



National Round Table on the Environment and the Economy



For the
period ending
March 31, 1997



Improved Reporting to Parliament —
Pilot Document

Canada

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Foreword

On April 24, 1997, the House of Commons passed a motion dividing what was known as the *Part III of the Estimates* document for each department or agency into two documents, a *Report on Plans and Priorities* and a *Departmental Performance Report*. It also required 78 departments and agencies to table these reports on a pilot basis.

This decision grew out of work by Treasury Board Secretariat and 16 pilot departments to fulfil the government's commitments to improve the expenditure management information provided to Parliament and to modernize the preparation of this information. These undertakings, aimed at sharpening the focus on results and increasing the transparency of information provided to Parliament, are part of a broader initiative known as "Getting Government Right".

This *Departmental Performance Report* responds to the government's commitments and reflects the goals set by Parliament to improve accountability for results. It covers the period ending March 31, 1997 and reports performance against the plans presented in the department's *Part III of the Main Estimates* for 1996-97.

Accounting and managing for results will involve sustained work across government. Fulfilling the various requirements of results-based management – specifying expected program outcomes, developing meaningful indicators to demonstrate performance, perfecting the capacity to generate information and report on achievements – is a building block process. Government programs operate in continually changing environments. With the increase in partnering, third party delivery of services and other alliances, challenges of attribution in reporting results will have to be addressed. The performance reports and their preparation must be monitored to make sure that they remain credible and useful.

This report represents one more step in this continuing process. The government intends to refine and develop both managing for results and the reporting of the results. The refinement will come from the experience acquired over the next few years and as users make their information needs more precisely known. For example, the capacity to report results against costs is limited at this time; but doing this remains a goal.

This report is accessible electronically from the Treasury Board Secretariat Internet site:
<http://www.tbs-sct.gc.ca/tb/key.html>

Comments or questions can be directed to the TBS Internet site or to:

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National Round Table on the Environment and the Economy

Performance Report

**For the period ending
March 31, 1997**

The Right Honourable Jean Chrétien

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Section I: Message from the Chair

I am pleased to submit the 1997 Performance Report of the National Round Table on the Environment and the Economy (NRTEE) to Parliament.

Although created in 1988, the NRTEE was only established as a departmental corporation, reporting directly to the Prime Minister, in 1994. This new status provided the freedom and flexibility to speak and act independently. It was accompanied by a change in leadership and membership, and by a re-examination and clarification of our mandate, direction and activities. This process has required substantial time and effort on the part of NRTEE staff and members, but will provide the solid foundation of structures and procedures necessary to achieve our broad goals and objectives.

The current membership has chosen to focus NRTEE efforts on exploring and illuminating the many dimensions of the relationship between the environment and the economy. This is achieved through identifying specific key issues; organizing and facilitating discussion and debate of the issues among all relevant stakeholders; and consolidating, assessing and communicating the results of these discussions. Our approach is pragmatic and outcome-based; we strive to provide decision makers with concrete strategies and recommendations to support sustainable development. Our strength, of course, lies in the diversity of our memberships and our perceived impartiality.

Over the last year the NRTEE has encouraged and facilitated discussion on a number of critical issues, including measures for inclusion in the Federal Budget, foreign policy, sustainable ocean resource development, private woodlot management, brownfield site redevelopment, and sustainable transportation. Notable accomplishments include the publication and distribution of our first State of the Debate report, *Water and Waste water Services in Canada*; and the incorporation of NRTEE recommendations related to the tax treatment of energy efficiency and environmental restoration trust funds in the 1997 Federal Budget. In response to a request from the Earth Council, the NRTEE also coordinated the 'area consultations' component of the Rio + 5 Forum for both Canada and the NAFTA region, and made a keynote presentation to the Forum in Brazil in March. With respect to current activities, several programs launched in 1995-96 have progressed well and four major reports will be released in 1997-98; new program areas, including Climate Change and Measuring Eco-efficiency, have been launched.

In closing, I would like to say simply that we look forward to continuing our work in these vital areas and, in so doing, to contributing to a sustainable future for Canada.

