need fuel for aircraft that the government operates, for example; that fuel is specific to the needs of those kinds of aircraft. Those standards are set so that they can operate in the north in cold-weather environments, in high-humidity environments, and those kinds of things. Because we have to procure that fuel, we want to have a baseline where you then can actually go through a procurement that's

not specifying a fuel but saying, “This is the fuel that has to perform to meet our requirements”. That's true of many of the standards we're facing.

On the cost recovery, Desmond has some information.

● (0900)

Mr. Desmond Gray (Acting Director General, Services and Specialized Acquisitions Management Sector, Department of Public Works and Government Services): Yes, I can provide a bit more detail.

Basically, the work we do is really divided into two broad streams. One is actually the development of standards and maintaining standards, and then the certification activities that take place after.

It's an interesting comment you make about the value, because if you think about it, we have 4,000 Canadians contributing their time at really no cost to CGSB or the Government of Canada. So they participate and they come from all sectors, from industry, they come from the private sector, from consumer associations. They're academics and they participate in the committee work to develop these standards.

The only time we actually spend money in this area is for consumer groups when they have a challenge to provide funds for the travel, to make sure there's equity in the process and that all Canadian interests are represented in a balanced form. That's a very important part. But by and large, it's a very cost-effective model.

We don't charge any fees, in that sense, for the standards but we do get revenues from government departments because we're always based on the.... We don't simply develop a standard because we have an idea. It's at the request of some entity where there's a demonstrable need for some solution. For example, the Department of Transport may come forward and say it needs a solution, say, for fuel or for life jackets. Then we put together a balanced committee and seek funding, usually from one of these government entities, to help support this work. This is how it's done right across all of the major standards-writing organizations in this country.

Once we have the standard developed, of course, we then run a certification process where one is required, where there's a demonstrable need for a certification program. For example, I think if you talked to most standards organizations in Canada, they would say to you, be blunt about it. There's no money in writing a standard. Where the revenue stream comes in is in certification. For example, if you go into a home and you see the CSA mark on a light bulb, CSA receives a payment from the manufacturer every time that certification mark is put on a product, so that produces a revenue stream.

But for CGSB, because we're not in the private sector, we're focused on public interest in that sense, so we focus on.... We do have some certification programs. But we also do the ISO 9000 and ISO 14000. Again, we charge a fee to companies and to public sector entities that are being audited to that program, but at a very cost-effective model. So we're not, obviously, a for-profit entity, we're simply trying to recover our costs.

[Translation]

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

Mr. O'Connor, the floor now belongs to you for five minutes.

[English]

Hon. Gordon O'Connor (Carleton—Mississippi Mills, CPC): Good morning.

Mr. Sobrino, I think somewhere in your talk you said you don't set standards, then later on you set standards. I have to know whether you're not setting standards or you're setting standards. The other thing is that I would think that just about every practical thing in the universe has a standard, and there's a bunch of six or seven standards organizations in Canada. Fuel has to have standards. Cars have to have standards. Flags have to have standards. Pins have to have standards. It goes on and on.

What are you doing to the other people's standards? Are you just saying this is the standard?

Mr. Pablo Sobrino: To be clear, we run the process that allows a standard to be established, so we don't set standards per se. What happens is someone comes in with a need. We pull together the committee to ensure that the technical committee can develop the standard. The committee is the one that develops the standard, but we'll facilitate the public comment period, all that. Then once that's done, the standard is established. It's then established under CGSB, so we put our name to it because it has followed the process to arrive at the standard.

So we have standards but we don't set them. We set them through the technical committees that are made up of all the interests that want to set the standards. That's why there's that confusion of we do and we don't. Those standards are then vetted through the Standards Council of Canada, which ensures that it's They accredit us for the system we run to set those standards.

In terms of everything has a standard.... In fact, we are the owners of the standard for the national flag of Canada. When I arrived in my job, one of the first things they showed me was the actual standard for the flag, which is an interesting piece. But standards are set everywhere for many things.

One thing though is that standards for certain things do come to an end. If we don't need those objects, they are no longer of interest to us, or another standards organization has begun to use that or modernize that standard, we'll drop them. We had about 1,000 standards back in 2008-09. We went through a rationalization process and we're now responsible for a little over 300 standards, which we continue to maintain.

Every standard has to be maintained and updated. We do it on a five-year cycle. We have to make sure that those standards are relevant to the Government of Canada, as opposed to things that we might have done in the past that have since moved into the private sector and are now available through private sector or the other standards organizations.

● (0905)

Hon. Gordon O'Connor: In my previous life I got involved with standards. I was managing large numbers of buildings and we had ISO 9000 and ISO 14000. You're referring to them here. ISO, in fact, means international standards and they're set by somebody else, so what do you do in this?

Mr. Pablo Sobrino: We do the certification process. So you'll come to me, an organization will come to our organization and request to be certified under that standard. That's part of the certification side of what we do. We don't write the ISO 9000 standard, but we go and accredit or certify that an organization meets that standard.

Mr. Desmond Gray: I can add a little to that.

That's a good question. Of course, you're absolutely right. ISO is like the United Nations. It's sort of the global level of standards. It's like a world body. It's in Geneva. It has about 20,000 standards globally. Canada participates in ISO along with 163 other countries. So you're right; there's a global structure for this.

ISO introduced the ISO 9000 quality management system standard in the early 1990s. I don't how many of you will remember that. The reason that became so significant in the marketplace at the time was that, in the early 1990s, the European community announced it would give preference to those in public procurement, in terms of their bid process, who demonstrated they met a demonstrable quality management system. The only one they recognized was ISO 9000. It just so happened. So there was an awful lot of take-up in Europe in terms of that standard, and then of course internationally companies that wanted to go into the European market had to move quickly to demonstrate they could achieve that certification.

We began this process in the 1990s to meet this demand in Canada, because the Canadian government recognized there was an urgent need to supply this service to Canadian companies, and the private sector simply had not ramped up yet to do it. We began to certify companies, private sector companies, that they had a demonstrable quality management system that met the 20 different components of the ISO standards.

So we'd go in to a manufacturing process.... I was an auditor. I'm a certified auditor. We would go in and review the books. We'd look at their processes. We'd review the manufacturing process. We'd look at their records. We'd interview their people to make sure they had a quality management system that met the standard and they were actually using it in an effective and demonstrable way to produce the correct products. That's what we've done.

