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• (1105)

[English]

The Chair (Mr. Kelly McCauley (Edmonton West, CPC)): Good morning, everyone. I call the meeting to order.

Welcome to meeting 142 of the House of Commons Standing Committee on Government Operations and Estimates.

Before we start our meeting, I remind everyone to please keep your headphones away from the microphones at all times.

Today is the cut-off for recommendations for the Canada Post study. I'm hoping we'll get to the line-by-line a week from this Thursday, so this is just a reminder to have this done today. We haven't received anything yet. I'm quite happy to extend it by a day, if that's what we would like, to allow everyone to have time to send recommendations, or is today fine? Why don't we say tomorrow by 3 p.m. for recommendations for Canada Post? That's wonderful.

Before we start, Mr. Kusmierczyk has an item.

Mr. Irek Kusmierczyk (Windsor—Tecumseh, Lib.): Yes, Mr. Chair. This may be a point of order, but I see that we have a number of officials from Environment and Climate Change Canada in the audience. These are officials who, I believe, have expertise to share that's pertinent to today's discussion on grants and contributions at ECCC. We have the director for the grants and contributions centre of expertise in the audience, an ADM and Mr. Winfield as well. I ask that they be included and allowed to sit at committee here, officially, to field our questions.

They are here in the audience. I just request that the committee allow these experts from ECCC and grants and contributions to join us for this important conversation here today.

The Chair: Go ahead, Mr. Genuis.

Mr. Garnett Genuis (Sherwood Park—Fort Saskatchewan, CPC): I have a staffer here who's a pretty smart guy, so maybe we can put him on the panel as well.

Traditionally, we don't normally just add people who show up at committee and who aren't on the witness list. If they have things to offer, they could have been pitched earlier, perhaps, and the chair could have made that decision. They could be future witnesses. I don't know.

Just as a matter of principle, I'm uncomfortable with a member of Parliament raising a point of order on the day to say that there are some people in the crowd who should be added as witnesses. That's not at all consistent with how committees are supposed to

function, so let's just get on with hearing from the witnesses who are on the meeting notice.

The Chair: I'll go to Mr. Sousa, quickly.

Mr. Charles Sousa (Mississauga—Lakeshore, Lib.): It begs the question, did all five witnesses agree to come forward? Who made a decision to have only two when maybe there could have been more? I'm just trying to get clarity.

The Chair: This was announced last week, and agreed upon last week.

Mr. Charles Sousa: So it is not happening just today. This point was brought forward.

I believe they may have had more than the two being requested or agreeing to come forward.

The Chair: No, it was last week that we announced it would be these two, and it was in agreement with the committee that it would be these two only.

Mr. Charles Sousa: Why only the two and not the five? Who made that decision?

The Chair: It is up to the parties to submit the others as witnesses, but these are the two.

I understand what everyone is saying. I'm of the opinion that these are the two we agreed upon. It's the deputy minister and the CFO, who are able to answer our questions.

I'll go to Mr. Kusmierczyk, and then we'll start.

Mr. Irek Kusmierczyk: Mr. Chair, just to be clear, as I understand it, we had submitted these names to appear at committee. It's my understanding that we asked five officials to appear. As chair, you allowed two to appear, and three were declined.

If that's the case, I just want to get an understanding of why, as chair, you declined to accept or to allow the three officials that we put forward to appear.

The Chair: Thanks, Mr. Kusmierczyk. These three were not on the witness list. There was one who is on the witness list but is not available to appear, I think, for three more weeks.

These three were not on the witness list. That's what I'm being told by our clerk.

Mr. Irek Kusmierczyk: Again, my information is that these names were submitted to the clerk.

The Chair: We'll just recheck. The clerk is rechecking right now.

While the clerk is doing that, can we do the opening statement?

Mr. Irek Kusmierczyk: I think we can. Yes, let's get to it.

The Chair: We will go ahead with the opening statement.

Mr. Tremblay, welcome back to OGGO. Go ahead with your five-minute opening statement, sir.

Mr. Jean-François Tremblay (Deputy Minister, Department of the Environment): Thank you, Mr. Chair.

I apologize in advance for my voice, which I hope I'm going to have for the next two hours.

Before we begin, I would like to acknowledge that we are gathered on the unceded territory of the Anishinabe Algonquin nation. They are the people whom we acknowledge as custodians of the land and waters of the region since time immemorial.

[*Translation*]

The mandate of Environment and Climate Change Canada has been significantly broadened, which has led to an increase in funding, particularly for grants and contributions. It has become a key part of the department's activities, which was not the case a few years ago.

In 2024, Environment and Climate Change Canada will deliver nearly \$1.4 billion in grants and contributions. This funding supports a variety of objectives that benefit us all, such as protecting species at risk and recovering their natural habitats; preventing and managing the effects of air pollution; reducing harmful emissions and helping Canadians and organizations adapt and become more resilient to the effects of climate change; and working closely with indigenous peoples as traditional stewards of these lands, not only to advance conservation and climate objectives, but also to further the tenets of reconciliation.

• (1110)

[*English*]

As deputy minister, I am responsible for ensuring that the delivery and management of transfer payment programs are accessible, understandable, inclusive and gender- and diversity-sensitive. Though ECCC has experienced considerable success in the delivery of grants and contributions programming, there is always a need for continuous improvement.

We saw how each program within the department continued to progress with its individual goals, but we wanted to see how the overall management of the grants and contributions has adapted to growth. This is why we identified the review of the management of grants and contributions as a priority and undertook this internal audit.

This audit was an important step for us in reviewing the system. It has provided helpful insight into aspects of the programming to improve. The audit identified key issues to address.

It confirmed that an enterprise-wide IT and IM solution is necessary for the most effective management of the grants and contributions in the department. It revealed that department-level policies

and processes in both the design and the delivery of grants and contributions need to be strengthened to ensure consistent service to Canadians. It indicated that service excellence requires the implementation of a comprehensive training program tailored to the roles of the various ECCC staffers involved in the delivery of the grants and contributions programming.

We have already taken action, and we are further engaged in broader changes that will fully address the issues identified in the audit.

For example, a recipient audit function was launched in the fall of 2023. We are now in the second year of doing recipient audits, which are conducted by external audit firms. An investment oversight committee to provide a challenge function on high-risk grants and contributions proposals was also introduced in 2023.

A transformation team of public servants with extensive grants and contributions experience has been put in place to address the recommendation of the audit report and lead the review and transformation. A survey of best practices among other departments with regard to governance and structure is currently taking place to make sure that we benefit from lessons learned and best practices.

A review of internal controls is currently under way. Plans for an enhanced, full-service centre of expertise are in development. The centre of expertise will support the department's design and delivery of grants and contributions in some key areas, bringing consistency among practitioners.

We have made this work a priority and expect to have a plan ready for full implementation by January.

[*Translation*]

My colleague and I are available to answer your questions and to provide you with details on our grants and contributions programs and processes, as well as our achievements to date.

Thank you very much, Mr. Chair.

[*English*]

The Chair: Thanks.

Just bear with us one moment.

Colleagues, I'm going to make an executive decision here. One of the officials who came in from Environment, Ms. Soucy, is actually on the list submitted by the Liberals, so I'll allow her to sit at the table.

Ms. Soucy, if you could, just move up quickly, and then we're going to start the questions from Mrs. Block for six minutes.

Mrs. Block, go ahead.

Mrs. Kelly Block (Carlton Trail—Eagle Creek, CPC): Thank you, Chair.

Thank you to our witnesses for joining us today as we dig into what I would call an extremely damning report. The auditors noted several issues, including an inability to demonstrate value for money and, as you noted in your opening remarks, the need for much improvement.

Mr. Tremblay, how long have you been in your role as the deputy minister for ECCC?

Mr. Jean-François Tremblay: It has been 12 months.

Mrs. Kelly Block: As the deputy minister, you are responsible for the government's day-to-day operations, including the budget and the development of programs. Is that correct?

Mr. Jean-François Tremblay: Yes.

Mrs. Kelly Block: In your opening comments, you referenced that you are also responsible for the department's grants and contributions budget. Is that correct?

Mr. Jean-François Tremblay: That's correct.

Mrs. Kelly Block: According to the audit report we're discussing this morning, ECCC's budget increased from approximately \$1 billion in 2015-16 to \$2.5 billion in 2023-24. At the same time, funding for grants and contributions increased by \$625 million.

Was this increase in funding for grants and contributions directed by the minister at any time?

• (1115)

Mr. Jean-François Tremblay: What do you mean by "directed by the minister"?

It comes from the decisions made by this government to develop new programs. If that's what you mean, then yes.

Mrs. Kelly Block: Yes. Thank you.

Did the minister ever check to see if the department had the capacity to administer the increased level of grants and contributions? Are you aware of any ministerial questioning or oversight to see if the department actually had the capacity to administer the program?

Mr. Jean-François Tremblay: The responsibility for the delivery of programs is within the department authorities, which means it's mine, and the department itself. It is through the Treasury Board submission and through the checks and balances processes that we actually assess the capacity of the department.

Mrs. Kelly Block: Did the minister ever allocate more resources for administering these grants and contributions?

Mr. Jean-François Tremblay: The resources are allocated by the government in general. There could be reallocation within the department sometimes, depending on the needs. It's done under my authority more than the minister's authority.

Mrs. Kelly Block: Thank you.

Did the minister ever ask for updates about how the administration of these grants and contributions was going?

Mr. Jean-François Tremblay: The issue we're facing as a department is that this department is very decentralized. It was like that before. You have the people doing the weather on one side. You have the people doing protections of environment. You have

people doing international. They're not necessarily used to working together from a grants and contributions perspective. This is what we're facing.

We have a lot of small programs in this department that have their own rules and processes, and they achieve results. I cannot say they are not achieving results, but it's not sufficient as a department.

That's why we called this audit. That's why we made some changes. It's because we want to make sure that the sum of the programs is more than the sum of the programs.

Mrs. Kelly Block: Was the announcement of this program and the creation of the bureaucracy to oversee it at the minister's direction, or was this something that was determined by the deputy minister and other ADMs?

