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Mr. David Christopherson

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•(1530)

[English]

The Chair (Mr. David Christopherson (Hamilton Centre, NDP)): I now declare this 36th meeting of the Standing Committee on Public Accounts in order.

Colleagues, you will recall that we followed our choice of chapters following the tabling of the spring 2014 report, and we're working our way through that. Today we have the NDP choice for the public hearing, and it is chapter 8, "Meeting Needs for Key Statistical Data—Statistics Canada", of the spring 2014 report of the Auditor General of Canada.

I am pleased to advise that of course we have our Auditor General here, Mr. Michael Ferguson.

Welcome, sir. It's good to have you here again.

We also have the appropriate government officials here to give their testimony and answer questions.

I'll ask you to introduce yourselves and your delegation when I call upon you to give your opening remarks.

If there are no interventions from colleagues, or questions, or any reason why we should delay—and I'm not hearing any—we will then proceed. We will begin with the opening remarks of the Auditor General.

Mr. Ferguson, you now have the floor, sir.

Mr. Michael Ferguson (Auditor General of Canada, Office of the Auditor General of Canada): Mr. Chair, thank you for this opportunity to discuss chapter 8, "Meeting Needs for Key Statistical Data", from our 2014 spring report.

Joining me at the table are John Affleck, principal, and Colin Meredith, director, who were responsible for the audit.

As Canada's national statistical agency, Statistics Canada plays a fundamental role in generating information on Canada's socio-economic conditions. This information is used by governments, researchers, academics, businesses, and non-governmental organizations.

We examined whether Statistics Canada ensures the quality of key socio-economic information it produces and whether it generates this information efficiently and in response to priority user needs. Our examination of quality and the efficient use of resources was focused on four data products that provide important information on Canada's economic and social conditions: the consumer price index;

the labour force survey; the national household survey; and the survey of employment, payrolls, and hours.

[Translation]

Overall, we found that Statistics Canada applied its quality assurance framework to ensure the quality of the statistical programs we examined. However, improvements are needed to better meet user needs.

We found that Statistics Canada consults mainly with federal, provincial, and territorial users, with less attention paid to the private sector, municipalities and non-government organizations.

Without ongoing consultation and feedback mechanisms for the full range of users, the agency's data may become less relevant. For example, detailed information on job vacancies—by both occupation and location—could inform job seekers and policy-makers on which occupations are in demand and where. Policy-makers could also use this information to develop and manage policies and programs.

However, information on job vacancies is not broken down within provinces, so it is not possible to know if Alberta job vacancies are in Fort McMurray, Medicine Hat, or in any other community. Users told us that as a result of the shortcomings, this information is of limited value to them.

[English]

We found that the agency managed the implementation of the national household survey well. Nevertheless, introducing this voluntary survey to replace the mandatory long form questionnaire that was part of the previous census of population had an impact on users. The agency anticipated a drop in response rate as a result of the move to a voluntary survey. It took a number of steps to mitigate this risk, such as increasing the number of households in the initial sample from 3 million to 4.5 million, and targeting its efforts to encourage households to respond. Notwithstanding the steps taken, the actual response rate dropped from 94% in the 2006 census to 69%. While the number of responses to the 2006 census and the 2011 survey were similar, it is the response rate that determines how the data can be used.

Statistics Canada then took additional steps consistent with its quality assurance framework. It decided not to release data, especially for some sparsely populated, remote areas, or rural communities, because of low response rates. The agency estimated that reliable national data was unavailable from the national household survey for 3% of the Canadian population, up from 1% in the 2006 census. The agency also informed users that they should use caution when making comparisons between data from the national household survey and data from previous censuses.

• (1535)

[Translation]

We also examined whether the agency generated data for the four data products efficiently over the audit. We found that Statistics Canada had identified and implemented a number of approaches that resulted in more efficient use of resources. These included using common corporate services and identifying alternate data sources.

In order to maintain the relevance of its work, it is important for Statistics Canada to identify and respond to emerging needs. We examined how the agency assesses and addresses identified gaps, and how it ensures that its approved priorities are implemented.

[English]

We found that Statistics Canada had an adequate process to identify and implement its priorities, including emerging needs. However the agency did not systematically consider the need to consider cost-recovered work when external funding is withdrawn. For example, after work ended on a client-funded survey of older workers, the agency did not assess whether it should have continued to fund the survey out of its internal resources.

[Translation]

Statistics Canada has agreed with our five recommendations and has set deadlines for implementing them, ranging from April 2014 to January 2015.

Mr. Chair, this concludes my opening remarks. We would be pleased to answer any questions the committee may have.

Thank you.

[English]

The Chair: That's very good.

Thank you, Mr. Ferguson.

Now we'll move along to the chief statistician of Canada, Mr. Smith.

You now have the floor, sir.

[Translation]

Mr. Wayne Smith (Chief Statistician of Canada, Statistics Canada): Thank you, Mr. Chair.

Good afternoon, committee members.

• (1540)

[English]

I have with me at the table today Stéphane Dufour, the assistant chief statistician for corporate services at Statistics Canada.

As chief statistician of Canada, it is my pleasure to speak to you about the Auditor General's report in which he assessed how well Statistics Canada meets the key statistical information needs of Canadians and their institutions. I was pleased that the chapter on Statistics Canada demonstrated that overall, the agency makes efficient use of its resources to produce relevant and timely data of good quality. Statistics Canada agrees with the Auditor General's recommendations, and we have already begun implementation of our action plan.

In my remarks today, I would like to focus on some of the key issues raised in the report. Essentially these issues centre on the challenge of meeting the diverse statistical needs of a multitude of users, while at the same time ensuring a robust level of quality. As a fundamental principle, since Statistics Canada defines quality as fitness for use, Statistics Canada would never sacrifice quality to deal with budgetary constraints. If need be, Statistics Canada limits the scope of its statistical program, rather than compromise the quality of the information it produces.

[Translation]

In addition to the Censuses of Population and Agriculture, which are conducted every five years, the agency also has 350 active surveys and makes use of approximately 500 administrative data sources to inform Canadians on the economic, social and environmental conditions of their country. Statistics Canada is held in high regard internationally for the quality of its data, its methodologies and its efficiency.

[English]

Since the agency cannot accommodate all information needs within its base budget, we undertake statistical work on behalf of external clients, primarily federal and provincial government departments, on a cost recovery basis. This allows us to respond to emerging needs while ensuring that all Canadians benefit from the information that is ultimately produced. Many surveys have been conducted this way over several decades. Normally, this work ends if the client no longer wishes to fund it. On occasion, Statistics Canada will assume responsibility for funding a program that it considers too strategic to allow to be discontinued. The agency's ability to self-fund these programs is, of course, extremely limited.

The Auditor General has noted that this process of considering whether to self-fund a former cost recovery program has not been formalized at Statistics Canada. The agency has now put in place a mechanism, in the course of its annual planning process, to formally review cost recovery programs that are losing funding, in order to determine whether it is necessary to provide, or to try to secure, permanent funding. In the absence of new external funding, maintaining a cost recovery program using existing funding would, of course, mean discontinuing some other programs.