Since then, the private sector has expanded hugely. In fact, now many national Canadian organizations do this. QMI is a big one in Canada, part of CSA. Also there are many international groups, such as BSI. The British are here, the Irish are here, and the Germans. It's a global community now that provides the support to business.

At CGSB, of course, our job is not to duplicate what is in the private sector. We do not compete with the private sector. So as that service has come to fruition, we have now refocused our energies on providing those services to public sector organizations.

● (0910)

[Translation]

The Chair: Thank you for your questions and answers.

Ms. Crowder, you have five minutes.

Ms. Jean Crowder (Nanaimo—Cowichan, NDP): Thank you, Mr. Chair.

[English]

I want to thank the witnesses for coming before committee.

I have a couple of questions. I was interested to note in your presentation the standards being developed for radon mitigation, particularly with regard to the Arctic extreme temperature conditions. I wonder if you could say a little bit more about that.

I'm the aboriginal affairs critic for the NDP, and of course, housing and issues around radon mitigation in the north are of particular interest. Could you say some more about that program and whether there are others who are doing that kind of oversight around standards with regard to extreme temperature?

Mr. Pablo Sobrino: Certainly.

In February 2013 Health Canada approached us to prepare a national standard for radon mitigation in residential buildings. It was part of the implementation of a Canadian strategy designed to refocus efforts to encourage indoor radon testing and the reduction of indoor radon levels. Health Canada's guidance document is called, "Reducing Radon Levels in Existing Homes: A Canadian Guide for Professional Contractors", and this will serve as the core document that is going to help us develop this standard.

As you correctly pointed out, the differences in our climate and geography—and I mentioned this in my opening remarks—is that the mitigation standards and practices that come from the ASTM, the standards organization in the U.S., can't always be applied in situations where mitigation is an option to control the health risk from indoor radon exposure.

So we're working on developing two national standards. One is for radon control options in new low-rise residential buildings, and one will be for radon mitigation options for existing low-rise residential dwellings—what you have to do to retrofit, for instance.

Our objective is going to be to provide the requirements, the specifications, guidelines, and characteristics that can be used consistently to ensure that materials, products, processes, and services used in radon mitigation of low-rise residential homes are fit for their purpose. So we want to make sure that what people put into radon mitigation will actually work.

Our objective is to also harmonize technical specifications of products and services with the goal to make the industry and services related to radon mitigation more efficient, and to provide organizations and radon mitigation professionals in the industry a tool to ensure that product and services are consistent.

It's also about how they do it. It's not only what they use, but how they apply it, how they do it. Then we'll be following up with conformity, which is to ensure that the products and services meet the standards that are set, so that'll be the other side of our activity.

This is all with Health Canada. The complexity here, of course, is that radon is a very difficult gas to detect, so there's a big technical challenge in terms of that. We have academics participating, of course, the industry, the contractors, as well as health professionals.

So the standards' work will take the better part of two years to develop as we go back and forth with these discussions and they are quite open discussions. The technical committee is composed of all

these participants and everybody puts their issues on the table. The goal is to have a standard so that the materials used for radon gas mitigation and how you apply it are understood and meet a standard that's going to be effective.

Ms. Jean Crowder: To be clear, will that standard take in our unique geography and temperature?

Mr. Pablo Sobrino: Absolutely. The U.S. standard doesn't work, so that's why we're moving to a standard that's more adapted to our situation.

Ms. Jean Crowder: Well, I know we've had some experiences, for example, with housing that's been built in the north that hasn't been built to accommodate the types of living conditions there. Of course, the life span of the housing is inadequate and there are already severe housing shortages. So this seems like an important initiative that does recognize those unique circumstances.

I take it from what you're saying that this is a good example of leveraging in those partnerships, academics, and low-building associations and whatnot. That gives you very much a value-added product.

• (0915)

Mr. Pablo Sobrino: Absolutely. It's precisely that. It's a difficult problem. How do you bring everybody together to the table? It's a recognized issue. It's just that no one knows how to solve it, so what the standards organization is doing is trying to bring everyone together to do that.

The Chair: Thank you.

Ms. Jean Crowder: Oh, I'm done? Thank you.

[Translation]

The Chair: I now yield the floor to Ms. Ablonczy.

[English]

Hon. Diane Ablonczy (Calgary—Nose Hill, CPC): Standards are good, but I think as MPs, one of the things we deal with fairly regularly is when standards are breached. This is particularly true in the building industry. For example, leaky condos come to mind and there never seems to be anybody's desk where the buck stops.

We have all these standards and when standards are breached, the owner of the product, the very sad owner of the product, has no one to go to. So I'm curious if that's where enforcement comes in your regime.

Mr. Pablo Sobrino: First of all, we do not do enforcement. I'll take the example of building codes. We provide a number of standards that are used in the National Building Code, which is hosted by the National Research Council—the actual building code—and the provinces and municipalities use that as their source document for their building codes.

So, for instance, on buildings, the enforcement is at the municipal

Hon. Diane Ablonczy: Yes, I understand that.

What you're really saying is that your organization has no role to play in enforcement of standards or penalization where standards are breached. I guess my question is, is that something you've talked about? At some point, consumers and the public need to know that standards mean something and that they're going to be enforced. You're coordinating internationally with standards. Have you talked about whether there is any move toward your coordinating enforcement of these standards nationally?

Mr. Pablo Sobrino: I'll answer on two fronts.

First of all, many of the standards we do are referenced in regulation, so that regulator would enforce the use of that standard within their regulatory regime. So that's one piece. We'll write a standard, but we're doing a standard that will be referenced in regulation. For instance, Transport Canada will have a number of standards referenced in regulation, and it's Transport Canada that would enforce those regulations.

The one place that we do play a role is that we certify that your product or company is meeting the standard. So we do certification. We'll remove the certification if you can't meet the standard that you are trying to apply. So that's the place we play a role, but it's not an enforcement role. It's really a certification role, and that's true for all the standards organizations. They will remove their name or their label from that product. So, for instance, if I take anything that's in procurement, if you don't meet the standard, you will not be able to sell to the Government of Canada. So that certification process is how you allow access to the industry. But we don't do enforcement, and the enforcement really falls upon the regulatory agencies that use the standards, and therefore enforce them.

Hon. Diane Ablonczy: There's a vacuum here. There's a gap. Have you ever talked about filling it? Surely you must be concerned that you're setting these wonderful standards out there. They're not being followed, at least some of the time. What do you do? Do you just say, life sucks?

