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Chair

Mr. Tom Lukiwski

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• (1530)

[English]

The Chair (Mr. Tom Lukiwski (Moose Jaw—Lake Centre—Lanigan, CPC)): Colleagues, good morning. I want to welcome Mr. Shea.

I welcome you and your officials back to our committee.

Colleagues, we have done this before, and I would ask your advice on this.

If we want to try to get in as many questions as possible, and if Mr. Shea is amenable to this, we could dispense with the opening statement, copies of which you all have in front of you, and go straight into questions. That would be great. If you agree, I would ask that the speaking notes presented by Matthew Shea be taken as read and appended to the evidence of today's meeting.

Are we all in agreement with that?

Some hon. members: Agreed.

[See appendix—Remarks by Matthew Shea]

The Chair: Thank you for that. That way I hope we'll be able to get in more questions, and I'm sure that all of you have many to ask. We will start our seven-minute round of questioning with Madame Ratansi.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Thank you for being here. I was looking at the department plans, and one of the responsibilities that PCO has is to keep our elections secure and safe.

I have been out and about in my riding, and I've heard a lot of comments from people who say they are getting information that, in their opinion, is probably false or is trying to interfere with their thinking process, and that there are websites, etc. that are providing that.

Can you advise us on strategies that the PCO may be working on with the Minister of Democratic Institutions, or initiatives that the PCO itself has taken to keep our electoral processes safe and secure?

Mr. Matthew Shea (Assistant Deputy Minister, Corporate Services, Privy Council Office): Absolutely, as a government we would take this very seriously. Election safety and security is one of the top priorities of the government and certainly of the Privy Council Office. We have a leadership role in a government-wide approach and in advice to the Prime Minister and cabinet on items related to national security.

On this particular item, there is a multifaceted approach that is really based around citizen preparedness, improving organizational readiness within government, combatting foreign interference and expecting social media platforms to act. At a very high level, this involves things like the cyber safe campaign that's being carried out by the government right now, and updates to cyber-threats to the Canadian democracy.

CSE recently released a report, which I'd be happy to talk to you about in more detail if you'd like. There's also an incident protocol that has been put in place to ensure that, if there is a threat to the security of the election, there is a process in place to inform the parties and the public.

I think one of the themes that you'll hear again and again from the government is the importance of understanding where information comes from, so there's also work being done with social media platforms to ensure that they understand they have a role to play in making sure that information is accurate.

I'll close by saying that citizens have a role as well. If you do think something is untrue, I think that flagging that is certainly worthwhile. You should question where information comes from and verify that the sources that you're using are authentic. That's something that certainly, as a government, we'll try to educate the electorate on.

Ms. Yasmin Ratansi: Education is important because with the advent of social media, people are just getting such a plethora of information, and they do not know what is false or true.

Facebook went before the committee that is looking at data, and they were quite adamant that they will not really meet Canada's requirements. I'm trying to figure out if you have any suggestions of what we can do.

Mr. Matthew Shea: I can't comment further on individual companies and what they should do, other than to say that PCO and the Minister of Democratic Institutions have met with social media companies and have made clear the steps that we would like them to take in order to support a safe election.

Ms. Yasmin Ratansi: If they don't follow any advice or instructions or our recommendations, how are we going to ensure that the public knows about it and is safe?

There is push-back somewhere. Do we have a campaign?

Mr. Matthew Shea: I would go back to the fact that we do have a process in place. The heart of the process is that there is a committee—with the clerk; the national security adviser; and DMs of Justice, Public Safety, and Global Affairs—that would meet if there are any cyber-interference or threats to the election. They would deem whether it was appropriate in certain cases—and they would be rare cases—to actually go to the public and say that we have a credible threat, and there would be information. They would of course brief Elections Canada, and they would brief the political parties as well.

Ms. Yasmin Ratansi: I'm going to ask you to comment on something the Clerk of the Privy Council said.

The Privy Council wants to ensure that the economic and social policies encourage innovation. In a theme of innovation to the public service, he stated he was not willing to endorse large-scale innovation because it is disruptive, but...a responsible type of innovation.

I think, Mr. Ghali, you are in the innovation area. Could you expound on what your thoughts are?

• (1535)

Mr. Rodney Ghali (Assistant Secretary, Impact and Innovation Unit, Privy Council Office): We look at the role of the public service as stewards of public funds with a responsibility to ensure that the policies and programs that the government puts in place are done in a way that is diligent and respectful of the responsibilities that we have. When we think about the enterprise of innovation across any social, economic or environmental policy area, I think what we need to realize is that this concept of innovation is a discipline. It follows rigorous methodologies and is underpinned with responsible implementation. Innovation within the public sector needs to be taken very seriously. It has to be structured and follow a plan. In my unit, we follow this idea of being cautious, as the clerk put it in his speech last week, in particular as we implement our partnership approach through the Impact Canada initiative, because we want to ensure that as we learn to test out new approaches, and policy or programmatic methodologies, we do this in a way that is very thoughtful and engages all sectors of society. I think that's a message that we all should heed appropriately and follow quite closely.

Ms. Yasmin Ratansi: What are some of the challenges you are facing in your environment, where you are trying to innovate, maybe slowly, but steadily? What are some of the opportunities?

The Chair: If you can compose your answer in about 30 seconds or less, I would appreciate it.

Mr. Rodney Ghali: Absolutely.