Mr. Jean-François Tremblay: The way it works in the government is that if you have new initiatives and new programs, it is for the departments to assess how many public servants or full-time employees you need to do that. It will go to the Treasury Board, and Treasury Board will assess if the demand is reasonable and makes sense. This process is done by the bureaucracy.

Mrs. Kelly Block: Was the minister ever involved in the approval of any projects? I believe I read in the report that he, together with yourself, was involved in at least half or 13 out of 29 projects that were spoken about.

Mr. Jean-François Tremblay: It goes with the level of authorities 99% of the time, which means that, for example, I would have authority up to \$1 million. The minister would have it above that. The ADMs and others will be lower. It depends on the contribution agreements and on the project.

Mrs. Kelly Block: Thank you for that.

Was the minister made aware of the undertaking of this audit?

Mr. Jean-François Tremblay: I have bilats with the minister, and I told him that grants and contributions were a priority and that we needed to review. There was discussion on a weekly basis with his staff.

I don't know when they were made aware, but it is our responsibility to do internal audits when we assess that we need to do it.

Mrs. Kelly Block: Is there a plan for the department to reduce spending on grants and contributions until you have the capacity to provide proper oversight for the level of spending that has been undertaken?

Mr. Jean-François Tremblay: The increase of funding that we have is really in some specific programs. Those programs are performing quite well. It's not necessarily that they're not producing results.

My concern is more about the fact that we have 68 different initiatives under 14 different activities or program authorities. We don't necessarily need to have one ring to rule them all, if I can use that expression, but we need at least one framework to manage them all. At the moment, that's not something we have. We take a risk-based approach on all the programs. If we feel that we don't have the systems in place to correct and make sure the spending is going in the right place, we will slow down, for sure.

Mrs. Kelly Block: Thank you.

The Chair: Thank you, Mrs. Block.

Next, we have Mr. Jowhari, please.

Mr. Majid Jowhari (Richmond Hill, Lib.): Thank you, Mr. Chair, and welcome to our witnesses.

Let me open by thanking the department for taking the initiative to do the internal audit. I've had a chance to read the report and look at the findings and recommendations. As my colleague MP Block mentioned, we now have a \$625-million budget for Gs and Cs.

Let's take a step back and really look at the mandate letter that drove that. Can you briefly talk about the new mandate letter for ECCC? Can you break it down? You talked about 65 programs and 86 projects, etc. Can you put into perspective what that means and how it relates to the mandate letter?

● (1120)

Mr. Jean-François Tremblay: You have four big themes within the department: pollution, climate change, meteorological forecast, and international. We have a few things we're working on and trying to address. Those programs are aligned with the general activities that we have within the department, basically.

If you look at the LCEF, the low-carbon economy fund—there's nothing worse than acronyms in departments—this fund was to tackle the potential reduction of GHG emissions with partners. That means, essentially, with the provinces, but also indigenous groups and other partners outside of government institutions. About 70% of that was with the provinces and territories.

If you look at programs on nature, which have increased significantly, they were there to secure the commitment made by the government of increasing the protections of land and coastal water. They would be protected by 2030, which is the “30 by 30” goal. If you look at that, that's basically it.

The international was also aligned with the objective and commitment made by the government—if I remember well, it was in Glasgow—to provide more than \$5 billion in international climate financing. We did receive some of it. Most of it is managed by GAC, but a part of it is managed by us.

Those are the areas where the increases have been the most significant within the department.

Mr. Majid Jowhari: What that tells me is that despite the fact that our government's fight against greenhouse gas emissions has been portrayed as only a price on pollution, it looks like it's multi-dimensional. There's a spectrum of activity by ECCC, whether it's international or whether it's under protection of land, etc.

Can you demystify that? I know you talked at a very high level. I'm trying to get into the various aspects of our fight against climate change, as well as the complexity of things that have changed. The report itself talks about the challenges. It talks about what you're doing. We need to get an understanding of the multi-faceted approach that we have, as well as the complexity levels of those projects.

Mr. Jean-François Tremblay: There was a debate before about mitigation of climate change versus adaptation and how to balance both. The way we see it now—and it is seen more internationally—is that there is an environmental crisis. It's not one or the other; it's all of those elements that need to be taken into account.

If you look at our lines of business, there is more programming for protection of land and biodiversity, as well as making sure we have the forest we need for the future. In our case, for example, the commitment was made to have 30% of the lands and the coast of this country be under protection by 2030. We were at about 10% on the land. We're now at 13.6% and it's going up. On the ocean side, we were at something like 6%, and we are now at more than 15%, if I remember well. Those are basically the numbers, and that comes from the increased investment in nature.

You have to add to this the nature agreements that we're signing with provinces. We have one with B.C., one with Nova Scotia and one with a third province, and we're negotiating with others. You have funding for adaptation.

Internationally, there is a big commitment that the government has made, as I mentioned, and that's the \$5.3 billion. I can tell you the kinds of projects that are funded and what we expect from those projects, if you want.

The mandate of the department is not just GHG emissions reduction; it's about the environment in general, and that includes.... This summer, you've seen my officials from the meteorological service providing technical briefings and working with emergency centres across the country to try to have a better sense of what's going to happen from the fire perspective, as well as the flood perspective, depending on the season.

● (1125)

Mr. Majid Jowhari: I have only about 20 seconds left.

Can you talk about the complexity?

Mr. Jean-François Tremblay: It's very complex, in our case, not just because of the number of projects and programs, but also because, as you mentioned, we work on three fronts. We work internationally, we work nationally and we largely depend also on provinces and regions.

This is the most local and the most international file I have ever managed from a deputy minister perspective.

Mr. Majid Jowhari: Thank you, Deputy Minister.

The Chair: Thank you, Mr. Jowhari.

Mrs. Vignola, go ahead, please.

[*Translation*]

Mrs. Julie Vignola (Beauport—Limoilou, BQ): Thank you very much, Mr. Chair.

Mr. Tremblay, Ms. Drainville and Ms. Soucy, thank you for being with us today.

Mr. Tremblay, if I understand correctly, the department is decentralized to the point where it has become a multi-headed hydra whose parts are not linked by a common framework.

Mr. Jean-François Tremblay: I didn't use the term “multi-headed hydra”.

Mrs. Julie Vignola: No, I did.

Mr. Jean-François Tremblay: At the deputy minister and management committee level, I find that the department is indeed too decentralized. I noticed this when I took up my position. It is normal for the department to rely heavily on separate fields of expertise. For example, meteorologists and employees involved in protecting nature and working on climate change, including scientists, have their own hobbyhorses and rules. However, given that the department is growing, it is important for the management committee to discuss all the tasks related to the organization's corporate affairs, such as human resources, information technology and the management of grants and contributions. It is important that I have detailed knowledge of how things are done, and that standards for employees and clients are the same throughout the department.

Mrs. Julie Vignola: You've just told me that there is or will be a kind of round table where the heads of each subgroup in the department can discuss commonalities in order to improve processes.

Have I understood correctly?

Mr. Jean-François Tremblay: Yes, and we've already started. According to the internal audit report, we have a good committee of directors general working on grants and contributions management, as well as a solid centre of expertise in that field. What is missing is a review of all existing documents to see how we can ensure consistency between documents that have been developed over the years by various subgroups, so that the department's overall vision prevails at the end of the day.

That's why the audit rightly points out that the first thing we need is a vision, a strategy, and that we also need to discuss these topics at management committee level, so that our programs, such as those that aim to protect nature or fight climate change, are not necessarily seen as programs managed by a subgroup of the department, but rather as Environment and Climate Change Canada programs.

Mrs. Julie Vignola: Thank you.

According to Sustainable Development Technology Canada's 2024-25 corporate plan, “SDTC programming will transition to the National Research Council Canada”.

Why wasn't fund management initially transferred to the National Research Council of Canada?

Mr. Jean-François Tremblay: That's rather Mr. Champagne's remit, not mine.

Mrs. Julie Vignola: It falls under Mr. Champagne's remit. Okay.

Mr. Jean-François Tremblay: You are right, the funds were transferred elsewhere and then sent back to the National Research Council. That said, this was not done by my department.

Mrs. Julie Vignola: So you can't explain to me why the National Research Council of Canada wasn't initially given the authority to manage the funds.

Mr. Jean-François Tremblay: No.

Mrs. Julie Vignola: The Sustainable Development Technology Canada program falls under the minister's remit, but you may be able to answer my question.

The program has been in existence for 20 years. If I understand correctly, managing the program has been problematic recently. To your knowledge, was the program beset with problems during those 20 years?

Mr. Jean-François Tremblay: I don't know.

Mrs. Julie Vignola: I imagine that no one other than the minister can answer me on that subject.

• (1130)

Mr. Jean-François Tremblay: It's one of the few departments I've never worked in.

Mrs. Julie Vignola: So this is all new to you.

Would you tend to say that there is a lack of standardization within the department when it comes to program management?

Mr. Jean-François Tremblay: Yes, there is a lack of standardization.

The department has to strike the necessary balance between good standardization and flexibility, because the needs are not the same. If we standardize too much, clients will complain because we won't necessarily meet specific needs, particularly those of the provinces, for example.

Right now, however, we do need more standardization.

Mrs. Julie Vignola: Do you think the department is having trouble managing grant programs?

If so, how long has this been the case? Why were there no alarm bells before? How do you solve that problem and manage growth and what follows?

Mr. Jean-François Tremblay: It's hard for me to say what people had in mind when program funding increased, which was around 2017. We must not forget that this increased funding is temporary and we do not know whether it will last.

I think it came to a point where the organization felt it didn't have the luxury of waiting to see what was going to happen with the temporary programs. That's my impression. We have to make sure that the department is set up to meet its commitments, if that is indeed the kind of project we want.

The centre of expertise was created around 2017-18. At the time, it was already recognized that a centre of expertise was needed to ensure better program compliance.