Mr. Pablo Sobrino: No. When we've had those discussions it has been very much about removing certification. It's uncertifying, so they no longer can claim that they meet the standard. That's the role we've played. In terms of the enforceability, that's the discussion we have with the departments that use the standards. Are they following up with them? But we have never had a discussion about our role in enforcement. Standards organizations don't do enforcement.

Mr. Desmond Gray: Just one comment on the certification side. As Pablo said, for a number of things that we buy in the Government of Canada, in the bid documents we actually refer to a standard, and people who bid must either attest or in some cases, be certified to...in terms of that product. So they must have had an independent third party come in and test their product or service to make sure it meets the standard, and that certification or testing must be current.

In other words, you don't just get tested once and then you're good for 10 years. There's a regular cycle when people come back and test your product again and again, and this can include laboratory testing of your product and samples as well.

I'd also like to say that in the past we've been certified. We do certification. People in the private sector will sometimes call us, and I'll be very frank with you, sometimes it's competitors who will say, "Someone is claiming they're certified to your standard. We don't

think they are. You should check them out." That has happened in the past. We do a standard for insulating blankets around hot water tanks, and I remember a number of years ago there was a company that was advertising, putting on our logo—certified by CGSB—and when this was brought to our attention, we checked it. They had never been part of our program whatsoever. It was simply not true. It was a false claim, so through our legal services we advised them to cease and desist, because in fact it was misrepresenting in the marketplace, and they then removed that from the marketplace.

So part of it is making sure the consumers understand what the certification means and also to do due diligence to the degree possible when it's brought to our attention and to act accordingly, and we do that.

• (0920)

Hon. Diane Ablonczy: Thank you.

[*Translation*]

The Chair: Thank you, Ms. Ablonczy.

Mr. Easter, go ahead for five minutes.

[*English*]

Hon. Wayne Easter (Malpeque, Lib.): Thank you, Mr. Chair.

Thank you, gentlemen, for your presentation.

I have a question somewhat along the same lines as Ms. Ablonczy's. When somebody violates a standard or fails to meet it, what's the process for the public to either redress or at least get some satisfaction that this didn't meet the standard as set by the various agencies?

Does it stand up in court? The case of the leaky condos is a good one. Is the only avenue someone can pursue the court system, or a regulator declining the certification? What's the process there?

Mr. Desmond Gray: I think it's an interesting question.

Coming back to the previous comment, certainly the regime of certification is one that's very important. If you see a mark, and you cannot have confidence that the mark actually means something in terms of the product's performance, then, of course, we have a problem.

When I go out and buy something.... For example CGSB, for any of you who do construction if you ever get vapour barriers, installing a vapour barrier in your home, the ten mil vapour barrier, you will see the CGSB logo on it. Of course these products are tested.

So manufacturers have their product and they bring their product voluntarily to have it certified by us. We have a process to certify it including product testing. We use laboratories to certify and to test these products to make sure the samples perform. This is how we build confidence.

In many of these cases we do two things. We have what we call qualification and certification. We have a whole series of products we qualify, and that means we're doing it internally with laboratories to evaluate the product. In certification we actually have an external group that's also a third party review and provides for a greater degree of validation, if you want to put it that way. We use that often in higher-risk areas. For example we have medical gloves, which we certify for obvious reasons.

The certification regime itself is a critical piece of confidence in the marketplace to make sure people are getting a product that meets the standard, and they understand there's a consistent process that is being used, and a fair and accurate process that is being used. That's the confidence part.

Hon. Wayne Easter: I guess one of the problems, though, for the public is awareness of that label, that little symbol. I do watch for it now. You people set the process, and it's a CSA standard.

But I'll give you an example, and this comes from the farm. An individual I know thought he was getting a hell of a break on plastic wrap. You wrap plastic around silage, around bales, to store it. It certainly wasn't certified, and he lost many tens of thousands of product. He wouldn't have known, and I wouldn't have known at the time. Plastic's plastic from where we stood.

So that's a problem in terms of getting the knowledge out there, that people know how important it is to meet the standard.

I wanted to ask you a question on your handout and overview, May 2014. For food under standards development program, you have labelling of genetically engineered food. How does that differ from GMOs, genetically modified? Is it the same thing? I personally think it's different, but can you give me an explanation on that. It's always a debate out there whether we should be labelling GMOs or not, but genetically engineered is different in my view from GMOs. Am I right, or am I wrong?

• (0925)

Mr. Pablo Sobrino: I think I'm going to have to get back to you on that. That's a very technical little question, but if I can find it in the next few minutes....

Hon. Wayne Easter: Well, that's not a problem. You can get it back to the committee and we'll have a look at it. But it is a huge debate and I think perhaps somebody had mentioned earlier, that one of the other big issues—

The Chair: Sorry, I will have to stop you now—

Hon. Wayne Easter: —is the organic products on shelves and whether they really are organic.

The Chair: Thank you.

[Translation]

To help you out, I want to specify that the French version of the document talks about the labeling of genetically engineered food.

Mr. Pablo Sobrino: I will send you the details. There are some very specific distinctions when it comes to this terminology.

The Chair: Thank you.

Mr. Trottier, you have the floor for five minutes.

[English]

Mr. Bernard Trottier (Etobicoke—Lakeshore, CPC): Thank you, Mr. Chair, and good morning.

I want to ask you about trade agreements and the work you would do to facilitate the things Canada is trying to achieve in international trade agreements. Do you get involved? For example, with the European Union free trade agreement there are aspects of it that are different from those we had in NAFTA, including government procurement.

Will you need to work with your European counterparts to enable this opportunity of a trade agreement with Europe?

Mr. Pablo Sobrino: This is the same—maybe I'm going a little bit back to what Des was talking about earlier. One of the roles that CGSB is often called to play is to ensure that there is an alignment between standards between different countries, to facilitate trade so that Canadian suppliers are able to participate in other markets globally. These standards can be referred to as non-tariff barriers to trade.

Part of the role that we play at the International Standards Organization through the Standards Council of Canada.... All standards organizations contribute to discussions. I believe over 35 committees participate at the International Standards Organization, and it is precisely for that, to ensure alignment between our standards meeting our needs, as well as being able to ensure that our industries can access those markets.

Des was talking earlier about the ISO 9000, which was an example of a standard put in place that essentially excluded you from doing business unless you had that certification. We stepped into that vacuum, and the private sector has caught up and is now doing that. But this is going to come up continuously. Whenever there's trade, there are standards set by a country.

