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Chair

Mr. David Christopherson

Standing Committee on Public Accounts

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• (1530)

[English]

The Chair (Mr. David Christopherson (Hamilton Centre, NDP)): I now declare this 57th meeting of the Standing Committee on Public Accounts in order.

First of all I have an announcement for everyone in the room. For security reasons, the doors to the side will not be accessible until after 4 p.m. because of the ceremony taking place in the hallway and security, but the back doors are open.

I had mentioned to colleagues at our last meeting that, hopefully, we would have a couple minutes to do some business at the end of this one. Other than that, we're ready to go.

We're here, colleagues, to formally receive the Spring 2015 Reports of the Auditor General of Canada. Yesterday we had an in camera informal session in the morning, to be apprised of what was contained in the report and to allow people to comment on it. There was a lot of media activity. Today, we formally receive it and we will deal with it in the same way we handle other chapters. It will be a full public hearing with full rotation speaking opportunities for everyone.

I will turn to Mr. Ferguson, our Auditor General, and not only give him the floor but ask him to introduce his delegation.

Mr. Michael Ferguson (Auditor General of Canada, Office of the Auditor General of Canada): Thank you.

Mr. Chair, I'm pleased to present our Spring 2015 Reports, which were tabled in the House of Commons yesterday.

I'm accompanied by Nancy Cheng, assistant auditor general; Joe Martire and Frank Barrett, principals; and André Côté, director.

We have presented seven audits that we completed since last fall. Some of the audits included in our Spring Reports were led by assistant auditors general Ronnie Campbell and Wendy Loschiuk, both of whom retired this past month. I want to take this opportunity to thank them for their contribution to the office. I would also like to acknowledge the contribution to the performance audit practice of Neil Maxwell, assistant auditor general, who will retire in June.

As you will see, some of the audits that we are talking about today highlight government activities that are not delivering their intended results for Canadians, and where there's a risk that the underlying issues could get worse if they're not addressed quickly.

First, let's look at our audit of antimicrobial resistance. Data shows that some drug-resistant infections are on the rise in Canada.

Already, in hospitals alone about 18,000 Canadians contract resistant infections every year. We found that Health Canada and the Public Health Agency of Canada have not done enough to help contain the proliferation of drug-resistant organisms. Health Canada has not taken some important steps to protect the effectiveness of antimicrobials used for treating serious infections in humans.

Though the department requires a prescription for the human use of these drugs, prescriptions are not always required for their use in food animals. The imprudent use of antimicrobials in food animals can lead to the spread of drug-resistant organisms through the food chain. Health Canada is aware that there are gaps in the regulations that make it possible for farmers to import unlicensed antimicrobial drugs and active pharmaceutical ingredients for use in their own animals, but the department has not acted to strengthen the control over their importation.

We also found that the Public Health Agency of Canada is not collecting all of the surveillance information needed to understand the scope of antimicrobial resistance in Canada. In 1997, the federal government first articulated the need for a pan-Canadian strategy to address antimicrobial resistance. This was reiterated in 2009 and the agency acknowledged that stronger leadership was needed. However, there was no provincial or territorial consensus on what the Public Health Agency of Canada's role should be. There is currently no national strategy in place and in our view it will likely be many years before there is one.

• (1535)

[Translation]

Continuing on the topic of health, we also looked at what Health Canada has done to support first nations' access to health services in remote communities.

Health Canada has an objective of providing first nations individuals living in remote communities with access to health services that is comparable to that provided to other provincial residents living in similar locations. We found that the department has not achieved this objective.

In most cases, access to health care in these communities is initially provided through nurses deployed in nursing stations. We found deficiencies in the way nursing staff and stations are managed. For example, only one of 45 nurses included in our sample has completed all of Health Canada's mandatory training courses.

[English]

We also found that Health Canada had not addressed 26 of 30 health and safety or building code deficiencies present in the eight nursing stations we examined. Deficiencies ranged from malfunctioning heating and cooling systems to unsafe stairways, ramps, and doors. Health specialists cancelled visits to one community because they could not stay in the residence intended for their use due to issues with the septic system dating back more than two years.

In another audit we focused on whether the Canada Border Services Agency has managed its information technology investments to ensure its projects meet their objectives. The agency's current portfolio is made up of 30 information technology projects, with a budget of more than \$1 billion.

In December 2013, the Canada Border Services Agency put in place a portfolio approach to strengthen the management of its information technology investments. We found this approach was comprehensive; however, a review of five projects against the new framework showed it was not being fully applied. For example, the information provided to senior committees tasked with overseeing the information technology project portfolio did not contain accurate financial information, project status information, or timelines. As a result, the agency faces significant challenges in managing these projects, sometimes resulting in duplication of effort or projects being delivered late.