I think you're aptly putting it. There's a feeling that it's both ripe for opportunities and fraught with challenges. Of course, if we think about the government enterprise of over 250,000 employees across every single domain that we can think about, trying to ensure that we do this in a thoughtful way, with partners both inside and outside government...collaboratively co-designing and co-creating with all sectors of society, that's where the opportunity is: to ensure that we always put the citizen first. The challenge, of course, is basically the flip side of that.

Ms. Yasmin Ratansi: Thank you.

The Chair: Mr. McCauley, you have seven minutes.

Mr. Kelly McCauley (Edmonton West, CPC): Gentlemen, welcome back.

Mr. Shea, I like that tie.

In your departmental plan, it says that PCO is involved in the ongoing renewal of the public service. Can you briefly explain what PCO's role is in that?

Mr. Rodney Ghali: Sure, I can field that question.

There's a secretariat within the Privy Council Office called the public sector renewal secretariat. It's a group of colleagues who are implementing what is called "Beyond2020". It's the latest renewal efforts within the public service, looking at building on what previous clerks have set up in terms of ongoing transformation of the public service to ensure it provides the leadership that's needed.

Mr. Kelly McCauley: Have you and those folks been following our committee examination of hiring into the public service? For example, there's the fact that it takes 200 days to get someone into the public service.

Mr. Rodney Ghali: I can't speak on behalf of my colleagues. I'm certainly aware of the committee examination in terms of hiring practices within the public service.

Mr. Kelly McCauley: Thanks.

On page 7 of the departmental plan, you mentioned that it has undergone changes, so the current results indicators are not compatible with previous years. I'm just curious as to who advised your office to change the way they measure the results. I have to ask you what the value of having it is if we're not able to measure results.

Mr. Michael Hammond (Executive Director and Deputy Chief Financial Officer, Finance, Planning and Administration Directorate, Privy Council Office): Chair, I can answer that question.

Essentially, we went through the process of updating our departmental results framework, and it took effect in 2018-19. Some of the indicators we had previously were not necessarily reflective of the new structure that was presented as part of the DRF.

Mr. Kelly McCauley: But you have the information from previous years, do you not?

Mr. Michael Hammond: Yes, absolutely. They just don't necessarily align one to one between the results indicators that we have now in place versus the ones that were under the program alignment architecture.

Mr. Kelly McCauley: I'm just going to follow up with the departmental plans.

On page 7, it says, "Improve results for Canadians by supporting departments to innovate and experiment with outcomes-based approaches". Again, how are we measuring our outcomes? When I look at your departmental plans, I see the plan is to increase year over year. They're not actually setting targets. In one part you say you have "outcomes-based", but you're not setting actual targets to achieve, apart from just increasing. Anywhere in the private world, whether it's a corner lemonade stand or a large bank, you would have real targets and not just "We're going to increase." I'm just wondering why we say this, but they're not actually showing in the departmental plans.

• (1540)

Mr. Michael Hammond: Part of the reason for that is because we have not gone through the process of baselining all of our results indicators, given that they are very new. Some of the data have not actually been established, in terms of what the target would be. Most of ours that we have announced—

Mr. Kelly McCauley: Let me interrupt you right there.

I'm looking at these. We have the numbers from the previous year, so we do have a baseline. For example, percentage of employees who describe their workplace as being healthy, we had 60% two years ago, which dropped down to 56%, which is scary. People are feeling that their workplace is not healthy, but our only goal within Privy Council is to increase that. So, we have a baseline, but we're not setting an actual target.

What percentage of PCO executives are getting paid bonuses and what are we basing their bonuses on, if we're not actually setting targets for them?

Mr. Matthew Shea: I would differentiate between departmental results and individual executive compensation. Absolutely, there is a linkage between a department achieving its objectives and executives getting paid, but each executive has much more specific performance appraisal items. For example, I have all corporate services, so it would make sense that part of mine are linked to achieving IT projects, achieving forecasting—

Mr. Kelly McCauley: But they're not linked to achieving departmental projects or departmental targets.

Mr. Matthew Shea: Generally, you have government-wide commitments in every executive's performance agreement, and you'll typically have departmental ones as well, and then very specific ones to the individual. Without getting into a large discussion about executive compensation, one of the key things is what you have control of when you talk about compensation.

A key to that is ensuring we're evaluating executives on things that are within their control, which does not mean they shouldn't contribute to government-wide initiatives, but it does mean we have to also evaluate them on what they are specifically mandated with doing. What is in my performance appraisal is different from what is in Rodney's, for very good reasons.

Mr. Kelly McCauley: Maybe in someone's performance appraisal, targets should actually be set. I'm not blaming you. It's whoever signed off on this.

On page 8 of your DP you've got an indicator: percentage of cabinet documents that meet PCO's guidance on drafting is 50%. Is PCO not the primary source of drafting such documents?

Mr. Matthew Shea: The PCO has the role of vetting the drafts. Each department is responsible for writing its own memoranda to cabinet, no different than with Treasury Board, writing Treasury Board submissions is the individual department's role

When it comes to PCO, the folks who reviewed these are looking at a number of different things. It can be as simple as formatting; it can be the translation quality; it can be the gender-based analysis. They're looking at those different pieces to make sure it's being done.

Mr. Kelly McCauley: On page 3 and 4 of your handout, it states that funding will also be approved in the supplementary estimates to continue to support the management oversight of an open, transparent and merit-based process for Governor in Council appointments.