In our rapidly changing world, there is an unquenchable thirst for information. Statistics Canada receives demands not only for new data on a wide variety of topics, but increasingly for data at the local level, and for very small populations. To fully respond to this thirst for data would require many times the budget we presently possess. Even with unlimited funds at our disposal, the issue of the burden that responding to surveys would impose on the Canadian population and businesses would remain intact. It's necessary for Statistics Canada to balance the burden that we impose on Canadians and their businesses in responding to our surveys against the value of the information that would be obtained.

To address the growing need for data for small areas and small populations, I am pleased to report that Statistics Canada is making great strides by developing and exploiting state-of-the-art techniques, such as micro-data simulation and smaller re-estimation, to extract the maximum value from existing datasets. Our growing use of administrative data is also increasing our ability to provide data for small areas and populations. These techniques produce, at affordable cost, estimates at a detail beyond that of a single survey, without imposing an additional response burden on Canadians and their businesses.

[*Translation*]

In the Auditor General's report, there is some focus on the National Household Survey and the agency's decision not to publish local estimates for more than 1,100 communities, representing 3% of the population, due to quality concerns. Lower response rates relative to those of the mandatory 2006 census long-form, due to the voluntary nature of this survey, were the principal driver behind this decision.

While there has been some erosion of data quality due to lower response rates, the National Household Survey nonetheless produced a massive data base of robust information at all levels of geography and for many small populations. To seek, as some have, to dissuade Canadians from using this rich and powerful data source does them a terrible disservice.

• (1545)

[*English*]

Relevance is one of the underpinnings of a successful national statistical office. Statistics Canada seeks to align its statistical and analytical programs with the highest priority information needs of the nation. To accomplish this, we have always engaged a wide range of partners, users, and stakeholders in order to understand the revolving information needs and to ground our statistics in a genuine understanding of the phenomena we are trying to measure.

As recommended by the Auditor General, Statistics Canada will in future systematically document this outreach process and demonstrate clearly how it is taken into account in the agency's program planning.

As part of the agency's move to expand its consultative base, the membership of the national statistics council has recently been modified to broaden the number of voices at the table. This council sits at the pinnacle of a system of advisory committees and brings together distinguished Canadians with strong knowledge of Canada's

national statistical system and a strong interest in participating in its development.

In addition, we have begun to formalize the renewal process for the agency's numerous advisory committees, to ensure they are properly constituted given their mandates, thus helping the agency remain aware of and responsive to evolving needs and statistical methods.

Let me conclude by saying that I believe our national statistical system is a national asset of great value, which produces returns for Canadians well beyond their investment, by providing them with high quality information about Canada's economy, society, and environment, information that they require to function effectively as citizens and decision-makers in a rapidly evolving world.

The quality of Statistics Canada's programs, the morale of its employees, and its international reputation for excellence are very much intact.

Thank you.

The Chair: That's very good, thank you.

That ends our opening comments.

We'll now begin the questions in the usual rotation, beginning with Mr. Hayes.

Mr. Bryan Hayes (Sault Ste. Marie, CPC): Thank you, Mr. Chair.

I'm going to speak to the management response and action plan, specifically recommendation number one. It's pointed out that many agency programs are primarily designed to meet the needs of federal and provincial policy departments, but the Auditor General has wanted you to have a look in terms of what has been done specific to the private sector, to advance the needs of the private sector.

I would ask for your response in terms of moving forward. How are you addressing contacting the private sector and making sure you're fulfilling its needs?

Mr. Wayne Smith: While we view Statistics Canada as a national statistical office and, therefore, try to meet the needs of the entire nation, all Canadians, the reality is that with the budget available our focus is primarily on government and primarily on the two most senior levels of government. A lot of our program certainly addresses the needs of federal departments, and the provincial and territorial governments as well. The census particularly addresses the needs of municipal governments.

Most of the rest of the use of our program is really residual use of the information that we've created in response to the needs of those governments, by other organizations. So non-government organizations use our information to, for example, develop positions on government policies, as do businesses. Businesses use our information—for example, the census data—extensively in their marketing efforts. Financial institutions use our information extensively in their analysis of financial markets and adjust their strategies in response to that.

We do meet regularly. I recently met with a group representing service industries to talk about our program and how it meets their needs and where they felt there were gaps that should be addressed.

I also participated recently in a business round table to talk about how our data is used in conjunction with, for example, big data sources in order to meet the needs of the private sector.

Every time we release the national accounts—the gross domestic product, for example—we meet with a table of senior economists from the private sector to talk about their views of the data we've just released, any concerns they have.

We've added three or four members to our national statistical council, who come from the business community, to hear their voices.

In our economic statistics programs and our advisory committees, we have representation from the business sector, and business associations as well. It's a very broad-based effort to make sure we're engaging with them.

• (1550)

Mr. Bryan Hayes: The reason I ask is because on your behalf, but on my own and that of my staff, I'm familiar with a company in Sault Ste. Marie, Sault Ste. Marie Innovation Centre. They are a world renowned company. This is a company that over the past five years has completed 50 projects that use StatsCan data, and these are really important projects for our community. We asked them some questions in terms of their dealings with StatsCan. They made a comment that overall, the data provided by Stats Canada has brought to light the issues of Sault Ste. Marie and has led to a meaningful definition of what is going on in the community while attracting significant funding for projects. Stats Canada data is the foundation of all datasets they use in all the good they try to do for Sault Ste. Marie.

They were really impressed with you. I actually put the question to them in terms of what the process was for somebody who needs assistance. I'll give you their response.

I'm going to ask you, what is the process for an agency that needs assistance?

Mr. Wayne Smith: There are multiple roads into Statistics Canada. We put a lot of emphasis on self-service through our website. Most of our information is available or downloadable from our website if people want service directly. We also have a telephone inquiry service where people can call and where we will establish what their needs are and take appropriate action based on the identified needs. In each of our regions, we have essentially senior councillors whose job it is to make contact with major data users in their region. We have a number of people operating out of Toronto who, if they are approached by an organization like the one you're referring to, would make it their job to step in and say, okay, what is it you need, how can we help you, these are the things that we can do.

Mr. Bryan Hayes: I want to get their response on record before my time runs out.

The Chair: Time—

Mr. Bryan Hayes: It's a 30-second response.

The Chair: —is about to run out in less than 30 seconds.

Mr. Bryan Hayes: He says that Stats Canada great to deal with and that any questions he asks are answered in a timely and appropriate fashion. You need to know that.

Thank you, Mr. Chair.

The Chair: Moving along.

Mr. Allen, you have the floor, sir.

Mr. Malcolm Allen (Welland, NDP): Thank you, Mr. Chair.

Thank you to our guests this afternoon.

If I could start with you, Mr. Smith, I'll take you to page 13 of the Auditor General's report, section 8.52, which basically is the response rate you got in 2006. It was 94% and was, basically, the last time or thereabouts that we had to do a mandatory long form, versus the 69% in 2011 where we were doing a voluntary form.

Are you concerned with that drop in respondents? Does that concern you at all as someone who works with data?

Mr. Wayne Smith: There's absolutely no doubt that I would have preferred to have a 94% response rate or any response rate higher than 69%, but the fact that the response rate was 69% is not in itself a condemnation of the data.