However, after that, we had to wait until the end of the pandemic, in 2022, to see the arrival of key organizations, whether it be the director general committee or what is called the network of—

[English]

The Chair: Thank you. That is our time, Mr. Tremblay.

Mr. Garrison, after 14 years on the Hill, welcome, finally, to OGGO.

The floor is yours.

Mr. Randall Garrison (Esquimalt—Saanich—Sooke, NDP): Thank you, Mr. Chair.

I do not think I've ever been at OGGO before, but I'm very happy to be here today.

There's no doubt that we face a climate emergency. I respect the department's attempts to get programs going to attack that crisis and that emergency. I do understand that things were done quickly. However, it's also important, given the scale of the crisis, that we use money efficiently, that we don't waste money, and that there's accountability. I take both sides of this very seriously.

What I want to ask you is this: Is there any evidence of widespread fraud or conflict of interest, either in your audit or anywhere with these programs, or is this a matter of accountability rather than fraud and conflict?

Mr. Jean-François Tremblay: That's a very good question. At the moment, it's an issue of accountability. There's nothing in the audit that suggests that there is any case of fraud.

I think the most valid point in the audit is about information management. The fact is that sometimes the documentation is included, and sometimes it is not included. You have to go back to find it and so on. We don't have a case of fraud. We don't have one situation where we can talk about fraud. It would be even hard to say that it's about program inefficiencies or programs not getting the results. That's not what it is about. It's more to make sure that you have all the controls in place. There are a lot of controls in Gs and Cs programming. From the get-go, from the beginning, for the whole life cycle, there are some that are working better than others. We want all of them to work well and great. That's why we're doing it.

Mr. Randall Garrison: Again, as I said at the beginning, I have a shared concern that we spend resources and public monies efficiently, especially in view of the crisis we're facing.

When it comes to the monitoring requirements, which seemed to be the focus as I read through the audit, there's not always monitoring of the final results of programs. Is there any relationship between that failure to monitor and staffing levels? In other words, do you have adequate resources to monitor all of these grants and contributions agreements?

Mr. Jean-François Tremblay: I would not use that as an excuse, to be honest with you. There are always section 33 and section 34, which we were talking about. The people who manage section 34 are the ones who make sure the documents are there. Under section 33, they never sign if there's no document. I think section 33 works well. That's what we see. When people see that the documents are not there, they send back the information and wait to get it. That's good.

With section 34, what we see is that, because of the number of different ways of managing programs.... In some places, they put documents. In other places, they don't put documents. In some places, they put more documents than in others or they wait until

the end to put the documents. That's the part that actually worries me the most—the way we're not consistent on how we approach any Gs and Cs that we're managing across the full department.

• (1135)

Mr. Randall Garrison: I read through the audit. It's certainly not the focus of the audit, but one of my concerns is accountability to the public, not just internally. There doesn't seem to be any focus on letting the public know about the work that's being done and the contributions that are coming through the grants and contributions agreements to the fight against climate change and to protection of the environment.

I wonder if there's been any thought about how to better focus the results part to let the public know about the work that's being done.

Mr. Jean-François Tremblay: There are a few things on this. All the Gs and Cs are public if they are above \$25,000, so there's significant transparency on this. We do include a lot of those results in our report. We have to report on biodiversity. We have to report into the COP on biodiversity. We have to report, as you know, on an annual basis on where we are on the GHG emissions reductions.

Everything that comes from those programs and that touches those areas is actually included in those reports. I think there is reporting on this. The question is, is it easy for people to find it and to make those links?

Mr. Randall Garrison: What would be the answer to that?

Mr. Jean-François Tremblay: I think we can do a better job on this.

I would love to have one report that actually includes everything. At the same time, it could be quite long.

Mr. Randall Garrison: Okay.

In your opening remarks, and throughout the work, there's a nod to diversity, I guess I'll call it. I'll come back in another round to talk about the work with indigenous organizations.

I want to know whether the department has paid attention, because it's decentralized, to recruiting all the resources we have in Canada to fight climate change. In other words, are grants and contributions going to women-led organizations? Are they going to 2SLGBTQI organizations? Are they going to organizations led by racialized Canadians?

If we're going to defeat climate change, we have to enlist the skills and expertise and knowledge of everyone in the country. I don't see any reference, apart from indigenous people, to that broader diversity.

Mr. Jean-François Tremblay: For some of the programs I was looking at, more than 20% of the funding is going to indigenous organizations. If you look at the low-carbon economy fund, there is actually an envelope that is also directly for first nations, Inuit and Métis. That doesn't exclude them from the other envelope, in some cases. There is a constant effort to do that.

The audit raised it, because one issue that we haven't tackled very well is taking some of the flexibility that is provided by Treasury Board to have contribution agreements that could be different for indigenous people and allow more flexibility. That's something we are working on. In terms of partnerships, if you look at the guardian programs, for example, with indigenous groups, there's actually a significant partnership with first nations, Inuit and Métis in the department. It's actually increasing significantly.

Mr. Randall Garrison: But my question right now—

The Chair: That is your time, Mr. Garrison.

Mr. Randall Garrison: Okay. I'll come back to this.

The Chair: Mrs. Kusie.

Mrs. Stephanie Kusie (Calgary Midnapore, CPC): Thank you, Chair.

What would be the total amount in billions from grants and contributions at ECCC since 2015, please? I see in appendix B that the branch amount in fiscal year 2022-23 was \$498.6 million. What would be the total amount since 2015, please?

Mr. Jean-François Tremblay: I can give it to you, if you'd like.

It really varies. For example, it's higher this year because there's the replenishment of the Green Municipal Fund, which you're probably aware is managed by the Federation of Canadian Municipalities and has been so managed for decades. You have \$500 million coming that is transferred to the FCM, so it varies from year to year.

Just to give you a sense, it was \$300 million in 2017-18, and it's \$1.2 billion in 2023-24.

• (1140)

Mrs. Stephanie Kusie: If you could check back to 2015 and provide that document to the committee, it would be very much appreciated. It's so we can have an understanding of that.

Next, I'd like to talk about a list of companies that have been provided with these grants and contributions from ECCC.

Could you list some of them here, and then provide a complete list to the committee, please?

Mr. Jean-François Tremblay: Yes, we can produce the list.

Mrs. Stephanie Kusie: Excellent.

Just in my overview, I'm seeing corporations such as Glencore for \$10 billion. I mean, this is a company that has a market cap of \$38.237 billion, and yet we're giving them funding. I'm also seeing that Cornell University—a university that isn't even in Canada but in the United States—is receiving \$9,000, at a time when we're really struggling to budget the books. Canadians are struggling, as well. The most difficult one I have to reconcile is the amount of \$18,125,750 to iron ore and Rio Tinto, specifically, which has a market cap of \$103.549 billion U.S. as of 2023.

The fact that these companies are receiving grants and contributions from the Canadian government, given our economic and fiscal situation at this time...not to mention the questionable conduct of some of these corporations, considering the objective of greening. For example, with Rio Tinto, there are concerns about them de-

stroying cultural heritage sites and conducting business where droughts are occurring. Just this past September, I see they had to pay a \$500,000 fine for violating the Fisheries Act. It raises some concerns for me when I see these on the preliminary list my team has put together, never mind a complete list.

If you could put together that complete list for the committee's review, I think it would be very useful for us.

My next question is, what percentage of the agreements were audited, please?

Ms. Linda Drainville (Assistant Deputy Minister and Chief Financial Officer, Department of the Environment): Thank you for your question.

In the first one we have done so far, the value of all the recipients' audits is roughly \$150 million in Gs and Cs.

Mr. Jean-François Tremblay: I think she's thinking about the audit itself.

Mrs. Stephanie Kusie: Yes, I'm seeing in the audit that a hundred agreements were tested, out of a total of 1,808. That would be about 5.5%. In the branch, and in only fiscal year 2022-23, this was an amount of \$498.6 million. That would mean that only \$27 million of the total amount was audited. That's not even upon the larger amount of the billions we don't know going back to 2015. Even in the sample size we see here today, only 27 million dollars' worth of these billions of dollars' worth of grants and contributions has been audited. It's very concerning—both from a numeric perspective and a total-dollar perspective—that even this small sample size has led to this amount of fault, as we've seen from the audit.

Thank you very much for your testimony today.

Thank you, Mr. Chair.

The Chair: Thank you, Mrs. Kusie.

Mr. Bains, please go ahead, sir.

Mr. Parm Bains (Steveston—Richmond East, Lib.): Thank you, Mr. Chair.

Thank you to the department officials for joining us today.

My first question is this: What are some of the merits and drawbacks of designing programs to operate primarily through a grants and contributions system, rather than other funding mechanisms?

Mr. Jean-François Tremblay: Oh, my God, that's a good question.

The advantage of contribution agreements and grants is that they bet on the expertise and innovations coming from partners, so they're not trying to build up a bureaucracy to do things internally.

For example, if you go with the Federation of Canadian Municipalities and you develop a green fund, you have an organization that has a direct relationship with municipalities, and you basically go with municipalities that know what to do on the ground to deliver adaptation, for example, rather than having somebody from Ottawa coming and saying, "This is what we're going to do." That's the advantage of the contribution agreements.

The disadvantage is that you don't necessarily have a direct cause and effect, if you like. You're not the ones doing it, so you really have to choose a good recipient and make sure you agree on the nature of the partnership.

• (1145)

Mr. Parm Bains: The drawback may be that there's less oversight, or things of that nature. Is that correct?

Is there an overall savings component to that?

Mr. Jean-François Tremblay: It depends on what you're trying to do. In many cases, yes, there would be savings because you won't build the capacity internally. It sometimes costs more money to build that capacity within the federal government than it does, for example, in an NGO.

Mr. Parm Bains: From 2016 onward, could the department have developed programs with similar objectives through a funding mechanism other than grants and contributions? I think you explained that you can have a more hands-on approach, but are there other mechanisms in place where we do have a higher level of oversight? Is it just the audit?