[Translation]

Let's turn to our audit of tax-based expenditures. The total of tax-based expenditures accounts for billions of dollars annually. These expenditures are similar to direct program spending, we found that less information is provided to Parliament about tax-based expenditures than about direct program spending.

We found that Finance Canada does a good job of analyzing new tax measures and of monitoring existing ones. However, Finance Canada does not systematically evaluate tax-based expenditures to ensure that they continue to achieve the intended results.

We believe that Parliament needs comprehensive and consolidated information about tax-based expenditures to understand not only total government spending, but also what money spent through the tax system is accomplishing.

In our audit focusing on how the Correctional Service of Canada prepares non-aboriginal male offenders for safe re-entry into the community, we found that offenders are seeing more of their sentences in custody and spending less time under supervision in the community.

[English]

In 2013-14, about 1,500 offenders were released directly into the community from medium or maximum security penitentiaries without the full benefit of a gradual re-entry into society. Eighty per cent of offenders were incarcerated beyond the time that they

first became eligible for parole even though many were considered to be at low risk to reoffend. We also found that in many cases offenders were not receiving correctional and rehabilitation programs prior to becoming eligible for release. Many offenders were not assigned to these programs while in custody, despite having histories of criminal associations or substance abuse.

● (1540)

[Translation]

Let's turn our attention to our audit focusing on the recurring reports that are required of federal organizations by the Treasury Board of Canada Secretariat, the Public Service Commission, or legislation. We found that, for the most part, reporting intended to support accountability, and transparency was serving its intended purposes. However, in our view, the efficiency and value of government reporting should be improved.

We also found that some Treasury Board of Canada Secretariat reporting requirements applied equally to all organizations, regardless of their size or mandate. For example, the Canadian Polar Commission—a small organization with 11 staff members—was required to prepare 25 annual or quarterly reports.

We also found that about half of departmental security plans, which were due by June 2012, had not been finalized at the time of our audit.

Our audit of the Office of the Ombudsman for the Department of National Defence and the Canadian Forces covered the period of February 2009 to August 2014, coinciding with the terms of two different ombudsmen. We found that, during the tenure of the first of these two ombudsmen, the office had in place inadequate controls for managing finances, contracts and human resources in compliance with government rules and policies.

In addition, existing controls were often overridden by management.

We also found that the first of the two ombudsmen and some senior managers did not respect the Values and Ethics Code. This resulted in grievances, complaints and high levels of sick leave and turnover. These issues, combined with a lack of standard procedures contributed to delays in processing investigations. After 2012, the workplace environment stabilized, and efforts to close long-standing files were successful.

[English]

National Defence's monitoring was insufficient to ensure that government rules and policies were being followed in the ombudsman's office, and the department did not fully address employee complaints about workplace issues filed from 2009 to 2013.

Since the ombudsman's office investigations are carried out independently from National Defence, but the office staff and budget reside with the department, the organizational relationship with National Defence is a complex one that needs to be better defined to ensure adequate monitoring in all areas.

[Translation]

In 2014, our office performed special examinations of the Canada Lands Company Limited and the Royal Canadian Mint. Though we did not identify any significant deficiencies, we did note some areas of concern relating to the Royal Canadian Mint's contracting practices and management of travel and hospitality expenses.

Of the seven audits we have reported on, some highlight government activities that are not delivering their intended results for Canadians, and there is a risk that the results could get worse. The national strategy to address antimicrobial resistance is one example. Almost 20 years after the government identified antimicrobial resistance to be a public health priority, there is still no national strategy in place.

Our audit of the Correctional Service of Canada is another example where it is evident that fewer offenders are getting the benefit of a full gradual release back into society.

• (1545)

[English]

We're concerned that the issues we're seeing today may be the symptoms of bigger problems in the future if they're not resolved quickly. It's important for departments to focus on addressing these issues promptly to avoid bigger problems, which will cost more to fix down the road in time, money, and effort.

Mr. Chair, that concludes my opening statement.

[Translation]

We will be happy to answer any questions you may have.

Thank you.

[English]

The Chair: *De rien.* Thank you, Mr. Auditor General.

Unless there are any last-minute interventions, I'll take us to the rotation. To kick things off, we'll begin with Mr. Albas. You, sir, have the floor.

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

I'd like to welcome the Auditor General and your staff with you today. I appreciate all the work you've done. I'm glad to have your report, the overview briefing today for everyone.