Response rates really have two impacts when you start talking about data. One is an impact on the statistical variability of the estimates—when you think about polls and when you talk about how this estimate is accurate plus or minus 2%, 95 times out of 100. That's where the 69% comes in. If we hadn't adjusted the size of the sample as we did, that would have resulted in the estimates being of a much poorer quality from that perspective. Because we adjusted the size of the sample and went from a 20% sampling rate to a 30% sampling rate, we actually got, as the Auditor General noted, the same number of responses from households and Canadians—it was actually a slightly higher number—and that took care of that issue. In terms of sampling variability, the estimates from the 2011 national household survey, as we demonstrated in some documentation that we released regarding coefficients of variation, were roughly as good as what we got from the 2006 census.

The second issue is non-response bias. There was a possibility that, because the proportion of people who answered is smaller and significantly different from 100%, those people might be significantly different in terms of their characteristics in the population as a whole. A lot of claims have been made. A lot of people raised concerns about that possibility. We spent a very large amount of time as we were publishing and prior to publishing the data, looking at that issue.

• (1555)

Mr. Malcolm Allen: You could spend the next five days explaining to us how the dataset works, but I get only a few minutes.

I want to talk to Mr. Ferguson about the next paragraph. I have a specific question. I just need it to be clear in my head. You talked about a survey. There were 4,567 subdivisions of which 1,128 were not used due to quality concerns. So you said 25% were unusable due to quality concerns. Then it says, “data for an additional 686 census subdivisions, or 15 percent, was not released for confidentiality and other reasons.”

The simple question is, should I be adding those two numbers together, or is that number 686 in the 1,128?

Mr. Michael Ferguson: In that particular paragraph, we are referring to two different things, or two measures, I guess. We're referring to the percentage of census subdivisions, and then at the bottom of that paragraph, we are referring to the percentage of population.

In terms of the percentage of census subdivisions, the two are additive—the 25% and the 15%. But adding in the additional 15% really doesn't have any impact on the 3% of population. Whether you consider 25% or 15% of the census subdivisions, the impact was still the same in terms of the percentage of population.

Mr. Malcolm Allen: I think that's attributable to the fact that we're looking at more rural components, so the number of folks doesn't really change significantly when you add the two together, which I get. But would that not also suggest that, when we're trying to take a picture of Canada through data, we don't get a very clear picture if we have a large percentage and, if you add the two together, 40% of subdivisions in rural Canada is pretty significant, not being usable?

I recognize, Mr. Ferguson, you may not want to answer that specifically, but is that not the case?

I see Mr. Smith shaking his head to say “no”, and I'll allow him to answer if he wishes.

But clearly if you don't have data, how do you make a decision? Data's meant to help folks make decisions. That's why you supply it for us. If we don't have data, how do we make informed decisions, regardless of who we are and what we're using it for?

Mr. Wayne Smith: To be clear, the data for those areas is included in the national picture and in the provincial picture. It's included in the census division picture. It's quite possible by combining several areas to generate an area for which we can provide data. That's been done.

The other consideration is that this data is in fact available. The response rates are in fact considerably higher than what you would obtain in a typical poll. A 50% non-response is still...

In our view, the data was not of sufficient quality. For our standards, it's not unusable. We simply feel that it's something we wouldn't put into people's hands without counselling them to be very cautious in the use of it.

Your point that those communities that did not receive data representing them have suffered a loss is absolutely true.

The Chair: Sorry, Mr. Allen, time has well expired.

Moving along, Mr. Woodworth, you now have the floor, sir.

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

My thanks to the witnesses for attending today. I have quite a number of questions, but I want to just clear up one or two points that arose a few moments ago.

I'll direct some questions to Mr. Smith.

You didn't have time to tell us the conclusion, if any, that you reached when you spent all that time looking at the issue of possible non-response bias. I wonder if you could just take a quick moment to tell us if you reached a conclusion as a result of that possibility regarding the national household survey, and what it was.

Mr. Wayne Smith: Essentially the conclusion was that, of the various claims that had been made about all the groups that would be under-represented, we found no real evidence that had occurred. We did find a slight discrepancy with regard to certain income data for low-income families. We identified that in information we published at the time the data was released.

Generally speaking, any serious bias in the data, either as people had suggested might occur or that we found that hadn't been previously suggested might occur, didn't happen really, which is why [*Technical Difficulty—Editor*] robust.

• (1600)

Mr. Stephen Woodworth: Sure. On this side, at least, we're looking at evidence-based solutions, so it's good to know there's no evidence, or no significant evidence, in support of that.

On the question of the small population subgroups, for example, low-income earners, as I understand it from the Auditor General's report, your agency actually targeted its efforts following up with households that didn't initially complete their questionnaires based on geographic areas known to include relatively high proportions of certain of those subgroups, including low-income earners. You actually proactively went after that subgroup. Is that right?

Mr. Wayne Smith: Yes. We analyzed the returns from the 2006 census to identify areas and groups that were at risk of being under-counted. We focused our efforts in those areas where we had that concern.

Mr. Stephen Woodworth: Excellent.

I wanted to ask you about the issue of census subdivisions. We know from the Auditor General's report that there was information from some census subdivisions withheld from the national household survey. Were there also some census subdivision areas that did not produce data in 2006?

Mr. Wayne Smith: It was a much smaller number, but yes, there were some in 2006. In every census there are some census subdivisions for which we feel the quality is insufficient to publish the data.

Mr. Stephen Woodworth: As I understand it, overall the difference in unavailable population data rose from 1% in 2006 to 3% in 2011, a difference of only 2% of overall population from which data was unavailable. Is that correct?

Mr. Wayne Smith: That's correct.

Mr. Stephen Woodworth: You know, I've heard a couple of times some of you gentlemen say that there was a slight increase in the number of responses, but actually, weren't there 200,000 more responses to the 2011 household survey than there were to the 2006 national census?

Mr. Wayne Smith: That's true.

Mr. Stephen Woodworth: All right. Thank you.

I'd like to focus a little bit, if I may, Mr. Ferguson, on the actual focus of the audit. I see that on page 19 the objective is stated:

To determine whether Statistics Canada ensures the quality of key socio-economic information it produces, and generates this information efficiently and in response to priority user needs.

I'm reading that right out of your book, so I know that was your focus.

In looking at that, did you find that Statistics Canada actually already had a quality assurance framework and guidelines in place to try to ensure the quality of its data?

Mr. Michael Ferguson: We identified that there was a quality framework in place that included six different aspects to it, yes.

Mr. Stephen Woodworth: Good.

In particular—

The Chair: I'm sorry, Mr. Woodworth. You're just out of time.

We'll move now to Monsieur Giguère.

[*Translation*]

Mr. Alain Giguère (Marc-Aurèle-Fortin, NDP): Thank you, Mr. Chair.

I thank the witnesses for appearing before our committee.

I have an important question on vacant positions, mentioned in point 8.50.

Because of Statistics Canada's incapacity, if I may say, to answer that question, governments are unable to determine if a request to bring in foreign workers is justified or not. Currently, there are more than 100,000 foreign workers who occupy jobs that could be occupied by Canadians. The whole issue is rather concerning. In your reply to point 8.55, you seem to indicate that budgetary reasons are what prevent you from correcting the gap regarding vacant positions.

Would an increase in your budget allow you to resolve that problem, and thus allow us to settle the issue regarding foreign workers in a satisfactory way?

•(1605)

Mr. Wayne Smith: An agreement is already in place with Employment and Social Development Canada to begin surveys on that in the near future.

Mr. Alain Giguère: In other words, there will be a budget increase to solve a problem that should never have existed, if at the outset you had had a sufficient budget.