If I go back to the example of radon gas, the standards set in the U.S. don't meet the Canadian need. From a free trade perspective, U.S. manufacturers aren't going to be able to deliver to us until they know what our standard is. We can already access the American market because we have their standard, but they don't have ours. On the free trade side, it very much is about enabling business, and it's part of the harmonization of our requirements.

Mr. Bernard Trottier: In that NAFTA example, is that something that would be subject to a challenge? So if an American supplier wanted to sell into Canada and they say that the Canadian standard is artificially high, unnecessary, over-engineered for example.

• (0930)

Mr. Pablo Sobrino: There are provisions in the trade agreement to adapt to specific requirements of each of the host countries. On the specifics, I'd have to look at that one in particular, but obviously radon gas is not an issue. You have to look at each case where you're restricting because essentially you don't want to set a standard that you can then be challenged on as having put up a barrier to trade. So that's the trade-off, and part of our working at the international level is to ensure that there's alignment across those things and that the needs are real, not created.

Mr. Bernard Trottier: Another area where I think the Canadian standards board plays a role is when it comes to red tape for small business. I know that the Treasury Board and also the Minister of State for Small Business have been leading an initiative for a couple of years, a red tape reduction plan.

Are there examples where the standards you're creating, where there are complaints from small business that this is just extra regulation for them, extra barriers to their being able to conduct business, not only within the private economy but also in selling to the Government of Canada?

Mr. Pablo Sobrino: Obviously there are those who may not want to have a standard in place for their products. The idea is to make sure that you're focusing your standard on limitations that are real such as health and safety, those kinds of things.

One of the important things that we believe standards provides is that, in terms of regulatory reform, in terms of regulation, regulations take years to amend and to change, but we're able to adapt regulations that reference to standards. We're able to change a standard and modernize a standard. We do it on a regular basis. In regulation, referencing to that standard makes sure that you're keeping up with the current state of the art.

The other thing with our standards is that, the way standards are written is performance based, so what we're looking for is the outcome of a product. It's not necessary that your personal flotation device be made by someone, but rather that it does certain things, that it's able to support certain weight, that it turns people over in the right direction if they're in water, and all that.

If your product meets that standard then that product can be certified and be out in the marketplace. It allows innovation; that's what it does. If someone comes up with a better way to make a personal flotation device, as long as it performs, it will be certified. In that sense, I think for small business, we support innovation. The more referencing to standards, the more in keeping with modern-day practices. Regulations take a long time to change.

[Translation]

The Chair: Thank you.

Mr. Gray, do you want to add anything?

[English]

Mr. Desmond Gray: I have two comments, and one is on the SME side. It comes back to some of the previous questions. In the past, because sometimes there is a challenge in terms of quality and consumer confidence in the marketplace, sometimes one of the solutions that private business looks to is to establish a standard where they get together with us. All the key participants create an objective standard and then we run a certification program, which is in a sense voluntary. You don't have to do it. There's no regulation that necessarily says you have to. What it does is it then tells consumers that this is what a good product is. This company meets the standards. An objective measure done by a third party gives confidence.

Sometimes in the past this has been used to distinguish for consumers between those companies that are well-managed, producing, and responsible companies, and those perhaps who have been less so. It provides for a clear mechanism for doing that. Often

this is driven by business, because they recognize there's a need in terms of their industry to achieve this kind of distinction.

I do want to come back to your previous question. It was an excellent question. As part of the national standard system in Canada, every one of the standards-writing bodies has to follow a standard established by the Standards Council of Canada itself. We're audited every year on our processes and the work that we do. I just want to read to you in terms of one the things that we have to meet, because it relates to establishing and being aligned with international standards. It says our process is a requirement that reads:

When international standards exist or their completion is imminent, they, or their relevant parts, shall be used as the basis for corresponding standards developed by SDOs, except where such international standards or relevant parts would be ineffective or inappropriate.

So in a sense the whole structure, the whole approach is, let's see if there's an international standard first that we can use as a base document for the committee. We don't start off from scratch; we don't have to. We start off with an international standard where it exists and then we look at it in terms of Canadian needs.

As was mentioned by Pablo, ASTM had a standard for radon gas. We could have used that standard, but when we looked at it, parts of it simply didn't reflect Canadian need, so it had to be adjusted. In terms of harmonization, harmonization is always in the backs of our minds. It's part of our process. It's not just us; it's a requirement under our accreditation.

● (0935)

[Translation]

The Chair: Thank you. I must stop you here to yield the floor to Mr. Martin.

Mr. Martin, you have five minutes.

[English]

Mr. Pat Martin: Thank you.

Mr. Gray, your last comment answered my first question in that there seemed to be a bit of a contradiction in the opening remarks. Pablo said that you do no development of standards, yet you answered Ms. Crowder's question by saying that you're currently developing two standards for radon. You more or less meant that you had to adapt existing standards to suit the Canadian reality. I understand that.

Again, in reading the notes that our analyst prepared for me, I'm very impressed with the amount of work and the volume of capacity in your shop, with 30 full-time employees, and what a bargain it is at \$1.2 million net cost to the government for a lot of seemingly important consumer protection-type work. I can't think of another agency that operates with that kind of a net cost, so I'm very impressed with that.

Let me ask a question specifically, though, from the building industry, which is my background. I notice you've touched base on a lot of the regulations. I suppose the certification process for a construction contractor is, in your view, like a pre-qualification. Prior to bidding on government construction projects you'd have to be pre-qualified. But that was compromised and this committee dealt with that very issue on the West Block, for instance, where you can buy your way onto that list.

There is one famous example where the stonemason who was thrown off the job paid a Conservative lobbyist \$10,000 a month for 15 months in a row and wound up not only getting on the pre-qualified list when he clearly wasn't, but ended up getting on the job and getting thrown off the job because he wasn't qualified. This is obviously an isolated incident but it's obviously in their best interest to get qualified and they're willing to pay a well-connected Conservative lobbyist in Montreal to get qualified.

It worries me that the system can be compromised. If you don't do any of your own standard development—and some standards are developed by industry for industry with some self-interest associated with it—are you the watchdogs to prevent that from happening?

Let's face it, when the ISO first came up it was part of that whole total quality management frenzy that swept—scientific management, TQM, PS 2000, or whatever it was called in various sectors. In the ISO standards, some industries set their own targets in order to meet those targets and that's all they had to do to get their ISO stamp. It was very easy to create your own. Meeting your own standards is different from meeting the needs stated by the customer.