How does this relate to the news that the government is using a partisan Liberal donation base for vetting senators, but also GIC appointments? I'm wondering what role that played with the fact that you seem to have to be a Liberal supporter to get the GIC appointments. The other report that also just came out showed the inability of visible minorities to get past the vetting process for hiring into the public service for GIC appointments.

Mr. Matthew Shea: At a very high level, we actually do have a lot of diversity amongst GIC appointments.

Mr. Kelly McCauley: That's not what reality shows.

Mr. Matthew Shea: I can give you the stats: 54% of appointees self-identify as women; 13% as visible minorities; 9% as indigenous people; and 3.5% as persons with disabilities.

The Chair: Thank you.

Ms. Benson, welcome to our committee. You have seven minutes.

Ms. Sheri Benson (Saskatoon West, NDP): Thank you very much, Chair, and fellow Saskatchewanites. I'm pleased to be here.

The Chair: I don't see you wearing green today, but that's all right.

• (1545)

Ms. Sheri Benson: Today in the House, the minister is giving a statement, and you're here talking about things the government is going to do to ensure that elections are not "tampered with", I guess would be the colloquial term.

I know you've shared what the protocol will be around the critical election incident public protocol. Looking at the panel, it lists the expertise, or what each panel member will bring, but election expertise wasn't one of them. The Chief Electoral Officer isn't a part of the critical incident team. What was the rationale for not including that expertise on the panel?

Mr. Matthew Shea: I apologize. In my role, I don't have visibility into the process. I can simply say that, absolutely, the Chief Electoral Officer would be informed of any issues and would be briefed. There is a partnership that exists between the various organizations. This is very specific to how we alert the public to a critical incident that affects the election.

Ms. Sheri Benson: From your perspective, are you saying that the Chief Electoral Officer will be involved in informing the public, or investigating it, or identifying it? What is the role of that officer in this process?

Mr. Matthew Shea: The protocol is about making a determination as to whether there is foreign interference and then taking steps from that.

Ms. Sheri Benson: Right.

Mr. Matthew Shea: As for what goes on behind the scenes in terms of investigation, I don't think it would be appropriate for me to comment, but I think on a case-by-case basis agencies and organizations beyond the five that are making that set of decisions—

Ms. Sheri Benson: Right.

Mr. Matthew Shea: —would be involved in any type of investigation, any type of recommendations. This is really a decision-making body that has that final say. That's not to say that there's not involvement from other agencies that exist across government.

Ms. Sheri Benson: So, what you're saying is that a critical incident team could include the Chief Electoral Officer in rolling something out, or helping them determine whether... It just seems to me that the person or that role within the electoral system should be a part of that team. I'm just curious as to why they weren't included as part of the team.

Mr. Matthew Shea: I can only repeat what I've already said.

Ms. Sheri Benson: Okay.

Going to the renewal efforts for the public service and the overall plan, I'm wondering if you might comment about what role you think the inability of the federal government to pay its public servants correctly has played in some of the deterioration within the public service of their satisfaction at their jobs.

To me, the Phoenix pay system needs to be a part of what you consider, going forward, when you're renewing the public service. You have to be able to pay people properly.

Mr. Matthew Shea: You'll get no disagreement at this table around the importance of paying public servants.

Ms. Sheri Benson: It's been one of those questions. It's a little rhetorical, obviously.

Mr. Matthew Shea: I mean—

Ms. Sheri Benson: My point is that, here is the reality, and you're talking about renewing the public service. I want to know what part of the conversation that key part of being an employer was, going forward.

I'm not asking you to solve the Phoenix pay system, obviously, but to me that would be a pretty big step prior to doing any other stuff.

Mr. Matthew Shea: Paying our employees is key, and it's something that is in every deputy's performance appraisal—supporting the steps being taken. For example, one of the key things being done right now is what we call HR-to-pay. It's looking at ways that we actually submit information to the pay centre to ensure that we minimize the chance of disruption of pay, minimize the chance of errors—looking at those steps we can take.

Yes, in parallel they are looking at system fixes, but there are process opportunities as well and there's accountability that's being built into individual departments. The one point I'd like to make is that you can have a situation like Phoenix, and it's something that we've very much identified in government as something we need to learn from. We often talk about the lessons of the Goss Gilroy report as it relates to other projects, as it relates to seeking innovation.

But, I think it would be unfair to characterize that the government as a whole is not being innovative and the government as a whole is still not moving forward. Looking at third parties, not us—it's easy for us to say that we're innovative or that we're trying new things—Canada was ranked in the 97th percentile for the World Bank indicator of government effectiveness. We were ranked first in its women's leaders index. As a government, many departments have been found to be top employers, whether it be for young people at the Department of Finance, Department of Fisheries and Oceans, Health Canada, Stats Canada or TBS—best diversity employers.

I think there are a lot of great stories, and one of the things I would encourage members to do is read the clerk's annual report. There are a lot of wonderful stories of things that have been achieved in the public service, and I think it would be unfair to characterize the entire public service based on one specific, though very important, example.

• (1550)

Ms. Sheri Benson: I bring that to your attention because one of the issues brought forward to me was students not looking to the federal government for employment because they were worried they wouldn't get paid. I think summer jobs for young people in the government... I've worked in the community so I've interacted with public servants all my life and I certainly understand the importance of the work they do. I'm not undermining that.