Mr. Wayne Smith: I apologize, but I missed the last part of your question.

Mr. Alain Giguère: If you had had adequate funding in the beginning, the problem regarding foreign workers would not have affected us so much, since we would have known exactly what jobs were truly vacant.

Mr. Wayne Smith: That is your conclusion. I cannot confirm or deny what you are saying. Since I have no responsibility at all for the Temporary Foreign Worker Program, I cannot take a position on that.

Mr. Alain Giguère: Can we agree to say that over the next few years, we will know what local vacant positions may be filled by Canadians, and which ones may be filled by foreign workers?

Mr. Wayne Smith: According to what I understand, the survey we are developing at this time will allow us to determine specifically, by economic region and by occupation, what positions are available and what the related salaries are. As to the frequency of that exercise, I don't remember if it will be monthly or quarterly, but it will be regular.

Mr. Alain Giguère: Very well.

Regarding the unemployment rate, we noted two troubling facts. First there was a major error concerning employment created, and also an error in the calculation of the unemployment rate which excluded aboriginal populations, first nations.

Can you give us some details on those incidents and tell us how you are going to correct those situations?

Mr. Wayne Smith: If I understand correctly, the incident you are mentioning concerns the inaccurate data we published last July and August. This was entirely Statistics Canada's fault. It was in no way linked to a budget cut. In fact, the budget for that program had not been reduced. This was entirely our fault. The program had not been sufficiently tested and was included in the production system.

As soon as we detected the error we removed that data and informed the public. We published corrected data and we launched an examination to determine what measures to take to avoid such errors in future. These measures are now in effect. As for other important economic data, we changed our procedures to ensure that in future we ask the right questions before publishing data.

I'm sorry, but I don't remember your second question.

Mr. Alain Giguère: It concerned the calculation of the unemployment rate which did not take first nations into account.

Mr. Wayne Smith: We take that into account.

From the very inception of the Labour Force Survey in the 1940s, reserves were not included in that study, which generates figures on employment, mainly because of the cost. In light of the sample we have currently, we could not publish data on reserves. The population concerned is 300,000 to 400,000 people for all of Canada. Even if we included those people, this would not change our estimates in a significant way.

However, the number of reservations and their geographic isolation would mean that the costs would be major for Statistics Canada. It would also be very difficult to publish that data and keep it as up-to-date as the other data we publish at this time. In the past, we used to measure the employment rate in reserves through census data. We now do so with the National Household Survey every five years. This allows labour market analysts to quite precisely assess gaps in participation in the labour market between the reserves and the surrounding census divisions.

• (1610)

The Chair: Thank you very much.

[*English*]

Time has long expired.

Thank you.

Now we'll move over to Mr. Carmichael.

You have the floor, sir.

Mr. John Carmichael (Don Valley West, CPC): Thank you, Mr. Chair.

Welcome to our witnesses this afternoon. Thank you for your input.

Mr. Ferguson, the audit examined whether StatsCan ensures that its information is of good quality, is produced efficiently, and responds to user needs. All the way through the report, the findings are positive overall.

In your report, you said, "Statistics Canada assessed the coherence of the selected data products."

I wonder if you could expand a bit on that for us.

Mr. Michael Ferguson: We refer to coherence starting in paragraph 27. In there, the first thing that we do is define what coherence is, which is the degree to which the information can be successfully brought together with other statistical information within a broad analytical framework and over time.

In paragraph 29 we say that:

We found that Statistics Canada adheres to international standards, definitions, and classifications for industry and occupation for the Consumer Price Index, the Labour Force Survey, the National Household Survey, and the Survey of Employment, Payrolls and Hours. The Agency also routinely compares data from multiple sources...

The other thing that we refer to is the change in the survey method from the long form census to the national household survey, and the fact that the agency identified that this could have an effect on comparability and that it informed its users to use that information with caution. In general, I think that covers the findings we had on the quality element of coherence.

Mr. John Carmichael: Thank you.

I have a few more brief questions, Mr. Ferguson.

In your opening remarks you stated that from the four data products officially used over the period, the agency:

...generated data from the four data products officially over the audit period. We found that Statistics Canada had identified and implemented a number of approaches that resulted in more efficient use of resources. These included...

and you named the two:

...using common corporate services and identifying alternate data sources.

I wonder if you could just briefly give a couple of other examples of where the agency is using resources more efficiently.

Mr. Michael Ferguson: I think the agency could give you more detail, but where we're dealing with efficient resources starts in paragraph 62. In particular we say in paragraph 64 that the agency had put in place 15 of 37 planned initiatives to improve efficiency. Then we say at the end of paragraph 64:

For example, in 2012, respondents to the business survey component of the Survey of Employment, Payrolls and Hours were given the option of completing questionnaires online instead of by mail or telephone.

At the time that we finished the audit there were still 22 efficiency initiatives that the agency had scheduled, which had not been put in place at that point in time.

Mr. John Carmichael: But overall a pretty solid report.

Mr. Michael Ferguson: We were satisfied to see that they had a plan to put in place some efficiency initiatives. They had made progress on that. They had more to do. What we found there was that they were turning their attention to the idea of producing the information efficiently.

• (1615)

Mr. John Carmichael: Thank you.

What's my time, Chair?

The Chair: One minute.

Mr. John Carmichael: Mr. Ferguson, could you explain Statistics Canada's quality assurance framework and how you would assess the quality assurance process in terms of the surveys audited?

Mr. Michael Ferguson: In less than a minute, I don't think I can describe all of their quality frameworks.

Mr. John Carmichael: Yes, I know.

Mr. Michael Ferguson: What I will say is that there are six attributes in their framework, and in the audit we dealt with all of them. There was accuracy, timeliness, accessibility, coherence, relevance, and interpretability. Overall, in many of those we found a lot of good things going on. The places where we had some concerns were on relevance and interpretability, in particular having some more up-to-date guidelines for people to understand the data and to have some fuller conversations with the users, as has been talked about already today, to identify some of the needs that the users were identifying.

The Chair: Well done, thank you. Good stuff all around.

Now over to Mr. Simms, whom I'm pleased to welcome back to this committee as a former member. Always pleased to see you here, sir. You now have the floor.

**Mr. Scott Simms (Bonavista—Gander—Grand Falls—Wind-
sor, Lib.):** Upon hearing the news of my return, I was downright giddy at the prospect.

The Chair: So were we.

Mr. Scott Simms: It's nice to be back. Folks, it's nice to see you as well.

I will just get right into it. In chapter 8, section 8.53, I was alarmed to hear some of the words being used:

25 percent of geographic areas do not have reliable National Household Survey data available for their use.

That is part of the process of going to the voluntary survey, obviously, when you talk about a 94% to 69% drop, which we've already talked about.

One of the things I find alarming is that, when you look at policies such as, say, the temporary foreign worker program, you have to come up with your labour market opinion in order to do this. I'll use an example that comes from the person I'm replacing, Ms. Yvonne Jones from Labrador. The unemployment rate in her area is around 5% or 6%, but in western Newfoundland it's well above that. It's around 13% to 15%. If you lump all this in together, as a result, you have businesses closing down in Labrador because they cannot find employees. This is a problem because we don't have a true reflection there.

To Mr. Ferguson, I think that's what you're pointing out in the survey. Is that correct?