What satisfaction can you offer us that the type of example I gave you with this Varin guy in Montreal and the corruption associated with being pre-qualified can't happen again?

Mr. Pablo Sobrino: Mr. Chair, let me speak first on how we provide some assurance that the standards organizations are doing work that's fair and balanced and considers all points of view.

The Standards Council of Canada has an oversight role on all standards organizations. They accredit our process as they do with all recognized standards bodies in Canada. They ensure that we have a process of consultation and engagement with all interested parties that develop standards. That is a requirement of the ISO, the International Standards Organization, and the Standards Council of Canada does that accreditation. They audit our process annually on both the standards setting and the certification and conformity assessments, which are the two ways we assess whether the standards are being met. The Standards Council of Canada has that oversight role in ensuring that we are certified that way.

In the case of real property, real property uses our standards as well as the standards of other standards organizations in developing their specifications.

• (0940)

Mr. Pat Martin: Construction is more difficult, isn't it? You're not dealing with a material whose strength you can test. You're dealing with the integrity of a construction contractor in this example.

Mr. Pablo Sobrino: Right, but when we're receiving the quotes, we're expecting them to be based on the standards we use, for instance, in real properties and on using materials that have been

certified, whether they are asked for glass or for CSA-certified electrical or those kinds of things. Their pricing and the bid will be based on standards that have been developed. We ensure that the architects who are designing are developing their specifications according to that.

I am not aware of whether we actually require a construction company to meet a particular management standard, because that would be what we would expect. If you were specifying a management standard, you might ask for that. Some departments will require that companies have a certification of ISO 9000 or ISO 14000 to do business for some kind of service they're looking for. I'm not aware of whether, in our real property system, we ask construction companies to meet that. I'd have to check, but I can't really speak to the issue with West Block. I'm not that familiar with it.

[Translation]

The Chair: Thank you for your answers.

Mr. Aspin, go ahead for five minutes.

[English]

Mr. Jay Aspin (Nipissing—Timiskaming, CPC): Thank you, Chair.

Good morning, gentlemen, and welcome to our committee.

I understand from our material that the board undertook an evaluation in 2009—actually it was by Public Works—and there were several recommendations. I have the report here. I'd like maybe for you to zero in on what you consider the top two or three recommendations, and perhaps you could include the recommendation regarding prices for services.

Mr. Pablo Sobrino: I'm, of course, able to speak to that.

The most significant one had to do with moving to full cost recovery. We are now at about 80% to 90% of full cost recovery. We'll likely not achieve full cost recovery, because part of what the standards board does is help me in my other role in acquisitions, which is to set standards for things that I'm buying. Some of that work is internal, so I could move the money back and forth in my organization, but it would not really be full cost recovery. Essentially, any external work is now on full cost recovery. That was to meet one of the main recommendations of the evaluation.

The second thing had to do with what we're charging, and that was to ensure that we fully recovered costs. This goes back to an earlier question. Our standard rate at that time was about \$1,000 a day, and the report recommended—and I don't know how they got to the dollar—\$1,111 a day, and we're now up at about \$1,300-a-day cost recovery to run the standards development process.

The certification services were at \$1,050 per day, and it recommended that we move this up to about \$1,275 a day. We're now just under \$1,700 a day for the actual certification process. These rates are competitive. They're competing with the private sector. We're not below market. We're actually moving to market rates. This is what other standards organizations would charge to do these services. That, I would say, is the most important piece.

We also had some internal things, one of which was to develop a strategic plan as to where we are going. Certainly we have developed that. Getting out of almost 700 standards was part of that strategic plan. We wanted to focus on our core business and remove the standards that no longer need the federal government's involvement. We wanted to have those given to others.

• (0945)

Mr. Jay Aspin: Thank you for that. I have just a quick question. I'm just curious about how standards are developed. I'm told you have a committee made up of employers, users, and experts. How is this committee chosen, and what would happen if some of the members disagreed with a particular standard?

Mr. Pablo Sobrino: The nature of this body is consensus-based. Consensus does not mean agreement. Essentially, what we do first of all is to ensure there's a balance of interests. So there are a number of things that we expect the committee to provide.

First of all, everybody who participates has to have a direct interest and has to have expressed an interest. So, if you've been invited to a standards committee, you have to actually be interested in the work of the standards committee of course. You have to demonstrate some ability and to make active contributions, so it is an engagement in the committee process. They have to represent a constituency, so they're not necessarily representing themselves but representing a constituency. Part of our role is to ensure that is happening in that discussion, that technical committee.

What we try to do is of course to get balance in the committee, some national representation, and that the committee is actually manageable—a committee of 500 isn't going to work—so the committee is a decent size.

What we do is in terms of consensus, so we ensure that every viewpoint is recorded and discussed and any point that continues to be strongly held focuses the discussion more on that point until the member who has that point of view is ready to accept, not agree, but accept that their view has been considered and incorporated. So it is really a consensus-building organization and this is why it takes a long time to get this committee to develop the standard.

If everybody is in violent agreement you can get a standard done in two or three meetings, but sometimes it takes two or three years as people go through this process. That might mean bringing other people into the committee for the discussion, bring in that expertise. We manage that process to drive that consensus discussion.

The Chair: Thank you.

[Translation]

I now yield the floor to Ms. Crowder for five minutes.

[English]

Ms. Jean Crowder: Thank you.

This is more of a comment before I get into a question, but Ms. Ablonczy referenced leaky condos. Of course, I'm from British Columbia and I think it's a good case in point. You talked about public interest. It's a good case in point where in some cases there was allegedly substandard construction, but in fact the standard itself was insufficient to meet the unique climate on the west coast. That resulted in costing hundreds of thousands of dollars to homeowners

when you added it all up. It's a really good example of how standards need to be continuously revisited, that when there are problems emerging that there is that kind of work that's done in order to make sure the standards meet the unique Canadian climate. I wanted to put that out there. Of course people are still suffering in British Columbia as a result of that.

I wanted to touch as well on the evaluation report. This statement in the general conclusions I thought was a bit odd. It said that the evaluation did not find evidence to demonstrate the added value of the CGSB over non-government service providers. But then it goes on to say that the CGSB occupies a unique role in the national standards system.

Could you reconcile those two statements? On the one hand it's saying no value is added, but on the other hand it clearly says you have an important role to play by this unique role.