Stuart L. Smith, M.D.
Chair, NRTEE

Section II: Departmental Overview

Mandate, Roles, and Responsibilities

The formal mandate of the NRTEE is derived from *The National Round Table on the Environment and the Economy Act*. The stated purpose of the Round Table is *...to play the role of catalyst in identifying, explaining and promoting, in all sectors of Canadian society and in all regions of Canada, principles and practices of sustainable development.*

Objectives

At the heart of the NRTEE's work is a commitment *to improve the quality of economic and environmental policy development by providing decision makers and opinion leaders with the information necessary to make reasoned choices on a sustainable future for Canada.*

The NRTEE actively promotes a round table and multistakeholder approach to analysing sustainable development issues, inviting all points of view to be freely expressed and debated. NRTEE members and stakeholders involved in its programs strive to define the relationship between the environment and the economy, to determine where consensus and disagreements exist on resolving particular issues, and to identify barriers that prevent consensus.

Strategic Priorities

The NRTEE's activities are guided by the strategic priorities of:

- ***Improving Economic Policy from an Environmental Perspective and vice versa.*** The intention is to promote better integration of the environment and economy in decision making by influencing policy development within the federal and other levels of government, and developing tools to advance sustainable development in government and other sectors.
- ***Ensuring Program Effectiveness and Efficiency.*** The NRTEE has developed and implemented management systems to ensure that its programs contribute to the achievement of its mandate and are carried out as efficiently as possible.

- ***Improving Strategic Communications.*** This is expected to raise the profile of the NRTEE, positioning the organization as a recognized and credible first stop for policy makers, opinion leaders and the media to obtain reliable information on the state of the debate on the environment and the economy.

Business Line, Organization Composition, and Resource Plans

The NRTEE comprises one business line: *The provision of objective views and information regarding the state of the debate on the environment and the economy*, referred to as the NRTEE business line.

The NRTEE is a multistakeholder body comprised of a chair and a maximum of 24 other members, all named by Governor General in Council for terms of up to three years, which can be renewed. Round Table members are opinion leaders from a variety of regions and sectors of Canadian society including business, labour, academia, environmental organizations and First Nations.

An Executive Director, also appointed by Governor General in Council, serves as the Chief Executive Officer. The Executive Director supervises and directs the work and staff of the Round Table. The secretariat in Ottawa provides analytical, communications and administrative support to Round Table members.

The NRTEE meets no fewer than four times a year to determine priorities for action, review current work, and initiate new programs. Between plenary sessions, an Executive Committee (consisting of the Chair, the Executive Director and five to seven members appointed by the plenary) assists the Chair and Executive Director in planning, the allocation of financial and human resources, and evaluation. As well, the selection of members for task forces and committees, which may include persons who are not members of the Round Table, must be approved by the Executive Committee, as must the terms of reference and budgets for all programs. Chairpersons of task forces must be members of the Round Table at the time of their selection.

The Round Table reports to the Prime Minister.

Section III: Departmental Performance

A. Performance Expectations

Planned versus Actual Spending Tables

Comparison of Total Planned Spending to Actual Expenditures, 1996-97 by Business Line

(\$ millions)

Business Line	FTEs	Operating ¹	Capital	Voted Grants and Contri- butions	Subtotal: Gross Voted Expendi- tures	Statutory Grants and Contri- butions	Total Gross Expen- ditures	Less: Revenue Credited to the Vote	Total Net Expen- tures
NRTEE	22	3.27 ²			3.27		3.27		3.27
	20.1	3.21			3.21		3.21		3.21
<hr/>									
Totals		3.27			3.27		3.27		3.27
		3.21			3.21		3.21		3.21
<hr/>									
Cost of services provided by other departments									0.12
									0.12
Net Cost of the Program									3.39
									3.33

Note: Shaded numbers denote actual expenditures/revenues in 1996-97.

¹ Operating includes contributions to employee benefit plans.

² Represents Main Estimates only.