What I am saying is that I feel, as a career choice, that has been eroded. Although we're doing well, I think the impact is still to come. One way I have seen it is with young people not applying, for lots of reasons—student debt and those kinds of things. You pretty well can't work all summer and not get paid.

I'm just sharing that with you.

Mr. Matthew Shea: I will add that I'm very passionate about this.

The Chair: Mr. Shea, I'm sorry. I'd love to hear your comments, but you'll have to share them at some other time because we're completely out of time on this intervention.

We'll go to Mr. Jowhari, please, for seven minutes.

Mr. Majid Jowhari (Richmond Hill, Lib.): Thank you, Mr. Chair.

Thank you to the department for coming in and providing the breadth in testimony.

There are two different themes. One is around policy and the implementation support you are giving, and I have a number of questions around clarification on the funding, the extra \$13 million you have requested.

Let's start with policy. In your written submission, you talked about the youth policy. This is one of the newer policies that your department is now taking on. You talked about the vision for youth and the vision for Canada Service Corps, as well a Government of Canada youth digital gateway. Can you share with us your finding? What is the vision that is being developed? How are you helping the Prime Minister's Office in working with the youth council in trying to develop and implement this?

Mr. Matthew Shea: As you likely know, the Prime Minister took on the role of minister for youth in addition to being Prime Minister. The PCO, in supporting the Prime Minister, has a secretariat for youth and a deputy minister supporting the prime minister in that role. I would say, before I get to the outcome, that we have to talk about how we got there.

One of the big things that was set out was to consult youth across the country in a number of different ways. As the department, we sought out input from youth from across the country, got about 10,000 individual responses in the first stage, and then did 18 in-person sessions throughout Canada that kind of validated what we heard.

The outcome of that was a youth policy that had a number of different, very specific priority areas: leadership and impact; health and wellness; innovation; skills and learning; employment; truth and reconciliation; and environment and climate change. This culminated in the first-ever youth summit that was hosted just recently. It was an excellent success and an example of the federal government's bringing resources to bear to support the Prime Minister in this particular role to bring youth together and to discuss this.

From this, it will be the question of where we go next. A lot of that will be to come. We will report on a regular basis on the progress, and that will be progress across government, not unique to PCO. It's a theme, and we'll now turn to departments to ask what they can do on each of these themes, and we'll report back to the public on what we do.

Mr. Majid Jowhari: Great.

Can you touch on the youth digital gateway? It's on page 4 of your submission.

Mr. Matthew Shea: I don't know that I have any details on the youth gateway itself. That's how it is.

• (1555)

Mr. Majid Jowhari: Okay. We'll go to the funding then. That's easy.

In your submission, you indicated that the request this year was \$13 million more. There are three areas that I'd like to probe. Can you shed a little light on the funding for PCO's secure mobile communications project?

Mr. Matthew Shea: Absolutely. It's largely my team who has a role in ensuring that there is secure communication capacity in the government for cabinet, for the Prime Minister and others to have—

Mr. Majid Jowhari: Were there some security concerns?

Mr. Matthew Shea: I won't get into specific concerns. I would simply say that it's important to always be proactively monitoring the threat environment and ensuring that our technology and our

processes are up to speed to combat those emerging threats. With that in mind, we've taken steps through this to increase the reliability and the reach but also the redundancy of our secure communication capacity to make sure that, as much as possible, we can reach cabinet, the Prime Minister and those in key senior leadership positions within government anywhere they are in the world and be able to have the discussions that need to happen.

You can picture events where that would be necessary. It's important that we have the capacity to do that and to continue to invest in that.

That particular project was mentioned in the fall economic update. There is also funding for the Communications Security Establishment and for Shared Services Canada. We're working together to bring that technology to bear.

Mr. Majid Jowhari: Another point you highlighted was the funding decrease related to the PCO information technology modernization project, as a number of subprojects were completed in 2017. Can you help me with the fact that there is a \$13-million increase and a funding decrease?

Also, were the subprojects that were completed successful?

Mr. Matthew Shea: Looking back at budget 2016, we had a number of items that were brought in. There was \$88 million over five years for IT projects. We invested in various projects to increase our hardware and increase the core infrastructure from an IT perspective. You'll see, starting this year, that each year we'll have a little less funding. It's because we're completing the projects, so it's actually, I would suggest, a good-news story. They have been generally on time and on budget, and they work, which is the goal of our IT projects, absolutely.

There are a number of subprojects. Part of it is that in going to that agile approach to doing technology, we don't want a number of just large projects; we want bite-sized projects that we can actually finish and deliver. Information management is one that we'll continue to invest in over the coming years. We built some infrastructure. We want to continue down the path to use GCdocs, which is a government-wide standard.

To your other question—how do we go down there but then up as a budget—it's a mix of increases and decreases, as you can appreciate. The net is an increase.

Mr. Majid Jowhari: I have about a minute left, and I want to get one last question in. It's about the decrease of funding related to the completion of the national inquiry into missing and murdered indigenous women and girls commission, as of June. Why the decrease in funding?

Mr. Matthew Shea: Keep in mind that we're comparing year over year, so it's just a decrease compared with what our main estimates were last year. This year our main estimates had under \$7 million allocated for MMIWG because it was just those final few months of the year. Similar to last year, we anticipate that we'll reprofile some money that was unspent in previous years to augment that amount, but the intent is absolutely that everything will wrap up by the end of June. The report will be out by then. They'll wrap up their office. Then PCO will do close-out work with Library and Archives to ensure that the information management is done correctly, the offices are closed and we support the employees who are leaving.