Mr. Pablo Sobrino: It really defines our role within government. Fundamentally, the private sector, and I should be clear that this is mostly not-for-profits, but the standards organizations out there are well-developed. They're well recognized and they can take up most of the interests of industry and consumer organizations, other interests outside.

Our unique role is as the federal government, where we're the only one that is within the federal government, where the federal government has a need to regulate something, to ensure a safety health issue that is not being taken up outside. We are the one that the federal departments come to see, for instance, on flotation devices, the building code. There are many areas in the building code and it can be very specific. Glass sliding doors, for example, I was reading from my list yesterday about glass sliding doors for patio door safety. There's just not a market out there that is looking. It's too diffuse, that market, too diverse, so the National Research Council, the owners of the building code have come to ask us to put together the standard for that.

We occupy a niche and that niche is really around the federal requirement for standards, as opposed to standards that are not created elsewhere because either they're too specific or there's not a lot of trade benefit to it. What drives industry to get a standard is to be able to do business. So in our case it's about standards for things and products that we need or that there's a public interest in looking into.

• (0950)

Ms. Jean Crowder: I think that public interest aspect is really important. I know sometimes people will refer to standards as being red tape or onerous, but in fact when I look at some of the lists of the things you do or have been involved with, I see there are health and safety issues involved. You referred to PFDs, for example. That's definitely a safety issue in terms of people's survival. Again, we have a unique climate here, so I'm sure you're probably working on standards with regard to the suits.

Mr. Pablo Sobrino: Survival suits for emergencies—

Ms. Jean Crowder: Yes, I mean survival suits as well. Where I live, the water temperature doesn't vary much. It's 50 degrees and it doesn't vary much either way. You don't survive very long in that water.

I want to come back to the food again for a moment. You have food safety, organic agriculture, and organic aquaculture. When you're talking about standards in those areas, are you looking at health? What kinds of standards are you looking at when you're looking at developing food standards?

Mr. Pablo Sobrino: On the food standards, we're often asked by either Health Canada, or as in the case of aquaculture, Fisheries and Oceans, to develop a standard by which they can then assure that facilities are run to the standard that was agreed to.

The inputs that come into that are health impact and biological impact. All those kinds of things are brought into that technical discussion and then developing a standard that addresses those issues is the discussion the technical committee goes through. It is, no pun intended, quite organic in the sense that you're bringing all the interests in. Obviously the aquaculture industry is interested in having something efficient, etc., but it also wants to ensure that its operations are acceptable to the public. So there are the health and biological impacts. That's why you have those other inputs to that discussion. That's what the technical committee does.

The makeup of that technical committee is quite important because the interest that is being addressed is not necessarily the interest that the originator wanted. You know, it wanted to have a good seal of approval on its facility, but the interest is the health and safety of Canadians, so those who know that come in.

The technical committees are each drawn up, and all this is public. The membership of the committee, the discussions of the committee, and the deliberations are all available on our site. The process is open and transparent.

[Translation]

The Chair: Thank you.

[English]

Your time is up.

We go now to Mr. Adler for five minutes.

Mr. Mark Adler (York Centre, CPC): Thank you, Chair.

Thanks, officials, for being here this morning.

I do want to begin by saying that this is a very interesting discussion. Certainly I'm hoping that Mr. Martin will learn something, since we're discussing standards, in particular ethical standards. I see he was on his BlackBerry before. I hope he's relaying some messages back to his leader so he could repay the taxpayers' money for those political offices that were set up in Quebec and Saskatchewan.

Mr. Pat Martin: Could you actually repeat that insult?

Mr. Mark Adler: I would like to—

Mr. Pat Martin: I'd hate to miss a good jab.

Mr. Mark Adler: Pardon me for speaking while you're trying to interrupt. I do have a couple of questions that I would like to have answers to.

What is your office total budget?

• (0955)

Mr. Pablo Sobrino: The office's total budget last year was, I believe, \$3.9 million and then our total net budget was.... Hang on one second. Here we are. Our total cost of operating was just under \$4 million; then our net was just over \$1 million.

Mr. Mark Adler: Okay. You have 34 employees.

Mr. Pablo Sobrino: Yes.

Mr. Mark Adler: So presumably a lot of that is salary.

Mr. Pablo Sobrino: Yes, most of it is salary.

Mr. Mark Adler: You do claim to play a pretty important role. How much of that budget, after salaries, is dedicated to promotion, so Canadians actually know that these standards exist?

Mr. Pablo Sobrino: Essentially our communications are through the publication of standards, which we do through third-party providers—others ask us to publish the standards—and our website. That's where the promotion is, through web promotion, etc. We do very little in terms of active promotion.

Mr. Mark Adler: Do you have a dollar figure?

Mr. Pablo Sobrino: The web promotion is about \$60,000 a year.

Mr. Desmond Gray: It would be under \$100,000 for sure.

Mr. Pablo Sobrino: Selling the standards is—

Mr. Desmond Gray: A bigger enterprise....

There is another side of that because all the work that we do is also reflected in the work that is done by the Standards Council of Canada, and they have an extensive budget for promoting the national standards system and the standards that are developed in the national standards system. So as our products go forward, for example, we have a website where we post information about what we're doing. We give advance notification. The Standards Council also posts information on their website. They actually provide, for example, an information access point for Canadians, Canadian companies, Canadian private citizens, to access Canadian standards. They provide an information service if you have a question about what does this mean or how do Canadian standards relate to ISO.

Mr. Mark Adler: Even Mr. Martin, who is well attuned to these kinds of things, didn't know that this existed really. How do Canadians who should know find out? You seem to be flying under the radar.

Mr. Desmond Gray: I think it's a really good comment. Part of the mandate of the Standards Council of Canada is to support education, including working with consumer groups, for example, to educate Canadians. So a part of that budget is dedicated to that. I don't have the figures here.

Mr. Mark Adler: The \$60,000 budget.

Mr. Desmond Gray: No, that's ours, theirs is much bigger.

Mr. Mark Adler: Okay.

Mr. Desmond Gray: The reason for that of course is that it's not just about CGSB. It's about CSA, ULC, and all these different entities so that Canadians understand.

Mr. Mark Adler: I see sometimes they do commercials on television so that people know about them and they know to look for it on products.

Mr. Desmond Gray: They do, because of course what they're doing is they want to instill the notion of confidence and quality and the fact that you can rely on the product that they produce, that they certify.