Departmental Planned versus Actual Spending by Business Line

(\$ millions)

Business Lines	Actual 1993-94	Actual 1994-95	Actual 1995-96	Total Planned 1996-97	Actual 1996-97
NRTEE Business Line	2.65	2.57 ¹	2.99	3.27	3.21
Total	2.65	2.57	2.99	3.27²	3.21

¹ Represents expenditures for the 11-month period from April 28, 1994, the date of proclamation of *The NRTEE Act*.

² Represents Main Estimates only.

Summary of Performance Expectations

National Round Table on the Environment and the Economy	
to provide Canadians with:	to be demonstrated by:
Objective views and information regarding the state of the debate on the environment and the economy for specific (sustainable development) issues.	<ul style="list-style-type: none">• Useful and credible information and advice provided to decision makers and opinion leaders• Relevant programs and activities that involve appropriate stakeholders

B. Performance Accomplishments

Departmental Performance

The assessment of NRTEE performance occurs in two ways -- it is incorporated in the activities and processes of the organization, and is undertaken on a more formal basis in accordance with the evaluation plan developed in 1995-96.

The consultative and round table approach employed by the NRTEE constitutes, in itself, an ongoing type of assessment. Task force deliberations provide continuous feedback from member representatives on the progress and value of the work, and programs are revised and re-focused in response to this input. In addition, the Round Table members provide a quality control function through their review and assessment of programs and activities. For example, they ensure that draft State of the Debate reports abide by specified criteria; in cases where they do not, the reports are revised until acceptable or may be released in other formats. As well, many of the NRTEE's activities are conducted in partnership with other organizations, which often assist financially or with in-kind contributions. This ability to attract partners and co-sponsors is an indicator of the perceived usefulness of the National Round Table's work.

The NRTEE has also established a formal evaluation plan, which comprises both internal and external strategies for review. At the completion of each program, an internal review is undertaken to assess the extent to which the program achieved its planned objectives and adhered to specified time lines and budgets, and to determine the level of stakeholder satisfaction with the program content, process and outcomes. An external review, focusing on program impact, is conducted annually for one or two program areas; these evaluations assess the extent to which decision makers find that NRTEE input improves or contributes to policy or decision making.

Since the NRTEE has been operating as a departmental corporation only since 1994, the initial series of programs are just coming to a close. Consequently, formal assessments of specific program areas have not yet been conducted, although an external evaluation of the water and wastewater report, which was completed in 1996, may be undertaken next year. Similarly, four State of the Debate or other reports will be produced in 1997-98 -- each will be internally reviewed upon completion, and an external assessment of one or more of these programs will be conducted after the results have been communicated to, and digested, by their respective target audiences.

That being said, some unsolicited feedback that has been received indicates that the NRTEE is on track to provide decision makers with useful and credible information. For example:

- the Minister of Finance incorporated several NRTEE tax reform recommendations (related to energy efficiency and environmental trust funds) in the 1997 Federal Budget;
- the Minister of Finance also indicated, in background documentation for the Budget, a desire to work with the NRTEE on longer-term reform of the tax system in order to better address sustainability; and
- as a result of the NRTEE's preliminary investigations into overharvesting of trees on private woodlots in New Brunswick, the Premier announced plans to amend that province's forest land property tax legislation.

Business Line Performance

The NRTEE has one business line, with a number of individual programs that constitute distinct and fairly independent areas of operation. Some of the major accomplishments of these program areas in 1996-97 are highlighted below.

Environmental Technologies

The first NRTEE State of the Debate report, *Water and Waste water Services in Canada*, was published and widely distributed and promoted. The report summarizes stakeholder debates and discussions, identifies areas of major national consensus and divergence, and examines alternative modes of financing and delivering water and wastewater services through public-private partnerships that will encourage conservation of the resource and stimulate economic activity. A formal evaluation of this program may be conducted next year.

Transportation and Sustainable

A background paper summarizing domestic and international literature on sustainable transportation was released, and provided the focus for a series of workshops. A State of the Debate report will be completed this year.