Mr. Michael Ferguson: I think you've connected two different things that I'm not able to connect, but certainly what we've identified in the audit—and it was simply reiterating what Statistics Canada determined—was that caution needed to be used with some of the data. As specific data, they were unable to release data about 3% of the population in the 2011 survey versus the 1% of the population for the 2006 census, but I can't really relate that to any specific use of the data. That's just sort of the general concept, and the impact that would have had would have depended on each of the users of the data.

Mr. Scott Simms: The other thing that concerns me is that, if you look at Service Canada, it is endeavouring to match people with available positions, certain skills, certain positions. I come from an area where skilled trades have now quickly become one of our greatest exports. As we spend time away and come back, we still live in our region, but we travel, not just across Canada but around the world. In this case, obviously, we're just talking about Canada. This is from section 8.50:

...the data on job vacancies from this survey has limitations. For vacancies reported at the national, provincial, and territorial level, it is not possible to determine where in a province or territory these job vacancies are located.

That caused me great concern, because what ends up happening here is that people are not getting matched with the right work simply because of lack of information in this particular case.

Would I be correct in saying that?

Mr. Michael Ferguson: What we identified here was that the survey of employment, payrolls, and hours was a survey that was being done. There were a couple of questions that were trying to deal with some information about job vacancies, but in that particular product the information wasn't at the level of the municipality or the region or that sort of thing, the community within the province.

To find out the type of information that would be specific to a particular community, another mechanism would have to have been used other than this particular survey. It was something we identified in paragraph 8.48, that there was a panel in 2009 that noted the need for local data on job vacancies by both occupation and location. At the time, this particular mechanism for collecting statistics on employment was not providing the data at the level of the local community.

● (1620)

Mr. Scott Simms: Certainly it was not, and it's of great concern to me and to others. Earlier you talked about compliance of the corporate sector. It seems to me that, in the future, it's going to be difficult, perhaps even more difficult, for companies to use it to find employees, certainly when you get down to specialized trades and certain skills, because there don't seem to be any changes here to lead me to believe that situation is going to change whatsoever.

Then providing the information from Statistics Canada really doesn't become that much more beneficial.

Mr. Michael Ferguson: I think Stats Canada would have to answer about what they've done and what they're doing on this particular issue.

Mr. Scott Simms: Mr. Smith.

The Chair: Reply briefly, Mr. Smith, very briefly.

Mr. Wayne Smith: I can't deal with it briefly, so I'll...

The Chair: I can't help the clock. It's been five and a half minutes; he gets five. I'm already being generous. Please continue.

Mr. Wayne Smith: Essentially, I can't answer the question in terms of the policy on the employment of temporary foreign workers. I can tell you that we used to have a survey of job vacancies many years ago. It was cut by the government at one point—this was in the 1970s—because it was felt that it was not necessary for the purposes of the government. We began to reintroduce the notion of job vacancies into our surveys.

I agree with the conclusion of the Auditor General, that in fact the data is very thin and not responsive, not helpful in analyzing local labour markets.

The survey I was describing to you moments ago, which we're in the process of putting in place, will answer that requirement.

The Chair: Thank you, Mr. Smith.

Mr. Falk, you now have the floor, sir.

Mr. Ted Falk (Provencher, CPC): Thank you, Mr. Chairman.

Thank you, witnesses, for coming and for your presentations.

Mr. Smith, the Auditor General's report indicates that Statistics Canada adheres to international standards, definitions, and classifications for its four main surveys: the consumer price index; the labour force survey; the national household survey; and the survey of employment, payrolls, and hours.

Can you explain how the agency has demonstrated its commitment to maintaining a high standard for all those surveys?

Mr. Wayne Smith: Statistics Canada is very actively engaged internationally in defining all those standards, and defining them in ways that ensure the resulting statistical programs respond to the needs of Canadians.

The industrial classification we use in the survey of employment, payrolls, and hours, for example, is one that's negotiated between us, the Americans, and the Mexicans, to ensure it is well adapted to the structure of Canadian industry and therefore responsive to the needs of the data users.

The classification standard we use for commodities in international trade is also a product that we negotiate jointly with the United States and Mexico, to ensure that it responds effectively to the needs of Canadians.

We're one of the leading countries in the development of international standards and guidelines around consumer price indexes, and we have a very large investment, a five-year investment in improving the consumer price index because of the importance it has in monetary policy and in transfer payments, the management of income tax thresholds, the Canada pension plan, pensions, and so on.

In the case of the labour force, we're very engaged internationally in the definition of standards, guidelines, and methods. Our Australian colleagues are having some difficulty with their labour force survey. They asked us to give them some advice and some assistance in dealing with the issues they're currently struggling with as, in their view, we're the leading country in this area.

The other thing is that in any budget reduction exercise, we have protected all of them. We understand the importance. We understand the impact on Canadians of getting this right. Therefore we have protected these programs from any impact of any budget reductions Statistics Canada needs to make.

•(1625)

Mr. Ted Falk: Thank you.

Mr. Ferguson, in point 11 of your opening comments, the last comment you made was, "The Agency also informed users that they should use caution when making comparisons between data from the National Household Survey and data from previous censuses."

Can you explain that comment or your observation a little more, and why that statement is there?

Mr. Michael Ferguson: That goes back to the earlier question about coherence. We explain that in paragraph 8.30 of the report. Again, the agency identified that the change to the national household survey was a significant change in method, thus there could be an impact on the comparability of the data over time.

One step that the agency took was to make sure that users understood that they have to use caution when making those types of comparisons. Again, that's explained under the section of the audit that deals with the coherence aspect of their quality framework.

Mr. Ted Falk: So it's not a reflection of the survey.

Mr. Michael Ferguson: It's a reflection that moving from the mandatory questionnaire under the census to the national household survey was a change in method. All the discussion that we've had before about response rates and that sort of thing would mean that

the end result would be something where you have to use caution when you are comparing to data produced under another method, the previous method. As I say, they identified that because there was a change in method. The impact was that change in method and, because there was that change in method, users would need to use caution when making comparisons.

Mr. Ted Falk: Okay.

When you do your surveys and send them out from period to period, Mr. Smith, are you quite careful to ensure that the wording is the same on the questions?

Mr. Wayne Smith: We either use the same wording or we have tested to ensure that we're getting comparable results with the different wording. Otherwise, we're changing a question in a way that we intend to get a different result because we were modernizing it in some respect or adding a dimension to it. We're very deliberate in ensuring we understand what's going to happen when we change the survey.

The Chair: I'm sorry. Your time has expired, Mr. Falk. Thank you.

Moving along, Mr. Giguère, you have the floor, sir.

[*Translation*]

Mr. Alain Giguère: Thank you, Mr. Chair.

Mr. Smith, I want to go back to the calculation of the unemployment rate in first nations communities, because the information you gave me somewhat contradicts other sources of information that come from your services.

I can understand that 400,000 people in Canada may not have a large impact on the national unemployment rate, but this is hugely important for those 400,000 people.

Of the 1,128 census subdivisions on whom data was not published, only 36 were aboriginal communities. Of the data on 608 census subdivisions that included aboriginal communities, only 36 were not viable and were not released.

You tell me that a financial problem is what prevents you from collecting that data, but how is it that all of the other information is good, except the data on the unemployment rates? I would not like us to wind up with a type of segregation through silence. Even if the process goes back to 1944, currently this information is urgently needed to solve social, economic and political problems those communities are experiencing.