Mr. Majid Jowhari: Thank you, sir.

The Chair: We'll now go to five-minute rounds.

[Translation]

Mr. Deltell, go ahead for five minutes, please.

Mr. Gérard Deltell (Louis-Saint-Laurent, CPC): Thank you, Mr. Chair.

Gentlemen, it's always a pleasure to see you again and meet with you. Thank you for your testimony and, most importantly, for the services you provide to Canadians.

[English]

Not surprisingly, I will ask some questions about the committee created by the government for the leaders debate during the campaign.

[Translation]

I want to reiterate that there is absolutely nothing personal in what I'm going to say and that you serve the government with honour and dignity.

It's important to repeat that, in our opinion, as the official opposition, this committee is null and void because it is intended to solve a problem that did not exist. The leaders' debates were not a problem. It was organized between the parties and the broadcasters, and everything was going well. We have always had good debates, both in terms of organization and substance. The government has decided to create a committee to assess the relevance of this. We think it's null and void.

Now, this committee has been formed. Again, it's nothing against you personally, but I would like you to provide an update. If I recall correctly, we talked about a budget of \$5 million. I'd like to know where things stand in this regard.

• (1600)

[English]

Mr. Matthew Shea: Thank you, as always, for your question. I appreciate the way you always express your appreciation for the public service when you ask these questions.

Just as an update, when I came to this committee last year, we at PCO were temporarily managing the funding, because the actual department had not yet been created. It has now been created through supplementary estimates. That final amount of money went to them, not to PCO. For this fiscal year, they have their own main estimates. They already appeared, in fact, at another parliamentary

committee. I had the chance to join Minister Gould when she went for one of the appearances there.

From a PCO perspective, our work is really just a support function right now. We have a memorandum of understanding with the debates commission to provide internal services. My team provides internal services. It's important from my perspective to highlight the fact that they had the choice of going anywhere they wanted. There was no string attached that they had to get those services through us. They made the decision, given that we've supported MMIWG and other organizations like this, that we were well positioned to help them. They're up and running. They have an office location. They've hired staff. They've set up their advisory group. Right now, as we speak, a request for proposals has been put out through PSPC to bid on the contract that will be put in place to put on the individual debates.

Beyond that, I can't really comment on the work they're doing. They're another organization. I'd be happy to comment on the support we provide them in any way you'd like.

Mr. Gérard Deltell: Well, thank you for your comment, even if, as far as I'm concerned, this is totally a waste of time and a waste of money. I give all my respect to the members of this committee. A former governor general is a right honourable man. He's more than an honourable man; he's a right honourable man, by his title and by what he has done for his country, but I think this guy should have something better to do than try to find solutions to a problem that doesn't exist.

[Translation]

I'd like to come back to a point you made in the document you submitted. On page 4, you talk about supporting the Minister of Democratic Institutions to strengthen and protect Canada's democratic institutions. Could you give some financial items under your watch that you will have to analyze in the coming federal election?

We know that every time it comes to elections, sensitivities run high, and rightly so because we are terrible or extraordinary judges and parties. That is why we must ensure that everything is done according to the rules and, to use words from the field of justice, that there is a semblance of following the rules.

What is your role in strengthening and protecting Canada's democratic institutions for the next election and what budgets are allocated to it?

[English]

Mr. Matthew Shea: Our role is supporting Minister Gould. We have a deputy minister who supports both Minister Gould and also Minister Chagger, as leader of the House.

I don't have a specific budget for Minister Gould's support from PCO. I can tell you that the total cost of her minister's office, which is publicly disclosed, is around \$1.3 million.

We have PCO support, which is not a large amount of support, that helps her from the perspective of machinery of government from the national security and intelligence adviser area. A lot of the work they do is bringing together stakeholders and people from other departments, so it's hard to quantify the exact amount being spent on protecting democracy. There are certain campaigns, like “get cyber safe”, that have very specific budgets assigned by their individual departments. But PCO doesn't have an election security budget per se.

The Chair: Thank you very much.

Mr. Drouin, you have five minutes.

[Translation]

Mr. Francis Drouin (Glengarry—Prescott—Russell, Lib.): Thank you very much, Mr. Chair.

I'd like to thank the witnesses for being here.

I will follow up on the questions my colleague Mr. McCauley asked about how we can innovate in the public service. You said you were reviewing some of the programs. The words “red tape” are often used. Mr. Benay said that we want a public service that is in the 21st century, and we want to innovate in this direction.

Is there anyone internally who is looking into that? Are there barriers to the adoption of new technologies in the public service? I don't need to list the technological problems that have occurred.

•(1605)

[English]

We seem to be adopting agile procurement and agile projects. That's one thing the government has been pushing.

Are any barriers impacting the capacity of the government to adapt to new technologies and to innovate with Canadians at the same time?

Mr. Rodney Ghali: As you can imagine, there's this constant tension within the public service around the idea of innovation, ensuring that, obviously, the public service remains stable and strong during its delivery of all the statutory programs it's responsible for. At the same time, we see that constant push from the citizenry to ensure we continue to remain relevant to its needs.