Mr. Jean-François Tremblay: For example, if you look at my different sectors, the science and technology branch has some grants and contributions agreements, but it is mostly them managing it, because they are the researchers and they are working in their labs testing new materials and developing advice from an environmental perspective. This is an area where building the capacity internally is needed for a specific reason because you cannot find it elsewhere, and you want to have it over time and not necessarily for five years, as it is in the classic Gs and Cs program.

It really depends on what you're looking for. It really depends on whether it's core to the mandate of the government.

For example, meteorology is the same. We have internal capacity, because we're the ones who advise on meteorology for everybody in the country, and we need to make sure that capacity is there.

Mr. Parm Bains: Recommendation 3 of the audit states that EC-CC should:

Develop and implement a plan to mitigate information management risks associated with the Shared Drive and G&C Database, including developing guidance on document retention, and a strategy to monitor implementation.

What are the risks of that, and how do you intend to mitigate them?

Mr. Jean-François Tremblay: The risk is that it's difficult for anybody to reproduce and understand why a decision was made in each case. We need to make sure we have the same information everywhere and that the information is always available. It's more a question for us to ensure that there is consistency in the information that is provided.

It's also a risk for the client, because if you don't have one system, clients who apply to different programs will have to apply through different systems. They will feel that they don't understand what somebody else understands, and that's not the way we should serve Canadians and organizations.

Mr. Parm Bains: Is that a reporting issue?

Mr. Jean-François Tremblay: It is a reporting issue, but it's more than that. It's also to make sure that my people on the finance side, when they do finally decide that the money should go ahead and can be provided, find all the information quickly and don't have to call programs.

As we saw in the audit, there are cases where they said the information wasn't there, but when they signed, the information was there. That means the program had not included the information, and my financial people had to call and ask where it was. That's the lack of efficiency that comes with not having a common system.

Mr. Parm Bains: That's a systems issue. I think we've seen that in other investigations that have been done.

Mr. Jean-François Tremblay: It's not uncommon—let's put it that way—but it doesn't make it justifiable.

The Chair: Thank you very much.

Mrs. Vignola, go ahead.

[*Translation*]

Mrs. Julie Vignola: Thank you, Mr. Chair.

Mr. Tremblay, I'm going to go back to something you said earlier, i.e., that there was a lack of standardization of resources and a decentralized approach to governance.

Are steps being taken, or will steps be taken, to standardize the processes without adding any red tape? Will this review be done internally or externally through a contract awarded yet again to Raymond Chabot Grant Thornton, for example? How will that be done, and what sort of time frame are you looking at?

Mr. Jean-François Tremblay: There will be no large contract awarded to a third party, that's for sure. The work has to be done within the department, or at least 90% of it. To that end, a plan will be put in place by January. The objective is indeed to review all existing documents to identify discrepancies and duplicate documents that can be eliminated in order to have a more integrated documentation stream.

It's the same thing with training. A lot of training is provided, and in other departments as well. That's another thing to look at.

The same is true for integrated systems. I'm not aware of any department that has an integrated system that does everything perfectly, but some have implemented different solutions that may perform better. So we are in the process of studying all the existing systems. I do not intend to award a contract to a third party to create a new integrated system. In fact, to be honest with you, I don't think IT can be used as an excuse. There are ways to solve our problems without necessarily completely overhauling the system.

• (1150)

Mrs. Julie Vignola: Thank you very much.

In the audit, it says that grant recipients “are not subject to reporting on the use of funds. However, they may be required to report on results achieved.”

I'm trying to understand how you can get a grant without having to explain what it's going to be used for.

Is that a common practice?

Mr. Jean-François Tremblay: That applies much more to grants than to contributions.

We don't administer a lot of grants, but once the money is paid out, we have little recourse. That's the nature of the beast. It's just like a student grant, which is different from a student loan. If you get a student grant, the government won't audit you in the following months.

Mrs. Julie Vignola: No, but we assume that the money will be used to pay for rent and food.

Mr. Jean-François Tremblay: I agree, but I wanted to explain to you that we have the same relationship with our partners. It is not necessarily the same kind of contractual relationship or partnership that you can have in the context of a contribution agreement where there is the expectation of a result. That's why, at the end of the day, this is important, whereas in the case of—

[English]

The Chair: Thank you, Mr. Tremblay. We're past our time.

Next is Mr. Garrison, please, for two and a half minutes.

Mr. Randall Garrison: Thank you, Mr. Chair.

I want to go back to where we left off.

I was asking about kinds of diversity other than first nations in terms of grants and contributions and whether the department has paid attention to the distribution of grants to organizations that may be women-led, 2SLGBTQI-led or racialized Canadians-led, because it's important to enlist, as I've said, the support of all Canadians and the expertise of all Canadians in fighting climate change.

I don't see in the audit any reference to that. I just wonder if there's a broader attention to that.

Mr. Jean-François Tremblay: It is a discussion. From a data perspective, it's not necessarily integrated in all the programs. It's hard for me to necessarily assess and identify and tell you yes.

Just to give you an example, on the international side, for the \$5.3 billion that is spent, that is invested, there were targets there, including for women, for example, and they were surpassed.

It is something that we take into account. This is something that we promote, but we don't yet have, as far as I know, a data system that would allow me to be able to break it down by program.

Mr. Randall Garrison: Often what we find, I think, is that certain groups understand the system, know how it works and are able to access the information necessary to apply for grants and contributions, but in more rural and remote areas and, frankly, in areas away from the capital, people quite often have trouble accessing

that information. I'd be interested in efforts that the department makes to broaden the net as it's cast out to get applicants for this important work.

Mr. Jean-François Tremblay: That's one of the reasons why it's important for us to work with provinces, territories, municipalities and regional and local organizations, because we don't necessarily have the capacity to be everywhere and to find the organizations. You're totally right. On the indigenous side, even on the funding that goes to indigenous groups, you want to make sure that it's not necessarily the ones who have the most significant capacity who actually access the funding.

Mr. Randall Garrison: In terms of monitoring requirements, smaller organizations can make big contributions, but they don't have the capacity to monitor and report at the same levels that a large corporation or an established municipal organization, let's say, would have. Is there any accounting for that in the programming of the department?

The Chair: Give just a brief answer, please.

Mr. Jean-François Tremblay: In sum, yes, there is, including funding for capacity.

The Chair: Thank you very much.

Mr. Genuis, go ahead, please.

Mr. Garnett Genuis: Thank you, Chair.

Thank you to the officials for being here.

Looking through some of these grants, it's evident to me that there's quite a substantial number of entries for funding to American universities. Nobody could be confused, based on the name. These are institutions like Cornell and Colorado State University. There's one in California receiving multiple grants, and Clarkson, a private university in Potsdam. Why are we funding American universities to do climate change research?

• (1155)

Mr. Jean-François Tremblay: We have to come back to you with.... I can send you a document on this, if you want a response. I don't have it in front of me.

Mr. Garnett Genuis: Okay. I thought that was precisely why you were here, actually, to provide answers to the questions we have about grants and contributions at Environment Canada.

This isn't just one niche grant we found. There appear to be at least a dozen entries for different American universities, so it seems that, as a matter of policy, you fund—or at least you don't exclude from funding—foreign academic institutions in a developed country that could be funding their own university research.

We obviously have world-class institutions here in Canada that could be doing this research. Abstracting from any individual grant, at a level of policy, why is this government funding university research at American institutions when instead those resources could be supporting researchers and institutions here in Canada?

Mr. Jean-François Tremblay: I need to look at it, because it could even be Canadian researchers working at Cornell—

Mr. Garnett Genuis: What's the policy, though?

Mr. Jean-François Tremblay: There are partnerships on the research side with all countries and globally. We work with all countries on this. There could be partnerships with Cornell.

Mr. Garnett Genuis: I'm sorry, but this—

Mr. Jean-François Tremblay: We have partnerships with the University of Calgary. We have partnerships—

Mr. Garnett Genuis: Sir, with great respect, it's great to have partnerships, but this isn't an instance of us supporting Canadian institutions that are then partnering with other institutions. As I can see on your website, these are cases of grants and contributions to academic institutions in the United States, public and private academic institutions, some that are famous for having massive endowments. Typically, it would be normal, in another developed country at least, for those to be funded by the country in question.

I'm not satisfied by your answer, and I would hope that you could come back to the committee with more detail in writing. I'm not asking you to provide very specific details about an individual grant. I'm asking about the policy.

I have another question. How do you define if an organization is indigenous for the purposes of identifying indigenous organizations to receive funding? How do you verify claims that may be made about indigeneity?

Mr. Jean-François Tremblay: We work with the first nations and Inuit organizations at the national level through the engagement process that we have with them. That's the way we identify... For example, if you look at the—

Mr. Garnett Genuis: Sorry, can I just clarify that? If there's an organization on this list identified as, using the language of the website, an aboriginal organization, would it be safe to assume that organization is recognized as such by one of the major national representative bodies, or not necessarily?

Mr. Jean-François Tremblay: I hope so; I haven't checked for each of them because there are a lot of them, but normally, yes.

However, as you know, there is—

Mr. Garnett Genuis: Sorry, you say normally yes. You either check or don't check. If you don't check, then you hope so. If you do check, then normally yes.

Mr. Jean-François Tremblay: You have to understand that even some national organizations have issues among them in terms of recognition, so I cannot talk about that.

Mr. Garnett Genuis: Yes. I understand there are some marginal cases.

The reason I ask is that we're doing a study at this committee on indigenous procurement, and we've had national organizations—AFN, in particular—that have come to this committee and told us

that there are many groups on government lists that are accessing indigenous procurement set-asides but are not indigenous. Their estimate was that out of the claimed 5%-plus for indigenous contracting, the number was closer to 1%. That was from the AFN.

Do you think that proportion is likely true and would likely apply in the case of your grants?

Mr. Jean-François Tremblay: It would likely apply here. It's a concern for us, making sure that we work with the organizations that are recognized as first nation, Inuit, and Métis organizations.

We have a director general, who's actually first nation, managing the engagement with first nations, Inuit, and Métis, and it is in areas that we actually develop to make sure that we have the right partnerships with the communities and the organizations.