Mr. Mark Adler: If I were to buy a product your seal could be, or would not necessarily be, on that product?

Mr. Desmond Gray: You're absolutely right in the sense that where we certify we'll have a mark. It will be ours and it will be very clear. But any certification body in Canada can certify and we can too. We can certify to another organization's standard. We are not limited to certifying to our own. For example, CSA can certify to a CGSB standard. In fact, in some cases we're working jointly with CSA together to develop a standard.

Mr. Mark Adler: So I were to buy an electrical product, for example, in a dollar store compared to a Best Buy, is why I'm paying a dollar at a dollar store and \$5 for what looks like the same product at a Best Buy because of a standard that the Best Buy product is ascribing to, whereas the dollar store product is not?

Mr. Desmond Gray: It's possible. This is, again, where you have to understand what the relative costs of the product are.

But I would say this. There's a lot of misunderstanding so, for example, often you will see a CSA mark on a product. If it's an electrical product it does not certify the quality of the product, it is certifying that you won't be electrocuted. It's certifying the electrical component of that product. So, again, often it's about the scope of what that certification means. That's another part of considering.

Mr. Mark Adler: How much time do I have?

• (1000)

[Translation]

The Chair: Your time is already up, but I will allow you a few more seconds.

[English]

Mr. Mark Adler: If your office would cease to exist tomorrow what would happen? What would be the implications of that?

Mr. Pablo Sobrino: The standards—

Mr. Mark Adler: You have 10 seconds.

Mr. Pablo Sobrino: —would continue on but as time passed those standards would start to deteriorate in the sense that they would not be necessarily monitored—

Mr. Mark Adler: The national standards?

Mr. Pablo Sobrino: No, the CGSB standards, the ones that we are responsible for and we update on a cyclical basis. They would deteriorate over time because you're not—

Mr. Mark Adler: But those are international standards aren't they?

Mr. Pablo Sobrino: No, they are our own standards.

Mr. Mark Adler: But before you said you didn't set standards.

Mr. Pablo Sobrino: We bring committees together that set the standards for the CGSB, that get the CGSB label.

Mr. Mark Adler: They wouldn't come together on their own if you didn't bring them together?

Mr. Pablo Sobrino: They have to be certified and to get their certification they would have to be organized to do that. It's the Standards Council of Canada's role to ensure that the body is actually putting in the discipline in the process to ensure that the process is followed. That's what we do. We ensure that the process is in place.

[Translation]

The Chair: Thank you. I have to stop you here.

[English]

Mr. Pablo Sobrino: The cycling that would disappear is the certification side. So we wouldn't be certifying products that met the standard. That's the other piece.

[Translation]

The Chair: Thank you.

Mr. Easter, you have five minutes.

[English]

Hon. Wayne Easter: Thank you, Mr. Chair.

In terms of retail sales like, say, at Canadian Tire or Home Hardware, and as an example I'll use bicycle helmets, are they obligated to only sell CSA standard approved helmets, or can they sell whatever and it's just that if the standard is there the consumer should know that it is certified and therefore meets certain standards? Is that the way it works?

Mr. Pablo Sobrino: I'll use a personal example.

My daughter plays ringette. The ringette association, for their insurance purposes, requires that I buy her a CSA-approved helmet. They actually tell you that she's not allowed on the ice without a CSA-approved helmet. It is there to make sure they meet their insurance requirements, which require protective gear to be certified protective gear.

It's really a mark for the consumer who can go to Canadian Tire.... Presumably, a CSA-approved helmet might cost a bit more than one that has no certification, but in fact it will be most of them. In the case of helmets, no one sells a helmet that doesn't offer that certification, but that's exactly it. It's really to inform the consumer that you have a product that has met a certain standard for protection.

Hon. Wayne Easter: If you do a comparison, like the standards on packaging and everything else, a standard is kind of a guideline versus a patent or an industrial design certification, which are enforceable.

Mr. Pablo Sobrino: Generally, the standards are quite precise, in terms of what it takes to meet the standard. It could be things like chemical composition, or its ability to take on specific loads. They're supposed to be objective, performance-based, so you're able to actually test them independently. That's kind of the main role the standard plays.

The idea is to have an objective, performance-based statement of how a product should behave for a specific outcome. That's fundamentally what the standard is for.

That's what makes it useful, for instance, in reference to regulation. If you do regulate something and say we want the standard.... If you got into the specifics, that it can't break with less than so many kilograms of force, all that stuff, in regulation that would become very difficult to put together. By referencing it to a standard...the CGSB standard for patio doors, for instance, is ensuring that the patio door meets all the standards. If you accidentally step into a patio door, it shatters in a particular way that reduces harm, those kinds of things. Those things are all specified so you can actually test to see that the patio door meets that standard.

So it's a very specific piece. It's not meant to be easy to get through.

•(1005)

Hon. Wayne Easter: I believe Desmond wants to come in as well. But in terms of the testing, who handles that testing? I mean, we all see on TV crash tests of cars and so on and so forth. Who covers the cost of that testing to determine what a product will withstand?

Mr. Desmond Gray: I'll take the example of the bicycle helmets as a good one.

For example, CSA runs a certification program. Let's say you're a manufacturer and you decided that suddenly you're in the market and you want to start manufacturing a bicycle helmet, a new innovation, but you want to have it certified. You would apply to CSA and say you were interested in having your product certified. There are certain requirements; you'll have to demonstrate, provide samples, provide documentation.

CSA has their own laboratories. They will test it. Of course, you will pay a fee for the actual application of the process. Then, as far as I understand it, you will then pay a per-unit fee as well, in terms of the application of the certification once you've achieved it, but there's an ongoing requirement to maintain your certification, to have regular tests and submissions to the CSA.

I want to go back to your other question because you raised the.... If you go into the marketplace today in Canada, you can see bicycle helmets certified by CSA; by ASTM, which is the American Society for Testing and Materials; for BSI, the British Standards Institution; because in the world, of course, it's an international market and manufacturers want to have accessibility to global markets. The notion of having multiple certifications, or a single equivalency, where if I get certified in Canada I can then go to the United States or go to the United Kingdom and have my product certified, these are more and more serious considerations for businesses, how they do that. Again, to instill confidence but without overly onerous long and complex processes.

The nice thing about this is that there is an ongoing process globally, economically, through the International Accreditation Forum, and other international bodies, to work toward mutual acceptance of certification marks.

[*Translation*]

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

I now yield the floor to Mr. Woodworth for five minutes.