Without a doubt, there is a concerted effort and focus within the public service to look at the rules structure we have in place to ensure it is allowing for the appropriate uptake of new technologies and new approaches. That was mentioned earlier in terms of outcomes-based approaches.

We have the deputy ministers task force on public sector innovation. Over 20 deputy ministers are a part of that committee. Attached to it is a multidisciplinary team of public servants that works horizontally across all the departments and agencies to help address the issues and speak to them. It's been looking at a couple of key areas of focus over the last year in more efficient HR practices, the adoption of new technologies like AI and blockchain; and then also importantly, the use of discretionary spending in grants and contributions to assure they are being used in the most efficient and effective ways.

Part of all that work is looking at all the rules-based frameworks to ensure on the one hand that the government is remaining an accountable steward of public funds, and on the other hand, ensure that as new technologies are coming to fruition within society, the government is taking up those approaches responsibly.

Mr. Francis Drouin: I'm looking at the youth policy and how we're communicating with youth. Obviously, if we cannot speak to not only youth, but also the millennials, we're going to lose them. Whether it's through a variety of services or... I don't have to tell you about the Auditor General's reports about hanging up calls or not being able to respond to Canadians.

Is somebody also looking at that? I see that as a threat from government because if we cannot communicate properly with our millennial citizens, then how are they going to communicate with their own government? They will see that as a failure, from our perspective, to communicate with them.

Mr. Rodney Ghali: It's a really important question. I think the public service engaging Canadians where they are versus where we are is a question that even my team directly within PCO is looking at very closely.

As I look at the work that we are doing under the auspices of the Impact Canada initiative, I see that it is a programmatic approach that is looking at establishing new partnership models where government, non-profits and the private sector can work more collaboratively together. It is taking a citizen-centred approach that very much thinks about all sectors of society. It is thinking about millennials in particular—there are a few projects that we're working on—and understanding what is the best way to engage them.

You're right. There has been a traditional approach of government to just push out messaging and not necessarily be receptive to the communication that comes back. When we think about the concept of outcomes-based approaches, the issue of engagement is core to that, and the issue of co-designing and co-development is core to that.

The Chair: Thank you very much.

Mr. McCauley, you have five minutes.

Mr. Kelly McCauley: I want to go back to the departmental plans.

In one of the items, the goal is to ensure that employees get the training that they need to do their jobs, but there's no tangible target set for that. I bring this issue up because someone was talking about Phoenix earlier. For two whole years, the government did not actually enforce or have people do training. When it finally got around to it, it didn't make it mandatory, and then the program was widely panned as a very poor training program.

Considering issues like this, why would we not set an actual target for training instead of “improve over last year”? I'm not saying that you wrote this, but I'm curious about why we would not set targets within the department.

•(1610)

Mr. Matthew Shea: It's difficult to pick a target that would be a one-size-fits-all target for a department. The types of training that we need in the intelligence area, for example.... We actually have a school for intelligence analysts that is housed at PCO and supports a number of different departments.

Mr. Kelly McCauley: I know, but we have a way to measure it, so why would we not set a target? We saw the Phoenix debacle, and many of the people on this committee sat and listened in on how two years later we hadn't done the training. Again, why do we not set a target to hold people responsible to ensure that important things like this actually get done?

Mr. Matthew Shea: Again, training is a broad category. The training that you need in one job—health and safety—could be different from the training that is needed for another job. There are certain types of training that are mandatory. For example, at PCO, health and safety training is mandatory. There are other types of training that are job-specific. What our intelligence analysts need is different from what our policy analysts need—

Mr. Kelly McCauley: I'm going to move on, Mr. Shea.

With regard to the public service employee survey, there are rather alarming numbers in there. We see that the number of people experiencing harassment is going up. Discrimination is going up. Trust of the system is dropping significantly. I'm just wondering what PCO is doing to address these numbers.

I'll give you an idea. With regard to discrimination, there was an increase in the number of people who experienced discrimination but didn't report it. The number of people who didn't report it because they were afraid of the process has gone up. The number of those who didn't report because they were afraid of reprisals has gone up. The number of those who didn't report it because they didn't believe that it would make a difference has gone up.

Across the spectrum, it's getting worse and worse. What is PCO's plan to address these?

Mr. Matthew Shea: There are a couple of things that I would point out. One is that, just looking at the numbers themselves, year over year the harassment number actually went down in government, not up.

Mr. Kelly McCauley: It went to 49% from 48% for this year.

Mr. Matthew Shea: It went from 18% in 2017 to 15% in—

Mr. Kelly McCauley: I'm sorry. Harassment is 27%, up from 25%, for those who experienced it but didn't report it. Thirty per cent who didn't report it were afraid of the process; that's up from 26%. Forty-seven per cent who didn't report it were afraid of reprisals, and that's up from 45% in 2017.

Mr. Matthew Shea: Mr. McCauley, I do want to make clear that there's an absolute number, which is “were you harassed in the last year?” That number is down. Within that there are sub-questions.

When you say 47%, that's 47% of the 15%. That's not discounted. It's just to clarify that it's not 47% of public servants who are being harassed.

Mr. Kelly McCauley: What is the PCO doing to address these rather alarming increases?

Mr. Matthew Shea: There are two portions of this. One of them would be at the PCO itself. We actually have spent a lot of time talking about PSES results on a branch-by-branch basis.

Mr. Kelly McCauley: I'm thinking of the general public service.

Mr. Matthew Shea: For the general public service, a safe work space policy has come out and every department has been asked to.... There are five different sections to that particular policy.