Mr. Wayne Smith: I think we are talking about two different things.

For the National Household Survey, which did cost some \$650 million, we went systematically to visit all of the reserves in Canada that allowed us to do so, because not all of them do. In some cases there were forest fires or flooding that prevented us from going onto the reserves.

On the reserves where we were granted access, for the National Household Survey, we collected data not on a population sample, but on 100% of the population. Those are good data that also include figures on the working population and the May 2011 unemployment rate.

As for the Labour Force Survey, it was carried out on 56,000 households throughout the country. So this represents only a small fraction of all households. That survey does not include all the reserves. If we went to the reserves for that survey, the data would not include all of the reserve households, but only some of them. Consequently, we would never publish data on those reserves. The same thing applies when we go to Calgary, for instance. For the Labour Force Survey, we do not go to every household in town, but only to some of them to represent all of the households.

So, even if we went to reserves for the Labour Force Survey, we would not have data on every reserve. The impact of that data on the national, provincial or economic regions unemployment rate would be minor and almost imperceptible.

Be that as it may, I quite agree with you. If we could produce monthly data on reserves, that would be extremely useful and desirable, but we would have to allocate \$650 million to that every year, which is not realistic.

• (1630)

Mr. Alain Giguère: Mr. Chair, there is a problem. The witness is talking about an amount of \$650 million, but that is for all of Canada.

You say that you do not go onto the reserves, but there are only 36 reserves for which the information was not sufficient, whereas there are 608 reserves. So, you had information on the other 572.

Mr. Wayne Smith: The National Household Survey provides such information.

Mr. Alain Giguère: There was no problem and those communities were not refusing to cooperate.

Mr. Wayne Smith: I think approximately 36 reserves refused to give us access.

Mr. Alain Giguère: Yes, that is the figure I have.

If we ever want to find solutions for these problems, we will need exact figures. Your participation would be helpful in that regard.

As for the constitution of your committees, your support committees more particularly, the Auditor General indicated that they are too often made up of academics, or of federal, provincial and municipal public servants, exclusively.

Auditor General, would it be pertinent to ensure not only that they come from various fields, but also, as regards the consumer price index, that these people not be economically orientated to satisfying a particular market, that is to say employers rather than unions, workers.

[English]

Mr. Michael Ferguson: I think what we were identifying, in terms of the makeup of the committee, was that having broad representation from the various stakeholder and user groups of

Statistics Canada would give a broader range of opinions, and we felt that would be desirable.

The Chair: That's very good, thank you.

The time has expired. I'm sorry.

We are now returning to Mr. Woodworth, who now has the floor.

Mr. Stephen Woodworth: Thank you, Mr. Chair.

I'd like to ask Mr. Smith a question about the census subdivisions. In fact, I'm looking in the Auditor General's report at paragraph 8.53 in which, I believe, there is a quote from the "Statistics Canada Census Dictionary" to define "census subdivision". Among other things, it says:

The population contained in a census subdivision can range from zero (uninhabited)....

I wonder, in fact, if there are census subdivisions that range that low—zero or maybe just a few hundred people—in the course of your survey?

• (1635)

Mr. Wayne Smith: There is actually quite a fair number. The zeros tend to be cottage country municipalities, where even though there is a significant population in the summer, nobody's principal residence is there. When we do the enumeration, we count them where they normally live, not where their cottage is. That's how you can get the zero.

Mr. Stephen Woodworth: In quite a number of census subdivisions where the population is close to zero or virtually uninhabited, are these likely the kinds of census subdivisions where you would withhold data as a result of quality concerns?

Mr. Wayne Smith: The quality concerns really occur in provinces and in areas where there are very small municipalities of this nature, or of even a few hundred people. Certainly all of it, or almost all of it, is in municipalities below 5,000, and most of it is below 1,000.

In provinces where they've done amalgamations of their municipalities into larger municipalities, we didn't really have a significant problem. In provinces where there are still large numbers of very small municipalities, that's where we encountered the difficulty. Saskatchewan, for example, was very badly affected by this.

Mr. Stephen Woodworth: That's sort of what I was expecting. This number of census subdivisions where quality concerns led data to be withheld seems to centre on those census subdivisions where the population is, if not zero, at least in the very low numbers of inhabitants. I think that's what you've told me. Have I summed that up correctly?

Mr. Wayne Smith: It's very much concentrated there. Yes.

Mr. Stephen Woodworth: Thank you.

The Auditor General, at paragraph 8.50 of his report, spoke of job vacancy data and of being informed by users that because of "shortcomings, available information on job vacancies is of limited value to them".

The Auditor General, at paragraph 8.55, made a recommendation that you “should assess the feasibility of more fully addressing user needs for data from small areas and subpopulations”.

Then I read that, in fact, you have begun work on a quarterly job vacancy survey.

I'd like to connect those dots. Is this quarterly job vacancy survey intended to address this issue, and if so, how? I know it focuses on more numbers of employers surveyed, and it focuses on data by economic region. Could you expand on how this will address the issue the Auditor General has raised?

Mr. Wayne Smith: The data that we had at the time of the Auditor General's review simply gave the job vacancy numbers at the national and to some extent provincial level, and gave no detail by occupation, and certainly not for smaller geographies and was therefore really not meeting the need that was being expressed.

But in order to be able to collect and publish data for detailed occupations for small, local areas you need a very large survey.

The staff of the Minister of Employment and Social Development Canada, Minister Kenney, approached us to say that they would like to fill this information need and could we design a survey and tell them what it might cost to be able to do that.

We have designed a survey that will allow us to publish data by occupation, with wages, at a fairly detailed geographical level. That survey should largely meet the kinds of needs that have been expressed in terms of information. It represents, as Minister Kenney indicated in a public statement, an investment of about \$14 million, which is why Statistics Canada could never have undertaken it on its own.

Mr. Stephen Woodworth: I'm glad that the government has moved on that, but can you give me some notion of the timeline when that will be implemented, or is it already?

Mr. Wayne Smith: We anticipate starting collection at the beginning of 2015, and publishing data later that year but I can't say exactly when at this point.

The Chair: Thank you.

Mr. Woodworth, your time is up.

Moving over and back to Mr. Simms, again.

Mr. Scott Simms: Thank you, sir. I just want to highlight section 8.25, and again, I address this to Mr. Ferguson:

[...] users told us that the Statistics Canada website is challenging to navigate. According to website evaluations conducted annually by the Agency, user satisfaction with its website averages 67 percent. The Agency is working to increase user satisfaction by developing a new corporate dissemination model to make its data easier to find.

But at 67%, is that a threshold you consider to be not satisfactory when it comes to the Stats Canada website and user satisfaction?

• (1640)

Mr. Michael Ferguson: I think that in terms of what we've identified here, it was that when we were talking with users some of them identified that navigating the website was challenging.

I'm not going to say whether 67% is satisfactory or unsatisfactory. I think probably all organizations strive to improve the satisfaction

and usability of information that they provide to their users. It was identified to us as something that some of the users were concerned about. The surveys of satisfaction indicated 67% and the agency indicated that they are trying to increase that satisfaction. I think that paragraph explains everything we found on that issue.

Mr. Scott Simms: The only thing I would add to that is, can you give an example of what they found hard to navigate?

Mr. Michael Ferguson: It's not something that I have right at my fingertips. Again, I think this was a general conversation with users and it was something they indicated to us, so I don't think I would have any more specifics on that.