Mr. Stephen Woodworth (Kitchener Centre, CPC): Thank you very much, Mr. Chair.

Welcome.

[*English*]

Thank you for coming to our committee today.

I am in the awkward position of having questions that seem to me to cry out and to be obvious questions that no one has asked, so I don't know if I have missed something, and you'll have to forgive me. I will try to keep my questions brief, and ask you for brief answers, because of the time limitations we have here.

First, has the Canadian General Standards Board ever been the subject in 80 years to a study by a parliamentary committee?

Mr. Pablo Sobrino: No, no one can remember one.

Mr. Stephen Woodworth: All right.

So, this is a semi-historical event.

Voices: Oh, oh!

Mr. Pablo Sobrino: Fitting for our 80th year, yes....

Mr. Stephen Woodworth: I have a reason for asking, because I noticed that in 1998 there was an order in council extending the minister's authority to private organizations, and I wondered if that might have been the result of a parliamentary study.

Mr. Desmond Gray: No, I think I can answer that, because I was involved in that process. Because of the rise of ISO 9000 at that time, we were getting demands not only from entities in Canada but entities in the United States and Mexico under NAFTA, who were interested in getting access to our services.

Some of it is just the confidence level that other entities, including the Government of Mexico had in obtaining a Canadian government certification mark. So, there was a desire to have that kind of relationship. Also, at that time there was some uncertainty as to whether the Department of Public Works Act provided us with that jurisdiction.

Mr. Stephen Woodworth: Indeed. I agree, and in fact most of my questions to you will be about governance. But that being said, I understand, or I take from your answer, that the 1998 order in council was the result of a kind of internal process rather than a public one—of course, whatever public process might be required for an order in council.

Thank you.

Has the agency—I'm going to call it the agency, if you don't mind, or the board—ever been the subject of a performance audit by the Auditor General of Canada?

Mr. Pablo Sobrino: No, it has not.

Mr. Stephen Woodworth: I gather there was in fact a 2009 evaluation by Public Works Canada. Did that produce a written report?

Mr. Pablo Sobrino: Yes, and it's available on our website. I have a copy right here with me.

•(1010)

Mr. Stephen Woodworth: May I ask you to file a copy with the clerk for distribution to the members? I would appreciate that.

Mr. Pablo Sobrino: I think Mr. Trottier has it already.

Mr. Stephen Woodworth: Well, we have it already. My apologies. I'm a visitor to this committee, so that's what I said at the outset. Maybe there's something I've missed. So, thank you.

Mr. Pablo Sobrino: No problem.

Mr. Stephen Woodworth: I again will ask a dumb question here, but I assume that because this is styled as a board, there is an actual board. Is that right or wrong?

Mr. Pablo Sobrino: That's incorrect. There is no board.

Mr. Stephen Woodworth: That explains a lot.

So, in place of a board, the two of you, I take it, have wider responsibilities than just this CGSB. Is there any one person in the department who is the point person, or who has the direct responsibility for the governance, organization, or management of CGSB?

Mr. Pablo Sobrino: Begonia is sitting right behind us, here. She's the director of the Canadian General Standards Board.

Mr. Stephen Woodworth: Thank you very much.

I then want to know whether or not that board publishes an annual report to anyone.

Mr. Pablo Sobrino: We publish within the departmental performance report. They're part of the department. So, the CGSB is identified as a program sub-activity, and therefore it appears in the DPR, the departmental performance report.

Mr. Stephen Woodworth: All right. I'm going to assume that would be through, first, the Department of Public Works, and then, sub to that, the acquisitions branch—

Mr. Pablo Sobrino: That's correct.

Mr. Stephen Woodworth: —and sub to that, the services and specialized acquisitions management sector. Is that correct?

Mr. Pablo Sobrino: Organizationally, yes, but in performance reporting, it's actually sub to acquisitions branch. It's a separate entity within it.

Mr. Stephen Woodworth: But nothing goes directly independently from this so-called board to the minister.

Mr. Pablo Sobrino: No, it really is the Standards Council of Canada that does the oversight on our efficiencies there.

Mr. Stephen Woodworth: I think I may have heard you mention an annual audit. Is that what you just referred to now?

Mr. Pablo Sobrino: That's correct, the Standards Council of Canada does the annual audit.

Mr. Stephen Woodworth: Before I ask you to provide it, do we already have a copy of the most recent annual audit from this agency?

Mr. Pablo Sobrino: I don't believe so. We received one just a few weeks ago, but we'll be able to provide.... They do an audit for each of the areas of our business.

The Chair: Thank you, Mr. Woodworth.

[Translation]

You are out of time.

Did you want to clarify something, Mr. Sobrino?

Mr. Pablo Sobrino: Yes. I have obtained an answer to the question about the term “genetic engineering”.

[English]

So I'm just going to read a definition. It may lead to future questions. “Genetic Engineering' refers to a technique by which the genetic material of an organism is changed in a way that does not occur naturally”. Genetic modification can occur naturally, such as cross-pollination of apples, or different products. So we are working on the genetic engineering side and not on the genetic modification side.

[Translation]

The Chair: Thank you.

[English]

Hon. Wayne Easter: I think it more relates to the movement of genes and stuff like that, rather than natural breeding.

[Translation]

The Chair: Thank you, Mr. Easter.

I would also like to ask a question. I have a specific concern that has already been expressed by some of the committee members, although I'm no longer sure who.

If the standards are so specific, any changes made to them may lead to significant costs for companies. They have to change their methods to comply with the new standards.

Yet, as you said—and that partially answers the question—the fact that these standards are based on performance somewhat alleviates those concerns. The important thing is that the performance aspect is respected.

Mr. Pablo Sobrino: When we decide to change a standard, we do so in consultation with the industry and other stakeholders through technical committees. A change made to a standard has a significant impact. It has a lot of repercussions, especially on the costs involved. We have to establish a standard that meets the needs of everyone around the table, including the industry. Ultimately, any changes made to standards are accepted by the industry.

The goal is not to change the standards, but to ensure that they are clear and specific. That's a matter of balance. We have to ensure that everyone understands that the standard is designed or modified in order to achieve the desired results.

•(1015)

The Chair: Thank you.

This concludes our meeting. I am sure this discussion has helped most of the committee members better understand the role you play in the development of some Canadian standards. Thank you once again for joining us this morning and for sharing this time with the committee.

As for the members, we will meet again next Tuesday.

The meeting is adjourned.

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