Mr. Kelly McCauley: Is there direction from the PCO to the departments?

Mr. Matthew Shea: There is direction.

Mr. Kelly McCauley: Have they put a plan together that's going to come back to the PCO for approval for addressing this issue?

Mr. Matthew Shea: I'd have to clarify whether it comes for approval, but it is being reported back from departments. Departments are expected to actually put more data together and to report in a very public way on discrimination on a number of different things. It's about not just reducing discrimination and harassment, but creating a healthy and safe workplace.

Mr. Kelly McCauley: It's the same with the reprisals. We don't have an proper whistle-blower act. Again, what are we doing throughout the public service to protect those who need to come forward and who are very clearly afraid of reprisal?

Mr. Matthew Shea: I think a number of consecutive governments have put in place more agents of Parliament that give tools to public servants to come forward and make disclosure. As you know, there is a disclosure—

Mr. Kelly McCauley: The fear is increasing, though. We're going backwards on this issue.

The Chair: I'm afraid we're going to have to cut the conversation off at that.

I'll now go to Madam Mendès, for five minutes please.

Mrs. Alexandra Mendès (Brossard—Saint-Lambert, Lib.): Thank you very much, Mr. Chair.

I'd love to continue on that on a totally other tangent, but I have some questions on the mandate letters.

I'm very curious because we are approaching the end of this government's mandate. I do see that there was an objective of 70% of mandate letter commitments to be fulfilled. If you could possibly give us an overall idea of where we are with the mandate letter commitments, I would appreciate that.

•(1615)

Mr. Rodney Ghali: As you know, there are 432 publicly available mandate letter commitments that are posted on the PCO tracking site to give you a sort of high-level overview of where we are tracking on all of that. You can find that on our website.

From a completed or met standpoint, we have 161 mandate letter commitments completed or met. We have approximately 250 or so where progress is being made on track and four mandate letter commitments that are no longer being pursued.

As you may be aware, the mandate letter tracker is updated on a quarterly basis. The stats I just gave you were from late March. We're planning on another update for June very shortly.

Mrs. Alexandra Mendès: Do you think that, realistically speaking, we can expect to have that 70% attained by October?

Mr. Rodney Ghali: The rationale behind the target that was set was to ensure that we had a high level of ambition.

As you're well aware, this idea of publicly disclosing all mandate letter commitments was the first time the federal government has ever seen that. I think there was an equal level of ambition in ensuring that the government work towards the greatest number of mandate letter commitments completed by the end of this current mandate.

As you can also imagine, there are a number of mandate letter commitments within the context of ongoing work where there's no end to them. This is ongoing business. The categorization of 70% will obviously include those that are completed within mandate, but also looking at those that are still on track, even at the end of this current mandate.

Mrs. Alexandra Mendès: That brings me to the point. As you've just mentioned, there are some issues in the mandate letters that will be ongoing for many years. If nothing else, our relationship with the indigenous peoples is not something that we're going to resolve by September 30. It is ongoing and will be ongoing. It's not the only one; there are quite a few of those.

Is there a way to eventually have more continuing follow-up at PCO? There are things that you'll never achieve at 100%. It won't be realized. Is there a way of showing what has been done and what has been achieved, beyond being on track? Is there a way to do that?

Mr. Rodney Ghali: That's really the philosophy behind the concept of results and delivery; it is looking at how governments track the original policy ideas all the way through implementation. Through the mandate letter tracker, the idea is that on a quarterly or so basis, the government is very publicly communicating where that policy implementation is at.

I think we have seen great value in tracking a number of those mandate letter commitments, and communicating the fact that—as we're equally pointing out—for a number of these large policy issues, realistically these things will take time; they will take years to implement. What's really important is that we continually publicly communicate the progress against what those commitments are.

From a public standpoint, that's what the mandate letter tracker is pointing to. You will also see that track into basically every department's departmental plan; it is equally tracking the mandate letter commitments through a departmental standpoint. PCO is the aggregate of all of that work.

Mrs. Alexandra Mendès: Would that apply to Mr. McCauley's previous question?

He was pointing out that we're going backwards in certain aspects of accountability, and even the wellness of the public service in general.

Is it that we're going back or that we know more?

The Chair: That's a great question, but unfortunately we don't have the time for it again. We have to work out the timing a little better here.

Our final three-minute intervention will go to Madam Benson.

Ms. Sheri Benson: I have three minutes. That's really hard.

I want to make two comments about innovation and the ability of communities to work together with the government. I'm really hoping that part of what you move forward with is changing the culture within the public sector to be able to partner more authentically....

In particular, I have two technology companies in my riding, Noodlecake and Smart Call. Their struggle with working with the government is that an old-fashioned procurement process doesn't work if you're wanting to sit down together to actually solve a problem. When you're working with companies—and it's not just technology companies, it's organizations that are at the leading edge of solving social programs—you need to be sitting together to figure out the parameters first. What I often find is that the government has a solution, but they don't know what the problem is. That's why it ends up being difficult to make that leap and actually do better.

The other thing is that often governments don't know how things work on the ground. Often when you're dealing with the public service, you have the rules repeated to you of how it's supposed to work. What they're trying to do is to give feedback on the fact that they know what we want to do, and they're telling us that on the ground, it doesn't roll out that way.

I guess my point is that it's not all about hardware and software; it's about people and relationships.