Mr. Scott Simms: Mr. Smith, can I get your comment on that?

Mr. Wayne Smith: We are not satisfied with 67%. We'd like to see a much higher number.

Of the 33% who are missing, some of them are people who came looking for statistics that we simply don't have. When they don't find it, obviously they're dissatisfied. But there is a lot of dissatisfaction with our search engine. People feel that if they type in words they don't feel it gets them directly to the kinds of information they are looking for. They find that the structure to drill down into the website is awkward and it's using terminology that's not familiar to them.

This information is currently being used to try to do a comprehensive redesign of our website that will make the flow much easier.

Mr. Scott Simms: It's one thing to say it's about form and format. That can easily be fixed. What I get in my constituency and from stakeholders in my province is talk about how they used to obtain certain information that they can no longer get.

Mr. Wayne Smith: I guess the survey itself wouldn't indicate that this is a significant concern. There is, certainly, information that used to be available that no longer is, and there is information available now that wasn't available previously.

This has not been a theme of the feedback we've received from users as a predominant issue for them.

Mr. Scott Simms: Would you get access, then, to what was in that survey?

Mr. Wayne Smith: We're the ones who did the survey.

Mr. Scott Simms: All right. That was my next question.

I would assume, then, that it probably has to do more with style and substance and format and how people are able to navigate than with the actual data itself.

Mr. Wayne Smith: Most of the commentary is regarding the use and usability of the site, but there were people who raised specific issues about what information they were looking for. When people who need to know results search for things, we monitor that, in part because if they conduct a search that says there are no results and there in fact was data available, it concerns us. But it also provides us some insight into the kinds of information people are looking for that in fact is not there and is a potential data gap.

Mr. Scott Simms: Okay.

That's good.

The Chair: Thank you.

Here is one little thing. When you're doing that tracking, I assume that there's no tracking of the individuals in any way, shape, or form, but merely of the information they were seeking.

Mr. Wayne Smith: We ask them to fill out a questionnaire. We don't track them.

The Chair: Good. Thank you.

We'll move along.

Mr. Albas, you now have the floor.

Mr. Dan Albas (Okanagan—Coquihalla, CPC): Thank you, Mr. Chair.

Again I'd like to thank all of our witnesses for their testimony and also for their service to our country.

I'm going to be directing some of my questions to you, Mr. Smith, as the chief statistician.

I understand that you have begun a formal renewal of the various advisory committees you have. Is that correct, sir?

• (1645)

Mr. Wayne Smith: Yes, we're reviewing all of the membership, to ensure that it's appropriate and more broadly representative of the user community.

Mr. Dan Albas: I know you made some comments in your opening statement, but in the Auditor General's report there was mention of this. Can you give me a little more detail as to what these advisory committees do and how they contribute to the quality of your work?

Mr. Wayne Smith: Well, they play two roles, or more than two roles, actually. Some of the advisory committees are really committees of experts who are knowledgeable about such things as consumer price indexes or survey methods. We have an advisory committee on statistical methods composed of leading statisticians from around the world, particularly from the United States and Canada. That committee isn't designed to be representative of anything except experts who can advise us on our methods.

We have another committee on consumer price indexes, which is really of the same nature. Its principal purpose is to advise on methods, and it is populated by experts.

Other advisory committees on, for example, social issues are really there to advise us on the design of our programs, the design of specific surveys, and data gaps. That's a case in which, as the Auditor General has pointed out, we should have broad representa-

tion not only from academics, but also from the full range of users, including non-government organizations. Even businesses have some level of interest, as do municipal governments again.

That's fair commentary; they're not well represented in our advisory committees.

Mr. Dan Albas: Is the national statistics council completely separate from the various advisory groups you were mentioning?

Mr. Wayne Smith: This is the most important of the advisory committees to me. It really is advising on statistical priorities and on our overall communications program, for example. It's made up of a wide range of relatively important and well-known Canadians.

Mr. Dan Albas: Okay. Then, can you advise who some of the members of the national statistics council are, what their background is, and how they fit into the overall architecture of Statistics Canada and your work?

Mr. Wayne Smith: There are some 30 members. The current chair of the committee is Ian McKinnon, who has been a deputy minister at the provincial level. He also used to run a polling firm and is currently the president of Pacific Issues Partners, in Victoria, British Columbia.

We strive for regional representation. Elizabeth Beale, who is a very active member, is president and chief executive officer for the Atlantic Provinces Economic Council, in Halifax. Dr. Monica Boyd is professor of sociology and the Canada research chair in immigration, inequality and public policy at the University of Toronto. François Dupuis, a member who just recently joined the council—in fact, his first meeting is coming up very shortly—is vice-president and economist in chief for economic studies for the Mouvement Desjardins in Montreal.

Mr. Dan Albas: Rather than go through the whole committee—I didn't know it was 30 members....

In your comments you talked about broadening that particular body. How will this help you, at the end of the day, to perform your work at Statistics Canada better?

Mr. Wayne Smith: To be advised effectively on priorities—on data priorities, on program priorities generally—I need a set of voices that are representative of the stakeholders in the statistical system. To have a committee that is dominated, as the committee has been to some extent in the past, by academics, gives the discussion a flavour that is somewhat biased in terms of certain interests and certain priorities. By bringing in more business members, by bringing in representatives from municipal governments, I get a more balanced view. I hear more views and more voices. The result, therefore, is more balanced in terms of the interests of all Canadians.

Mr. Dan Albas: The Auditor General also mentioned that there have been some issues regarding turnover. I've been on many advisory boards. I'm sure many of them didn't think I was the person who should be replaced—I'm sure they didn't think that at all—but sometimes it is helpful, I find, Mr. Chair, to bring new people to the table.

Has the part of the recommendation from the Auditor General on turnover also been implemented?

• (1650)

Mr. Wayne Smith: Yes, it was again a very well-taken point. We're implementing a three-year term limit on members. We have started the process already of reconstituting some of these committees.

The Chair: I'm sorry, Mr. Albas, but your time has expired.

Moving along, my notes advise me that Monsieur Giguère and Mr. Allen are going to split their time, but now I'm getting a signal that Mr. Allen is going to lead off.

Mr. Allen, you have the floor.

Mr. Malcolm Allen: Thank you, Chair.

I want to take Mr. Smith back to paragraph 8.53 on page 13. My friend across the way, Mr. Woodworth, talked about the subdivisions and quite accurately pointed out the definition of such. But inside this paragraph, the Auditor General has indicated that some were "sparsely populated".

I don't want to read into that, so I may have to ask Mr. Ferguson what he means when he says "sparsely". I don't think he means zero. I would presume that there are people there, if you say "sparsely populated".

Would that be correct, Mr. Ferguson?

Mr. Michael Ferguson: When we're referring to "sparsely populated" areas, we would be referring to ones that had at least some people in them, yes.

Mr. Malcolm Allen: It also indicates that one of the subdivisions had as many as 10,000 people, which is actually a significant number of people, not an insignificant number. The quality for that subdivision wasn't as good as it could have been for folks to use.

Is that correct, Mr. Smith?

Mr. Wayne Smith: Just as the Auditor General said, it was concentrated in the smallest sense of subdivision.