The Chair: Thank you very much.

Mr. Sousa.

Mr. Charles Sousa: Thank you, Chair.

Thank you to the witnesses for appearing before us.

Reading through the report and some of the recommendations made, I recognize that there are, of course, corrections being taken, and management agrees. Is that correct?

• (1200)

Mr. Jean-François Tremblay: Yes.

Mr. Charles Sousa: When we look at the process of selecting a project or a recipient, further to the question that was just asked of you, what is the process?

Mr. Jean-François Tremblay: It's very different from case to case, and that will remain even if we have a more centralized approach.

There are contribution agreements or programs for which the organizations have already been identified. There are programs we manage that are really funds for specific organizations with which we work, so there isn't a call for proposals. It's really more of a partnership.

There are cases where we have programs with provinces. We don't select provinces. They've been selected by the Constitution, if I can say that, and the history of this country.

We have programs for which we have calls for proposals, and they're more classic, typical programs that people apply for.

It really depends on a case-by-case basis.

If you look at, for example, the programs under the EDF, which is a statutory program, the funding is under court action. The court directs us on how to spend the money, and we go and spend the money. Those are cases like the Volkswagen case.

It's really different from program to program. The important point is that they should all ask the same questions about what the best approach is for them based on criteria, not just because I want to do it this way or that way. That's what a structure should do. That's a good mix between normalization and flexibility.

There's no one-size-fits-all solution, but there should be an approach that allows you to understand what the tools are and what they mean.

Mr. Charles Sousa: Thank you for that.

You just mentioned the provinces. How do you determine that the funding is equitably distributed between the provinces?

Mr. Jean-François Tremblay: I never worked on the equalization, so I will not go too far into that.

It depends on the program. There are some programs.... When the government develops the program, it has to decide if it is going to use the population or use a flat number and add up the population. When I was at Infrastructure, that's what we did for the territorial governments, for example.

Are you going to use an approach that is based more on emissions? If there are proceeds that are returned to Canadians, for example under the OBPS, the money has to go back where it came from. Provinces or businesses that emit more emissions will get more.

It really depends on the program, and it is based on what you're looking at in terms of objectives.

Mr. Charles Sousa: That's interesting. It begs the question, how do you ensure that the results are achieved and that Canadians are getting a good return on this investment? How does that come to be?

Mr. Jean-François Tremblay: Again, it's a good mix. Especially with contribution agreements, you have to agree with your partners on what is doable. With the provinces, we have to sit at the table. When you negotiate an agreement on nature in B.C., it will be different from an agreement on nature in Quebec or in Ontario. You have to go into a partnership with them and agree on what the framework is and what outcomes are coming out of there.

We will come with our own national objective and try to see how much we can get for our national objective, while understanding that there are regional particularities that need to be taken into account.

Mr. Charles Sousa: Ms. Drainville, we've heard a lot about the changes being made, the applications, the restructuring, actions being taken and so forth, but how do you ensure that the funding is being spent properly by the recipients?

Ms. Linda Drainville: What we have internally are specific controls to ensure that once we proceed with a payment—Mr. Tremblay previously referred to section 33—we have all the documents on file demonstrating that the activities for which the money was committed have been taking place. We have proper controls, and those controls are reviewed on a regular basis to ensure that they are updated to the way the business process is working internally. That's what we are doing.

As far as the results achieved are concerned, my colleagues from the programs can tell you more about how the results come together overall.

Mr. Charles Sousa: Mr. Chair, do I have five minutes or six minutes?

The Chair: You had five minutes, but you now have 12 seconds.

Mr. Charles Sousa: Okay.

Thank you very much for your testimony.

The Chair: Thanks, Mr. Sousa.

We'll go back to Mrs. Block, please.

Mrs. Kelly Block: Thank you, Chair.

My question is for Ms. Drainville.

The departmental plan for fiscal year 2023-24 shows you have a main estimates budgeted spend of \$242 million, and this number could possibly be higher, closer to \$300 million, with supplementary estimates (A) and supplementary estimates (B), for internal services. For a department with a budgeted departmental spend of \$876 million, that's 28% on internal services, which is, in my estimation, way too inefficient and, subsequently, a waste of tax dollars. I know that internal services consist of not only finance but also HR, ATIP, communications, etc.

With all that funding and FTEs, it is shocking that your internal controls, governance, and risk management are loose, risking taxpayers' monies. How many people do you have working in the finance function?

• (1205)

Ms. Linda Drainville: Very quickly, in finance per se we are roughly 200 individuals.

Mrs. Kelly Block: As CFO, how do you manage a grants and contributions program with what, based on this audit, I will continue to call loose financial practices—processes and internal controls around cash flow, claims reviews, use of advances and, on top of that, missing project files, which were also noted in the audit? Loose internal controls are a gateway to fraud and obfuscation. What is the scope of financial mismanagement and resultant risks that this committee should be made aware of?

Ms. Linda Drainville: Thank you for your question. I'll try to give you an answer that will address all of your points.

In my role as CFO, I take very seriously the importance of sound management of public funds. That is why we—including my financial adviser and Marie-Claude, who is here today—are looking into how we make sure that we have proper controls in place for oversight financial reporting. Not only do internal controls work from a system perspective, but there's also all the governance that we have around that. We have all the training, which was mentioned previously, and all the checks and balances.

To go back to the report, the report is very clear that there's inconsistency in the way we are doing things. They didn't say that the controls were ineffective, but they said that, when they looked for information, they could not find the information. The controls are currently being reviewed, as we mentioned previously. We want to make sure that we foster an approach in which people understand their roles and responsibilities through training, and they use the tools and mechanisms available to them to take the proper actions in due time.

I have great confidence that we have the right controls in place right now.

Mrs. Kelly Block: You've just said you have great confidence that you have the right controls in place right now. One of the five recommendations made in this audit is directed towards you as the CFO. The audit recommends that the CFO, "in collaboration with program branches, should review, update as required, and communicate the departmental governance and oversight functions, accountabilities, roles, and responsibilities that enable an effective enterprise approach to G&C program delivery." This is a recommendation within the audit.

It's my understanding that you've been the CFO for three and a half years. Is that correct?

Ms. Linda Drainville: That's correct.

Mrs. Kelly Block: Were you never made aware or were you not aware of all the inefficiencies in this area of grants and contributions? How could that be?

Ms. Linda Drainville: I was aware of inconsistencies in our system, not necessarily inefficiencies. There are inconsistencies in the way we approach the management of Gs and Cs and how we document files. Those are different things. That's what we've been doing, addressing those.

Mrs. Kelly Block: I will weigh in here and say that inconsistencies—and I think it's stated in the report—can result in inefficiencies, so to try to separate those two things, in my mind, doesn't make sense. When there are inconsistencies when people are trying to access funding or understand a program, that results in inefficiencies. Therefore, while you may not make that correlation, I think it's one that the auditors absolutely did.

• (1210)

The Chair: Thank you very much.

Mrs. Atwin, go ahead, please.

Mrs. Jenica Atwin (Fredericton, Lib.): Thank you very much, Mr. Chair.

Thank you very much to our witnesses for being with us today.

Last week, I had the absolute pleasure of attending the Wolastocq water summit. It's the second year that we've had that, and we were actually hosting it in the Fredericton area. For me, it was the culmination of a lot of work that I've done over my lifetime, being involved in environmental movements. To share a room with folks who are working on invasive species or endangered species or watershed protection, the Maliseet Nation Conservation Council, the Nature Conservancy, the Nature Trust.... It was just incredible to see how much more support they have been receiving as of late. I

would say that even in the last three years or so I've noticed such an increase, so it really felt like this is the work and this is how we bring together those experts on the ground and pull in that local expertise as well.

Can you just speak a little bit more about who these recipients are? What kind of work are they doing?

Mr. Jean-François Tremblay: There are a lot of different recipients. As I mentioned, a significant percentage is provinces and territories, as is the case in many departments. A significant percentage is indigenous organizations. After that, you have organizations like Nature Conservancy Canada and Ducks Unlimited, organizations like that, which have been in the business of protecting areas for years and decades and which are also major recipients for us.

It's a variety of people and recipients, and it also depends on the files. If you have scientists, it would be universities. It would be students or the researchers themselves. It really depends on the topic and what you are trying to address. That's why, for any Gs and Cs programs or initiatives that you manage as a manager, you have to think about the objective you're looking for, the result that you're looking for and the best strategy to get as close as you can to the ideal situation. That's how you do it.

There are actually good organizations on water. There's a long tradition of programming and work done on water in Canada on the St. Lawrence and the Great Lakes. Those are, of course, very important elements, but we also do a lot of research on water that is not necessarily managing a geographic area and pollution in one place, but it's more research about what it means, about the situation with water in general.

For example, we have researchers who are working on the solidity of the snow, to give us a sense of whether the snow contains more water this year than last year, which has a huge impact on flooding. We're probably the top country doing that work. It will need satellites in the future if we want to do it, but it will be very useful in terms of capacity to forecast the impact of the weather and the seasons on the dam in Quebec, for example, for Hydro-Québec, versus potential floods or even potential fires, because if you have less water you have potentially a higher risk of fires. We saw that last summer and the summer before in the Northwest Territories.

Even in water, there are different kinds of expertise, roles and responsibilities, and we do adapt. We try to adapt as much as possible the contribution agreements and the programs to actually capture those priorities.

Mrs. Jenica Atwin: Thank you very much.

We're looking at numbers on a page, and I just think it's so important to see what that looks like on the ground. I live in a community right on a river, and we're very much watching the floods every freshet, so we're grateful for that kind of insight.

My time is winding down, but I do want to focus again on this. The audit found that grants and contributions funding requirements may be restrictive, burdensome, not timely, and costly for indigenous recipients specifically, and this is even more the case for indigenous recipients who may have limited capacity or who have multiple agreements in place to fund their activities.

We know that the proposed pathfinder service has not yet been implemented. Do you know when that might come online?

Mr. Jean-François Tremblay: We hope soon. We thought we had a potential draft that would go ahead, but we still need to do some work. I hope that will happen in the next few months.