• (1620)

Mr. Rodney Ghali: I think what you've highlighted is basically at the core of what we're trying to institutionalize under the Impact Canada initiative, which is true codification of that co-design, co-development process, and taking a multisectoral approach.

I'll give you a perfect example of the meld of technology and social issues, and this is the government's response to Canada's opioid crisis. There are a number of planks that the government is rolling out to help stem deaths by opioid overdose. One of those is the development of a new technology for people who consume drugs, to ensure they are aware that what they're consuming is not laced with fentanyl or carfentanil.

You're right. In a traditional approach, government would basically put out the specs for what it thinks the right technology is and then procure whatever it is, irrespective of whether it's the right approach or not.

Ms. Sheri Benson: Yes.

Mr. Rodney Ghali: What we've done under the Impact Canada initiative is to launch an opioid drug-checking technology challenge. We put out the high-level goals, which are, can you develop a piece of technology that meets this criteria in terms of easy-to-use, low-cost, reusable...all of that? We put it out there to the communities, both domestic and international, to come up with that approach.

Ms. Sheri Benson: Thank you.

The Chair: Mr. Shea, Mr. Ghali, Mr. Hammond, thank you all for being here once again. Your attendance at these meetings is always very much appreciated, and thank you again for your testimony.

As always, should you have any other answers that you wish to provide—since we were cut off a couple times—or any suggestions or recommendations, please get the answers or those recommendations and suggestions to our clerk as quickly as possible.

Colleagues, I'm going to suspend now to go in camera.

I have just a couple of minutes of committee business—an update for this committee—before we get into the draft report.

[Proceedings continue in camera]

OPENING STATEMENT

BY MATTHEW SHEA

**ASSISTANT DEPUTY MINISTER OF THE PRIVY COUNCIL OFFICE
AND CHIEF FINANCIAL OFFICER**

TO

**STANDING COMMITTEE ON
GOVERNMENT OPERATIONS AND ESTIMATES**

May 27, 2019

3:30 PM – 4:30 PM

My name is Matthew Shea and I am the Assistant Deputy Minister, Corporate Services Branch and the Chief Financial Officer at PCO.

I am accompanied today by Mr. Michael Hammond, my Executive Director, Finance, Corporate Planning and Administration Directorate, and Rodney Ghali, Assistant Secretary, Impact and Innovation Unit.

I am accompanied today by Mr. Michael Hammond, my Executive Director, Finance, Corporate Planning and Administration Directorate, and Rodney Ghali, Assistant Secretary, Impact and Innovation Unit.

PCO remains committed to providing non-partisan advice and support to the Prime Minister, Cabinet, portfolio ministers and Cabinet committees on matters of national and international importance, as well as facilitating the implementation of the Government's agenda and stewarding an agile, inclusive and equipped Public Service. PCO also supports the Prime Minister's portfolio responsibilities as Minister of Youth, as well as supporting the Minister of Intergovernmental and Northern Affairs and Internal Trade, the Minister of Democratic Institutions and the Leader of the Government in the House of Commons.

I would like to begin with a brief overview of the *2019-20 Main Estimates*. PCO sought \$179.4 million overall for its core responsibility, which is to serve the Prime Minister and Cabinet, and for its internal services. This is an increase of \$13 million from the amount sought in the *2018-19 Main Estimates* which was \$166.4 million. This increase includes:

- Additional funding approved through 2018-19 Supplementary Estimates A to support Ministers for which the Privy Council Office has responsibility, including the creation of the new Office of the Minister of Intergovernmental and Northern Affairs and Internal Trade;
- Funding also approved in 2018-19 Supplementary Estimates A to continue to support the management and oversight of an open, transparent and merit based process for Governor in Council (GIC) appointments;
- Funding for PCO's Secure Mobile Communications project;
- A decrease of funding related to the completion of the National Inquiry into Missing and Murdered Indigenous Women and Girls Commission as of June 30th, 2019; and
- A funding decrease related to PCO's information technology modernization project as a number of sub-projects were completed in 2017-18.

This comprises the major needs and initiatives to be funded through PCO's proposed 2019-20 *Main Estimates*.

PCO will continue to provide the policy and implementation support and coordination for the Government's priorities related to growth for the middle class, open and transparent government, a clean environment and strong economy, strength in diversity, reconciliation with Indigenous peoples, and security and opportunity for all Canadians. Some examples include:

- Developing and implementing Canada's first-ever Youth Policy in collaboration with the Prime Minister's Youth Council and organizations serving youth, as well as providing the vision for Canada Service Corps and

a Government of Canada Youth Digital Gateway. This is evidenced by the recent Canada Youth Summit, held May 2 & 3, 2019 in Ottawa, which has provided the Prime Minister with an opportunity to engage with Canadians on the Government's progress in advancing the Youth agenda; and

- Supporting the Minister of Democratic Institutions to further strengthen and protect Canada's democratic institutions, including implementing a plan to enhance and defend Canada's Electoral System and providing leadership on federal government measures to safeguard the integrity of the upcoming federal election, including implementation of the Critical Election Incident Public Protocol.

This brief summary touches on a few of the means by which PCO continues to support the Clerk as head of the Public Service of Canada, the Prime Minister and Cabinet as part of a whole-of-government approach

Mr. Chair, members of Committee, thank you for the opportunity to provide you with this context. We would now be pleased to answer your questions.

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