Ocean Environment and Resources

The goal of this program was to provide policy advice in support of federal government initiatives aimed at exploring co-management as a means of achieving sustainable ocean environment and resource use. A series of regional and national round tables and exploratory sessions with a broad range of stakeholder groups and experts was held, a paper summarizing relevant issues was prepared, and a database of more than one thousand individuals and organizations interested in ocean co-management was compiled. A State of the Debate report or guide is planned for release in the next few months.

Financial Services

This program concentrated on brownfield sites in city cores and improving site-specific information on the environmental condition of land. The NRTEE has produced four background papers and organized five multistakeholder workshops across the country, with a total of over 200 people attending. A State of the Debate report is close to completion.

Private Woodlots

Some of the major issues that were explored had to do with fiscal policy instruments to encourage better woodlot management, certification systems, and the significance of interprovincial trade. The focus of the program was on conditions and concerns in the Maritime provinces. As part of its work in this area, the NRTEE prepared an issues paper and hosted two multistakeholder meetings during 1996-97. The results of these workshops, together with research findings, have been synthesized in a State of the Debate report that will be released in the Maritimes in October 1997.

Education

This program promotes understanding of environment/economy linkages and round table processes in a variety of learning settings. Its most significant accomplishment in 1996-97 was to co-host, with the Association of Professional Engineers of British Columbia, a workshop for engineers and geoscientists, which reinforced the inclusion of sustainability principles in the credentials required of engineers in that province.

Rio + 5

In 1996 the NRTEE was approached by the Earth Council to take a lead role in Canada's preparations for the Rio + 5 Forum, held in Brazil in March 1997. This Forum explored lessons learned since the 1992 Earth Summit on Environment and Development. The NRTEE assumed responsibility for the coordination of area consultations for both Canada and for the North American Free Trade Agreement (NAFTA) region, and held a series of national workshops (relating to forestry, energy and oceans/fisheries) to take stock of Canadian successes, setbacks and opportunities. The NRTEE also convened a meeting with its Mexican and American equivalents, which resulted in tri-lateral endorsement of Councils on Sustainable Development (NCSDs) as a tool for putting sustainable development into action, and included recommendations for the optimum structure and operation of NCSDs. The Executive Director of the NRTEE made a keynote presentation to the Forum, summarizing the results of these national and regional consultations. These results, in turn, will be incorporated into the Earth Council's final report summarizing the outcomes of Rio + 5.

Communications and Publications

In addition to the program outcomes discussed above, the NRTEE completed a comprehensive communications strategy in 1996-97. This strategy is designed to ensure that decision makers, opinion leaders and the media recognize the NRTEE as a leader in the provision of objective and analytical information on issues related to sustainable development.

As part of this strategy, the NRTEE has established a partnering arrangement with Renouf Publishing Company to market and distribute its publications on a cost-recovery basis and has established a web site. The NRTEE has produced more than 100 books, reports and working papers, and the demand for these publications has risen steadily since 1994, to almost 10,000 requests annually.

C. Key Reviews

As discussed in the previous section, the relatively recent establishment of the NRTEE as a departmental corporation means that significant audits, evaluations or other reviews have not yet been conducted. A comprehensive evaluation plan has been implemented, and requires the review of a sample of completed program areas each year.

Section IV: Supplementary Information

A. Listing of Statutory and Departmental Reports

Not applicable.

B. Contacts for Further Information

Not applicable.

C. Financial Summary Tables

Summary of Voted Appropriations

Authorities for 1996-97 - Part II of the Estimates

Financial Requirements by Authority (\$ millions)

Vote	(millions of dollars)	1996-97 Main Estimates	1996-97 Actual
National Round Table on the Environment and the Economy			
30	Program expenditures	3.106	3.044
(S)	Contributions to employee benefit plans	0.164	0.164
(S)	Expenditures pursuant to paragraph 29.1(1) of the FAA	-	0.005
	Total Department	3.270	3.213

Legislation Administered by *The National Round Table on the Environment and the Economy*

The Minister has sole responsibility to Parliament for the following Acts:

The National Round Table on the Environment and the Economy Act S.C., 1993, c.31