Mrs. Jenica Atwin: What actions are being taken to improve access to grants and contributions programs for indigenous recipients?

Mr. Jean-François Tremblay: I think the next step for us is strategic discussion with the organizations. There are so many programs, and there are so many people. It's not only us, but other departments that are working in the same areas or in areas that are connected. I started doing this, and I need to be doing it more regularly. It's important to actually have a discussion with the organizations on what exactly the offer is that we have in terms of programs and where they have a better chance to actually maximize their interest and advance their files.

It is that strategic discussion that we're still missing with first nation, Inuit, and Métis organizations. There is a lot that is being done at the national tables and all that, but I think we need to do it more at the level of the ECCC relationship with first nation organizations, with Métis and with Inuit.

• (1215)

Mrs. Jenica Atwin: Thank you very much.

The Chair: Thank you very much.

Mrs. Vignola, go ahead, please.

[*Translation*]

Mrs. Julie Vignola: Thank you very much, Mr. Chair.

Mr. Tremblay, I'm going to go back to the question I asked earlier.

I can understand, as you explained, that you don't ask a company what it is going to do with the money it receives. That money is financial support to be used towards achieving a goal.

That said, the audit says that recipients "[h]owever ... may be required to report on results achieved".

Why is it not a requirement? Companies have to show us the results achieved, because what they are going to do will possibly be applied across Quebec or Canada. That may be useful later on. Why is it not a requirement? Why is it only a possibility? Why isn't it mandatory to report on results, even if those results are negative, which could happen?

Mr. Jean-François Tremblay: I will ask Ms. Drainville to help me answer your question.

Ms. Linda Drainville: Thank you very much for the question.

It really boils down to the difference between a contribution agreement and a grant agreement.

According to the terms of a grant agreement, companies are not required to submit a report. That's how it's done, by definition. There is no obligation on their part to submit a report. They can if they want to. Of course, if they do, we'll just accept it. However, in the majority of cases, no report is submitted. That's really the difference between contribution and grant agreements.

Mrs. Julie Vignola: Okay.

Mr. Jean-François Tremblay: That's why we don't give many grants, to be honest. The majority of our agreements aren't based on grants.

Mrs. Julie Vignola: That still surprises me, because we are talking about public funds. We agree on that. Grant money comes from taxes paid by people. People have a right to know what these public funds are being used for.

In my humble opinion, even if we say that we are handing out \$2 million for a project, knowing that the project could possibly have a positive impact on other companies, we will not receive any confirmation to that effect, because there is no accountability. I see a problem there. Accountability could also just be an acknowledgement that the money was used in such and such a way, but that the results were not what we expected. It could be done that way as well. That is what research entails.

When we don't give ourselves an accountability tool, aren't we somewhat hindering the sharing of knowledge?

Ms. Linda Drainville: That's a great question. If we had the final reports, we could have a better overview.

We will provide an answer in writing, since I do not have the information with me at the moment. That said, I don't know if that information is available.

It must also be said that, for us, grants represent a very small percentage of our total grants and contributions budget, just 1%. When you think about the whole year, it's a small percentage. I may be off by a few percentage points, but I would say that half goes to international institutions, such as the United Nations, the OECD or Organisation for Economic Co-operation and Development, or the World Bank. Automatically, the result becomes a tiny contribution to something much bigger.

Mrs. Julie Vignola: I don't have any time remaining, but...

[*English*]

The Chair: That is our time.

You mentioned that it's a small amount by number. Can you provide for us what the amount is as a percentage dollar-wise, please? I notice that a lot of the ones you mentioned, like the World Bank, are quite significant compared to the other ones. I'd appreciate that.

Mr. Garrison, it's over to you, sir.

Mr. Randall Garrison: Thank you very much, Mr. Chair.

Of course, I'm always going back to where I left off. We were talking about the accountability and reporting requirements for smaller organizations. Your audit found that indigenous applicants are more likely to be labelled high-risk, and my understanding is that this automatically imposes additional reporting and monitoring responsibilities.

I guess I have two questions here. One, have you looked at why indigenous organizations are consistently being ranked as higher-risk? Two, doesn't that create a kind of vicious circle where organizations with less capacity have increased requirements placed on them?

Mr. Jean-François Tremblay: In most of my career, including my study, I've worked with indigenous groups, and I'm always concerned by that, so I really appreciate your question.

In our case, I think it's also due to the fact that it is a new partnership. It's not because they're an indigenous organization. It's also because they're a new organization that we were not working with necessarily in the past. You know, I mentioned Ducks Unlimited and other organizations or provinces. We have track records of decades of work with those organizations. When our people come and say, "I have a contribution agreement with them," the question of their capacity to deliver or not is quite easy to answer.

When you go with a new organization that is an indigenous organization, there's an issue. That's why we need to make a special effort on this. I mentioned that we have a director general who's in charge of engagement with first nations, Inuit and Métis. It is something we need to do with organizations, as well as working with Indigenous Services Canada and other organizations—because, at the end of the day, they're sometimes the same groups—on how to better assess the level of risk and how the level of risk should impose more on us and not necessarily on them. Some of it is also on us. It's up to us to do our homework, not necessarily asking them to do more on their side. How do we use capacity funding to actually eliminate some of the burden that could come with proposing something new?

• (1220)

Mr. Randall Garrison: A lot of the audit seems to focus on the question of documentation. I'm not saying that documentation is not important. Obviously, in order to prevent fraud and conflict of interest and to get good use of funds, you need documentation, but the audit doesn't seem to focus on why there are problems with documentation.

Is it lack of training? Is it lack of capacity? Why do we have so many documentation problems with these kinds of grants and contributions?

The Chair: We'll have just a brief answer, please.

Mr. Jean-François Tremblay: I would say that it's all the above, particularly because people are sometimes used to including the documentation, and sometimes they keep it at their own place. You have different applications, not necessarily just one. I think it's mostly due to that: training, culture and inconsistency from place to place.

Mr. Randall Garrison: Thank you, and thank you for the work that you do.

The Chair: Thank you, gentlemen.

Mrs. Kusie, you have the floor.

Mrs. Stephanie Kusie: Thank you, Chair.

The report indicated that there were errors and inconsistencies found when the audit was completed. Can you please provide some examples of the errors and inconsistencies that were found?

Ms. Linda Drainville: Yes, I can start, and my colleagues can beef it up.

It went from lack of documentation, which we've already mentioned, to the way the evaluation risk of each recipient is done at the beginning. We also have mandatory documents that need to be filled out properly, and we realized that some were not necessarily filled out entirely, and that needed to be added to the file. It's all those observations that we realized had created some inconsistency across the board.

Mr. Tremblay just answered with some of the observations we have, like the training that comes with it. It's like people are trying to do their job at the same time as they manage grants and contributions, because sometimes they have other roles to play. It then brings that inconsistency across the board in making sure that all documents are filled properly.

Mrs. Stephanie Kusie: The report also indicated that some project files were removed. Can you provide any information as to the project files that were removed, please?

Ms. Linda Drainville: I don't have a specific answer for you on this one, as to why they would have been removed, but what we realized is that the access to the shared drive where all the documents are kept is not necessarily protected access. Internally, a lot of people would have access to the same file, so people can go there.

What we realized is that there is also a link between different agreements. Sometimes the documents were there, but then they were moved to another agreement, because they saw a link there from the program manager's perspective. We are looking into restricting access when documents are filed on a specific folder so that they are not moved anymore.

Mrs. Stephanie Kusie: Thank you for that.

Of course, we have concern about that in this committee relative to another study of ours, on ArriveCAN, where a key character was found to have deleted thousands of files. Obviously, it's very important that access is monitored and that these restrictions are in place. When I saw that, it reminded me of the situation with ArriveCAN that we have at this time.

In 2019, the Treasury Board put forward their report, a horizontal review, where they found that there were many different problems with files at that time as well. Can you speak to any of the lessons from this 2019 report and whether they have been implemented? It would seem to me that there was this Treasury Board report five years ago, yet things seem to be getting worse and not better. Would you perhaps like to comment on that?

• (1225)

Ms. Linda Drainville: I'm sorry. I know of a review that was done by Treasury Board, but not on grants and contributions. It was mainly on fixed assets.

Mrs. Stephanie Kusie: It was a 2019 report by Treasury Board, as indicated by the recent Blacklock's article, if you'd like to go and perhaps reference that to evaluate.

My point is that there were recommendations, and things seem not to have improved, unfortunately; they've gotten worse. Given that, would you be open to and co-operate with an audit conducted by the Auditor General, perhaps, to further evaluate beyond the 5.5% that this audit had the opportunity to evaluate? Would you be open to a larger report completed by the Auditor General?

Ms. Linda Drainville: That's a very good question. We always welcome the Auditor General. There's no doubt about that. I think, though, that the work we have been undertaking internally will definitely give us the result we are looking for. If there were to be any value in having the Office of the Auditor General come, it may be when we have done the internal work first to add value on what we are currently doing.

Mrs. Stephanie Kusie: It seems, then, that this committee could benefit from a study done by the Auditor General to further evaluate these grants and contributions from ECCC.

Mr. Jean-François Tremblay: One thing you may want to consider is that we did ask our internal auditor to come with regular reports on the progress. We would be pleased to share them.

Mrs. Stephanie Kusie: Thank you.

The Chair: Wonderful. I think the committee would appreciate your sharing that with us.

Mr. Kusmierczyk, please go ahead, sir.

Mr. Irek Kusmierczyk: Thank you very much, Mr. Chair, and thank you for allowing Ms. Soucy to attend our committee. I really do appreciate that. That was an important gesture.

I'm very heartened to hear that our federal government has increased federal grants and contributions by \$650 million since 2016.