Mr. Malcolm Allen: I understand that, Mr. Smith. But clearly there was an inference that perhaps some of your subdivisions had zero people in them. I'm simply pointing out that I don't think that's the case.

Mr. Wayne Smith: The sentence that the Auditor General wrote wasn't referring to them, but there are census subdivisions with zero population.

Mr. Malcolm Allen: I appreciate your clarifying that.

The other part of it is, at the very end, that paragraph says, Mr. Smith, that in 2006 the data for 1% of the population was basically unavailable, but now we have a figure of 3%. Many folks would still say those are low numbers, 1% versus 3%, but statistically, is it not a

significant statistical issue when you when you treble the number and go from the 1% to 3%, albeit both are small numbers?

Mr. Wayne Smith: I'm not trying to minimize the fact that what happened is very unfortunate and that the loss of the data for those municipalities is not a desirable outcome; I'm not arguing that. Nor is it an outcome that we should dismiss. It's one we're going to make every effort in the 2016 census to reduce to the smallest extent possible. I don't want to trivialize the fact that a significant number of municipalities that would have expected to receive data didn't. It's not something I wanted to happen, and it's something I'm going to seek to avoid to the greatest extent possible in 2016.

Mr. Malcolm Allen: I agree. I don't think you were trying to do that, sir. I think what we need to get as testimony is the realization that this happened.

The other piece of it is that as part of your conversation with my friends across the way, I think you mentioned Saskatchewan. Just to clarify quickly, because I have to give some time to Mr. Giguère, you talked about the subdivisions in Saskatchewan and indicated that a fair number of these situations actually happened in rural Saskatchewan.

Did I catch that correctly?

Mr. Wayne Smith: Yes. That's accurate. Saskatchewan was the most affected province of all provinces.

Mr. Malcolm Allen: Thank you.

Mr. Giguère.

[*Translation*]

Mr. Alain Giguère: I would like to go back to your initial information.

You said that the elimination of the mandatory questionnaire had led to an erosion in the quality of data, in 3% of the regions in particular. I would like to point out that these are almost all remote areas. This tells me that Statistics Canada may provide us with erroneous data regarding the situation in an urban area. So there is indeed real erosion. Is the level of data quality erosion much more serious for the truly remote areas, especially if those 1,128 subdivisions on which you have no data are systematically remote areas? Does this mean that Statistics Canada can no longer provide us with reliable information on well-defined areas that may only represent 3% of the population, but perhaps 70% of the population that resides in the far north?

• (1655)

Mr. Wayne Smith: Once again, it is true that the problem was concentrated in remote areas, but that does not mean that there were no problems in certain census subdivisions closer to the large urban centres. The issue mostly concerned remote areas, but by combining census subdivisions, we can create publishable units. So it would be inaccurate to say that there is a complete lack of data. We can provide information on regions by combining census subdivisions and generating publishable data.

Mr. Alain Giguère: I see that my time is up. Thank you.

[*English*]

The Chair: Time has expired. You're welcome.

Mr. Woodworth, the final spot in our rotation is yours.

Mr. Stephen Woodworth: Thank you very much, Mr. Chair.

Mr. Smith, I'd like to follow up on the ongoing response to the Auditor General's report.

I've asked you already about the quarterly job vacancy survey, and you've told me about that. I understand that in addition your agency is planning an annual national wage survey. Is that correct? If so, can you describe it and give me the timeline?

Mr. Wayne Smith: This is actually proceeding jointly with the job vacancy survey. As it is for the job vacancy survey, the intention is to be able to publish data by occupation for small areas, below the provincial level.

We're trying to develop the survey so it's integrated with the job vacancy survey. We're focusing on the job vacancy survey as the first priority, so we haven't actually set a probable timeline for the first collection of the wage data though some wage data will be collected in the job vacancy survey as I understand it.

Mr. Stephen Woodworth: Could we expect it in 2015 at some point?

Mr. Wayne Smith: We could certainly expect collection some time in 2015. Publication may not come in 2015.

Mr. Stephen Woodworth: Thank you.

Mr. Ferguson, I'd like to resume something I started way back in this meeting about the issue of quality assurance for the agency's performance.

Are you satisfied that Statistics Canada has in place appropriate measures to ensure the accuracy of its data, and is it using those measures in fact to produce accurate data?

Mr. Michael Ferguson: I think in terms of what we looked at with the quality assurance framework, the conclusion we came to was that Statistics Canada does apply its quality assurance framework to ensure the quality of the statistical programs, and I think in particular on accuracy—I'm just going to....

Mr. Stephen Woodworth: I was looking at paragraph 8.14.

Mr. Michael Ferguson: Right. They completed all of the steps to ensure the accuracy, so in that particular area we were satisfied. Again, we indicate as well that there were the changes to the national household survey, and that caused Statistics Canada to take some other measures.

Mr. Stephen Woodworth: We have sort of chewed over that quite a bit in this meeting, so I just want to catch some of the other high points if I can put it that way.

Another area in which your audit was focused was timeliness. I'd like to know if at the end of your audit you were satisfied that in fact Statistics Canada has measures in place to ensure the timely release of its data, and that in fact it does do that and release its data in a timely fashion.

Mr. Michael Ferguson: We were satisfied with the time limits aspect of their quality framework. The one item we identified was that one release date was missed, but it was by only four weeks.

Mr. Stephen Woodworth: Very good.

Then there is also the issue of accessibility. Did you find that in fact Statistics Canada does make the data, from the products you examined, accessible in an appropriate manner to the public?

Mr. Michael Ferguson: We found that they did make the data accessible. They were using the Internet more. They had centres for researchers. They stopped charging for some products. But, again, this is the area we talked about in which some users said the website was challenging to navigate.

● (1700)

Mr. Stephen Woodworth: Overall, as I read your report, you concluded that, "Statistics Canada makes data from the selected products accessible".

Is that right or wrong?

Mr. Michael Ferguson: Yes, they make it accessible and they are planning further improvements.

Mr. Stephen Woodworth: Very good.

On that note, Mr. Smith, what measures are being taken to improve...? Let's start with the website. What's being done in that area?

Mr. Wayne Smith: We're actually involved in a complete redesign of our website. We're working with an external panel of people to guide us, experts in the area, and we're doing a lot of user research. We're rebuilding the website. We're consolidating. Right at the moment we have several different databases that people have to consult distinctly. The idea is to merge them into one; to have one simple, straightforward interface; and to make the search engine more responsive to people's needs.

What they really want us to do is to get them to the data they want as quickly as possible.

Mr. Stephen Woodworth: Right. By now you should expect the next question. What is the timeline on that work?

Mr. Wayne Smith: We're looking to start the rollout, as I recall, over the course of the next year.

Mr. Stephen Woodworth: Thank you very much to everyone.

The Chair: Sorry, Mr. Woodworth, time has expired. Thank you.

Colleagues, that wraps up the rotation of questions we have.

I thank our guests for being here. I don't believe there were any outstanding issues for follow-up information. There are no loose ends that I'm aware of. I think the committee has what it needs to consider a draft report.

Mr. Ferguson and your staff, and Mr. Smith and yours, we thank you both for being here. You gave full and complete answers, and we appreciate that very much.

With that, I will dismiss you and tell you that we look forward to seeing you next time.

Colleagues, I'm proposing that we suspend for a moment, go in camera, and then do some committee business. If we're in agreement on that, we now stand suspended.

[Proceedings continue in camera]

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