Last week, I had a chance to join about 50 local community stakeholders in Windsor to announce \$76 million. It was the largest freshwater restoration investment in the history of Canada in my community. It will benefit areas of concern. It will reduce phosphorus loading, which will help mitigate and prevent dangerous and toxic algae blooms. I can tell you that local organizations, like the Great Lakes Institute for Environmental Research at the University of Windsor, the Essex Region Conservation Authority, the Ontario Greenhouse Vegetable Growers, Caldwell First Nation and Friends of Ojibway Prairie, were ecstatic about receiving that funding and

being able to partner with the federal government to protect our precious Great Lakes. Not only are the Great Lakes vital to our economy and our agricultural sector, but they are absolutely part of our very identity as residents of our wonderful community. I can tell you that the partners in that community called that investment generational.

I want to contrast that with the previous Harper Conservative government, and it's important to make that contrast. They slashed funding to Environment Canada—we're talking hundreds of millions of dollars—and muzzled government scientists, especially scientists working on the environment and climate change. This is what the Information Commissioner reported on.

The CRA was tasked by the previous government with going after environmental charities and attacking them. In addition to that, in 2013, there was the elimination of the budget for the National Round Table on the Environment and the Economy, a critical round table that brought in experts from all across the country. It was eliminated for the sin of actually testifying and bearing witness to the fact that we have a climate crisis and we need to do more.

A Conservative member of Parliament, MP Bob Mills from Alberta, a long-standing member who was very much pro-market, stated that this was a mistake: "Stephen Harper puts other priorities...ahead of the environment and I think that's a mistake. Obviously, I wouldn't be here if I didn't really strongly believe that the round table was doing an excellent job". That's what Bob Mills, a former Alberta Conservative MP, said at a press conference.

All of those things were cut. It's important that we understand the context of what we are talking about here today: a government that believes in fighting climate change, a government that believes in environmental work and a government that is putting money into those initiatives.

Having said that, we can always do better, and that's why we're here today. That's what we're trying to do: build trust for Canadians in these investments and in these programs.

The audit report stated, as you mentioned, that there are inconsistencies. Basically, the audit report stated you're relying on two separate systems to administer grants and contributions. I'm not an expert, Ms. Soucy, but I imagine that presents a challenge in terms of consistency and being able to verify funding and measure it. Can you speak a little bit about the troubles that the dual system represents and what we're doing to actually fix it to create that consistency across that system?

• (1230)

The Chair: You have about 30 seconds.

Ms. Marie-Claude Soucy (Director, Grants and Contributions Centre of Expertise, Department of the Environment): Just to put that in context, the reason we have two systems is that we had to build a system specifically for one particular program around 2016. They had specific needs. It was a very complex program, so we had to build a system particularly for them.

Now that we've grown and we realize that it's not necessarily efficient to have two systems, we're looking to build one single enterprise system. We're actually in the planning phase of that. We're doing some benchmarking with other departments to see what would be the best solution to bring all the ECCC programs into one single system. We're leaning toward that.

Mr. Irek Kusmierczyk: When, Ms. Soucy?

Ms. Marie-Claude Soucy: We're doing the plan right now. Developing a system takes time, so it won't be overnight, but we are planning to go ahead and have one system. That decision has already been made.

Mr. Irek Kusmierczyk: Thank you.

The Chair: Thank you, Mr. Kusmierczyk.

Mr. Genuis, go ahead, please.

Mr. Garnett Genuis: Thank you, Chair.

To the witnesses, is it appropriate, in your view, to have a grant go to just a named individual? Is that something we should be seeing—that it goes not to an organization or a business but simply to the name of a recipient? Is that something we would expect to see or not?

Mr. Jean-François Tremblay: It may happen when it's an award, for example.

Mr. Garnett Genuis: What do you mean by an award?

Mr. Jean-François Tremblay: The person has been the one developing a new initiative and receives funding for it.

Mr. Garnett Genuis: I'll give just one example. I won't name the individual, because maybe there's a story here. I would like to know more about this. There's a specific named individual who got \$65,000. The program's purpose, as listed, is to increase the recipient's knowledge of wildlife on the subject lands and assess rangeland health as an indicator of habitat quality on the ranch and implement beneficial practice changes to further protect or enhance habitat for species at risk. Parts of that seem more credible than others, but in particular, it talks about increasing the recipient's knowledge of wildlife on the subject lands. I mean, I can't imagine there's anybody in the country who wouldn't want \$65,000 to do that.

Does that seem normal to you?

Mr. Jean-François Tremblay: Maybe a lot of people would like to have it, but they're not necessarily qualified to have it. I don't think I would be. That's not my area of expertise.

We can find the information for you.

• (1235)

Mr. Garnett Genuis: Okay.

Mr. Jean-François Tremblay: When I was a Ph.D. student, I received grants. It was exactly the same circumstance. You receive

money to continue your study or your work. It could be a case like that.

We will need to come back to you on this.

Mr. Garnett Genuis: Okay. It's just that for studies, in many cases you have the recipients listed as universities. You're telling me that the recipient could be an individual, if that individual was doing research, but you told me earlier that maybe the recipients being American universities means there are researchers there who are Canadian.

Mr. Jean-François Tremblay: I will need to get you the information on this. They're not the majority of our cases. They're really kind of unique. Good for you to find them, but we'll have to come back with a written response.

Mr. Garnett Genuis: Okay.

I guess I would say, in general, that the purpose of this exercise should be that Canadians, not just parliamentarians who have privileged access to officials, can look on the website and know what's going on and who got the money.

I want to come back to your comments about non-Canadian institutions and give you one example that I found. This is \$65,000. It's given to Clarkson University, a private university in Potsdam. The program purpose is optimization and testing of a new passive dry deposition sampler.

Is that not something that could have been done in Canada?

Mr. Jean-François Tremblay: If the researchers made the agreement, it's probably because it could not. There are areas where we're at the top and there are areas where we're partnering with others. They come with their own views and their own things. We can send you an answer that comes from the scientists. I won't talk on behalf of the scientists on the reasons for this.

Mr. Garnett Genuis: Right. I'm not questioning that there might be scientific value. It's just the question of what role the Government of Canada has in funding research. I think most people would expect that it would involve funding research in Canada and building up our Canadian institutions. It's not our role to be funding academic research in the United States, a country that can fund its own academic research.

Mr. Jean-François Tremblay: You don't fund research in a country in isolation. You have to do it in partnership with institutions outside.

Mr. Garnett Genuis: Right, of course, but.... This is, I guess, just a problem of accountability, though.

I'm looking at the recipient's name. If there's a partnership between a Canadian and an American institution, you would probably expect that the Canadian institution might be applying for funding in Canada and the American institution might be applying for funding in the United States, and those institutions are entering into a partnership using funding that they have together.

In this case, we have a situation where the program recipient is... This isn't an isolated case. We have many cases of this in here. For the user of this information trying to understand what your department is spending money on, there is ambiguity and uncertainty around what it actually means when a particular recipient is identified.

Is this something you acknowledge needs to be cleaned up, so the public can actually understand what's going on?

Mr. Jean-François Tremblay: We owe you more information. I recognize that.

Mr. Garnett Genuis: Sunlight is the best disinfectant.

The Chair: Thank you, Mr. Genuis.

Mr. Bains, we'll go back to you, please.

Mr. Parm Bains: Thank you, Mr. Chair.

I just want to continue on that same line of questioning.

When it comes to receiving grants or outside institutions from other nations doing the same in Canada.... I'm just curious. If it's a partnership and Canadian researchers are here and working with American universities, is it happening vice versa?

Mr. Jean-François Tremblay: You have both sides. You also have programs on conservation, for example, where you have American foundations that will fund, in part, some of the projects that we have. There is a lot going on.

This is a global issue. This is a North American issue, so there is back-and-forth and collaboration. That's why we also do international financing. People can be against this from a policy perspective, but it is actually the way research is done. With all the reports that we are sending to the United Nations and the peer review that exists at the international level, a lot of this is done by researchers in many universities and in many countries. The work on snow that I mentioned is actually seen by the U.S. as a great opportunity, and we hope that they will potentially invest, too.

Yes, we're looking for how to maximize the use of the funding to get the answer you're looking for.

• (1240)

Mr. Parm Bains: We have one example. I had the opportunity to take a U.S. representative to my city of Richmond, British Columbia, where we have one of the largest commercial fishing harbours in Canada. There is an outfit there called Ocean Legacy. They pull plastics out of the ocean and turn them into pellets and make products like shampoo bottles, which I don't use, but I think those are some examples. We've had interest in having those investments come here.

I want to ask Ms. Soucy if she can expand on that same question that I had earlier.

Ms. Marie-Claude Soucy: For every program, we have terms and conditions that are approved by the Treasury Board of Canada. These are the parameters in which we can give money to a recipient. We have a few Ts and Cs that allow for individuals to get.... It's organizations or international academia, but it could also be an individual. We have a few Ts and Cs that allow for that, but those are

in very specific contexts, such as very specific research that only one individual can do.

I'm not sure which ones we're talking about exactly, but I could see that it would be in that context.

Mr. Parm Bains: As the director in this area, do you have a more hands-on approach and more knowledge of which projects are happening?

Maybe you can expand on that.

Ms. Marie-Claude Soucy: We have a very diversified range of projects. Like my deputy minister was saying, on the Canada international climate finance program, we do have grants. We could partner with U.S. universities, as we could partner with other countries and other types of academia or organizations. It depends.

We have a broad range of programs. We have 800 projects a year, so it's difficult to know which project we're talking about here.

Mr. Parm Bains: Mr. Chair, do I have more time?

The Chair: You have one minute and 14 seconds.

Mr. Parm Bains: Okay.

With respect to the increase in the funding and moving from small- to large-scale program delivery, can you talk a bit about what the increase looks like? Is there a plan to trail it off or keep it going, or will it be done project by project?

Mr. Jean-François Tremblay: It will depend. It's a government decision in the end.

A lot of those programs will be sunsetting over the next few years. I think the LCEF will be in 2028. Some of the nature programs will probably be close to 2030. Some will be earlier.

If you look at the profile over the last few years, it's probably at its max now, but it's going to go down, so there will be decisions to be made on whether we continue and at which level. It's up to the government and Parliament to make those decisions, not me.

Mr. Parm Bains: Thank you.

The Chair: Thank you, Mr. Bains.

Mrs. Vignola.

[*Translation*]

Mrs. Julie Vignola: Thank you, Mr. Chair.

I am going to use my time to introduce a notice of motion that will not be debated. It reads as follows:

Given that

(a) the media reported on Wednesday, September 25, 2024 that the Governor General of Canada, Mary Simon, was still unable to converse in French during a visit to a community organization in Lévis, Quebec, and that she had to cancel certain planned activities during her stay in Quebec for this reason;

(b) the Governor General had made a “firm” commitment to learn French by 2021, when she was appointed, and had again stated to Radio-Canada, in an interview in 2023, that she wished to be able to “speak to Francophones” by the end of 2024;

the committee:

(a) is concerned that the Governor General cannot adequately address Quebec francophones and francophones from francophone communities in other provinces in their mother tongue;

(b) expresses its deep disappointment that after three years since her appointment, the Governor General of Canada is unable to sustain a basic level of conversation in French in the exercise of her title as representative of the Sovereign in Canada, and that she has spoken only in English when French is the only official language in the province of Quebec; and

(c) requests the Chair to report to the House as soon as possible.

As I already mentioned, this is just a notice of motion. However, if possible, I would like us to discuss the motion I tabled last week inviting the Governor General to appear before the committee. The word “invite” is very important here, since we cannot summon the Governor General to a committee: We can only invite her to appear. It is up to her and her alone to decide whether she accepts the invitation.

The notice of motion that I also tabled last week is similar to the one I just read, except that it cordially invites the sovereign's representative in Canada to come and answer our questions. In that notice of motion, we also invited the Minister of Employment, Workforce Development and Official Languages to answer our questions. Indeed, the situation affects those two individuals.

• (1245)

[English]

The Chair: Thank you very much. The motion put on notice has been distributed.

Can I just confirm that you're not moving the first motion from last week today? Is that right? Wonderful. Thanks.

We are going now to Mr. Garrison for his final two and a half minutes, and then we'll finish with Mrs. Kusie and Mr. Sousa.

Mr. Randall Garrison: Thank you very much, Mr. Chair. I didn't expect you were going to get to another two and a half minutes for me.

I have one final question. How is the experience of your department different from other departments engaged in grants and contributions, and have they found similar problems in terms of accountability?

Mr. Jean-François Tremblay: This is my sixth department as a deputy minister. They're all a bit different, to be honest with you. There are departments where Gs and Cs programs are basically the first line of business—I'm thinking about Indigenous Services Canada—so you talk about Gs and Cs on a daily basis because that's something you do non-stop. This is a very different department because, over the years, a lot of the focus has been on regulation, protection and meteorology, for example, a line of business where there's a lot of science and a lot of work done internally.

Most of the programs, before they grew so much, were very small initiatives, sometimes a few hundred thousand dollars and so on. If I compare it with other departments, it's probably one of the most decentralized because of this in terms of Gs and Cs management. All the departments have struggled with some of the elements that you see in the audit, but I think this one, of course, is due more to decentralization, and the existing growth is also quite significant.

Mr. Randall Garrison: If other departments, as we all know, engage in the same kind of activities, surely there are some that have solved this problem and could have some guidance for your department.

Mr. Jean-François Tremblay: We do a review of all those departments. For example, ESDC has a very centralized approach. Service Canada delivers almost all of the programs. We have approached all the departments, and we're comparing everything. What do they do on conflict of interest? What are the systems they have to manage? Do they have only one system? Is it working? We look at all the controls they have.

Our goal in January is precisely to come up with what we think is the best approach for this department. It's not going to be necessarily identical to other departments, but it should be largely inspired by what we learn.

Mr. Randall Garrison: Thank you.

I just want to say at the end that I think accountability is important, but we shouldn't let this focus on accountability overshadow the good work that's being done by the Department of the Environment and in support of organizations fighting climate change.

The Chair: Thank you, Mr. Garrison.

I'm glad we were able to fill your bucket list of having appeared at OGGO. I appreciate it.

We'll go to Mrs. Kusie for five minutes, please.

Mrs. Stephanie Kusie: Thank you very much, Chair.

I just have a few more questions to finish our time with you today.

My first question is this: Are the auditors who completed this audit from ECCC?

Mr. Jean-François Tremblay: They're within the department.

We're the most audited department in the country, by the way.

Mrs. Stephanie Kusie: It was an internal audit, so maybe it's even more beneficial to bring in the Auditor General to do an external evaluation of the grants and contributions program.

I'm just going to take a moment now and go back. I mentioned Rio Tinto in my first round of questioning. It was brought to my attention that the chairman of Rio Tinto turns out to be Dominic Barton, an individual associated with another study we've completed here.

• (1250)

Mr. Jean-François Tremblay: I think the Rio Tinto funding is coming from another department, but please go ahead.

Mrs. Stephanie Kusie: It's coming from your department.

Mr. Jean-François Tremblay: Is it? Okay.

Mrs. Stephanie Kusie: Yes, it is.

I appreciate the clarification, but I was going to push back on that. Thank you for the clarification, Chair.

Yes, it is coming from your department—\$18 million from your department, in fact. Do you think that Dominic Barton's close relationship with the Prime Minister and the finance minister had anything to do with receiving the \$18 million?

Mr. Jean-François Tremblay: No, I don't.

Mrs. Stephanie Kusie: Okay.

My last question, then, would be this: Did any of this other funding, of the billions of dollars—again, we have the amount for the 2022-23 fiscal year, but we're awaiting the total amount since 2015—go to any kind of government consultant?

Mr. Jean-François Tremblay: On the Gs and Cs side, it's unlikely, because the consultant would get contracts, so it would be procurement.

Mrs. Stephanie Kusie: Okay.

[*Translation*]

That concludes my questions, Mr. Chair.

I will now give the floor to my colleague Mr. Godin.

[*English*]

The Chair: Thank you.

Mr. Godin, welcome back. The floor is yours for two and a half minutes, sir.

[*Translation*]

Mr. Joël Godin (Portneuf—Jacques-Cartier, CPC): Thank you, Mr. Chair.

It is important that I be here today as the Conservative Party's official languages critic and vice-chair of the Standing Committee on Official Languages.

I'd like to move the following motion:

Given that,

The Prime Minister has shown a lack of respect for French by appointing a Governor General despite her inability to speak French;

That the media reported on September 25, 2024, that the Governor General was still unable to hold a conversation in French during a visit to a community centre in Lévis, Quebec, and had to cancel planned activities during her trip to Quebec for this reason;

The Committee report to the House its deep disappointment in the Prime Minister for failing to appoint a bilingual Governor General and the Governor Gener-

al's lack of progress in learning French, despite the tens of thousands of dollars in public funds spent on her lessons;

The Committee write a letter to the Official Languages Committee recommending that it undertake, as soon as possible, an in-depth study of the process led by the Prime Minister which resulted in the appointment of the Governor General, in defiance of normal official language requirements and in contempt of French-speakers in Quebec and across Canada.

This motion is most relevant, given the inaction of the past nine years of this government and the Prime Minister, who is responsible. It has neither the will nor the intention to defend the francophonie across Canada, and that has resulted in the appointment of a Governor General who does not speak French. I say that with all due respect to Ms. Simon. She is not the problem; it is our Prime Minister. We have to make sure that the people concerned come and testify before the Standing Committee on Official Languages in order to produce a report on the issue.

Thank you, Mr. Chair.

[*English*]

The Chair: Thank you very much.

We'll finish with Mr. Sousa.

You have five minutes, sir.

Mr. Charles Sousa: Thank you, Mr. Chair.

In reviewing some of the discussions around grants to educational and research institutions around the world that were being referenced, in this case the United States, and in investigating Western University, McGill University, Queens University and U of T, they all referenced getting substantive U.S. grants. These grants were in science research, health research and a number of other areas.

Can you comment on that, please?

Mr. Jean-François Tremblay: Yes, they do. We also contribute to those universities. If you go into our labs, you will see Ph.D. students and post-doc students coming from Queens, from Carleton University and from the University of Alberta. We have very close partnerships with researchers. Our labs sometimes are very close to the universities because we share common ground.

I visited some of my scientists in the west, and it's not only a mix of my scientists, the ones working within the department, but also international scientists who are there. The group I met was a mix of Canadian, European and Asian students all working on the same issues and all integrated closely with a university like the University of Victoria.

It is important for us and for the kind of research we're doing to work with the ones who know, the ones who are the closest ones to know and the ones who partner with us to make sure that we know what they're doing in order to improve our knowledge. It's key to the kind of approach and the kind of challenge we're facing.

• (1255)

Mr. Charles Sousa: To wrap this up, because I think we're on the last question, the overall audit objective was to assess the operational effectiveness of governance, risk management and internal controls in place to administer departmental programs and to assess progress made in implementing the recommendations.

To summarize, can you talk about that progress? How are we doing now, given what you've identified in the audit?

I will open it up to all three of you. I know the deputy is in charge, but maybe throughout the chain you can best explain how it's affecting each of you.

Mr. Jean-François Tremblay: The fact that we're here and you're making it an important case is important for us. It signals to our employees that it is important. Just doing that makes it better for us.

The fact that we have a good centre of excellence places us in a very good position. The fact that we now have a team for the transformation is a great position to be in. We made the decision that the management table at the ADM level includes me, so there's no

ADM committee of ops. There's actually my management committee that talks about operations.

We are making sure that everybody who should be at the table is at the table for the discussion and the approach. The work we're doing with other departments to flag and identify the issues reassures me in terms of how we will improve the situation of the department and make it very good at making sure all the checks and balances are there for Gs and Cs management.

Mr. Charles Sousa: Does anybody want to add anything more before we wrap up?

Are we good?

Ms. Linda Drainville: That was very well said.

The Chair: Are you complimenting Mr. Tremblay or Mr. Sousa?

Voices: Oh, oh!

The Chair: Witnesses, thank you for joining us today. We appreciate your time.

The meeting is adjourned.

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