As I was listening to your statement and reading along with you, Mr. Auditor General, I noticed that you start and you switch. Instead of a numerical sequence you have a random shuffling. Is there a reason for that?

Mr. Michael Ferguson: We wanted to start by dealing with the couple of audits that dealt with health issues, for example the audit on antimicrobial resistance, and then also the audit on providing health services to first nations. Then we moved into some things a

little further on that are more, perhaps, administrative in nature, whether they be the audit of the reporting requirements of organizations, maybe some things related to tax expenditures and the ombudsman system. Those are more about how government and government departments manage some of their own programs, rather than the direct delivery of services to people. Some of that thinking went into the structure of the opening statement.

Mr. Dan Albas: Thank you. I appreciate the explanation.

I'd like to start with chapter 2, with regard to Treasury Board's required reporting by federal organizations. First of all, you've already given a statement with regard to chapter 2. Could you please describe what a departmental security plan is?

Mr. Michael Ferguson: A departmental security plan is a document that departments and organizations prepare that gives an overview of their security situation. It looks at the types of security risks that an organization may face. It would also look at, perhaps, some of the mitigating circumstances, mitigating controls, that might be in place, and also at what types of activities or actions that organization might need to do to deal with those security risks. It gives the organization that overall view of the types of security risks that they face.

Mr. Dan Albas: Did you specifically look into the details of the security plans themselves?

Mr. Michael Ferguson: What we were looking at really was whether the security plans were being prepared in accordance with the directive that had come from Treasury Board Secretariat, particularly noting the fact that these security plans were supposed to have been delivered by June 2012. We also looked at what Treasury Board Secretariat itself was doing to be aware of whether departments were on track to meet that June 2012 date. We identified in the audit a couple of instances where Treasury Board collected some information about that. Then, in the end, one of our main concerns about it was many of the reports were not completed by that June 2012 date, and some of them still hadn't been completed by the time we did the audit.

Mr. Dan Albas: Sure. So it wasn't necessarily the quality of the plans per se, but whether or not they complied with the directive. Is that correct?

Mr. Michael Ferguson: We did not audit the plans themselves in terms of their quality and whether they met all of those requirements. That would have been the role of Treasury Board as part of what they do to monitor whether organizations meet their reporting requirements.

Mr. Dan Albas: Did you find the Treasury Board Secretariat itself offered guidance to help different agencies to be able to comply with the directive and with the other reporting requirements?

Mr. Michael Ferguson: We found in a number of instances that, I believe, both Treasury Board Secretariat and the Public Service Commission had provided guidance to government departments and organizations about how they should complete or meet some of the reporting requirements. In a lot of instances that guidance was useful. There was one instance, I believe it was of the departmental investment plans, where departments told us that some of the guidance was confusing. But overall I think we found that the two organizations did actively try to provide guidance to the departments and organizations that had to prepare these reports, and oftentimes that guidance was useful.

● (1550)

Mr. Dan Albas: In paragraph 2.43 of your report, it says:

The Treasury Board of Canada Secretariat and the Public Service Commission of Canada, as they review existing policies or introduce new policies, should systematically adjust required reporting on the basis of its effort, cost, and value.

Now, both the secretariat and the commission agreed with the recommendation, but how will this recommendation affect the quality required in reporting efforts of organizations in the future?

Mr. Michael Ferguson: What we are saying here is when the central agencies are asking departments to provide periodic reports, they should make sure they understand how much effort needs to be put into preparing those reports on the part of those departments. In the course of the audit, we found that wasn't something that was being analyzed or estimated. Also, we felt there is an opportunity to look at reports from the point of view of the size or the mandate of different organizations. Certainly the idea would be to maintain the quality of what was necessary, but make sure that the cost of attaining that information is understood, as there may not be the value for small organizations to prepare certain information.

The Chair: Very good. Thank you. Time has expired.

Moving over now to Mr. Allen. You now have the floor, sir.

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

Thank you to the Auditor General and his team.

Mr. Auditor General, in chapter 1 you talked about the antimicrobial resistance. This has been identified for about 20 years. Is that correct?

Mr. Michael Ferguson: I think we indicated that it was 1997, so about 18 years ago it was identified as a priority for public health issues, yes.

Mr. Malcolm Allen: You've articulated somewhat that it's a priority issue, but it doesn't seem to have leadership in the sense of who's actually going to take it on, albeit there are partners. I'm not denying that there are provincial partners in the federal piece. It's a pan-Canadian endeavour. Is that true?

Mr. Michael Ferguson: The Public Health Agency, I think we indicated in the audit, noted a couple of times that there was a need for stronger national leadership to get to having that overall pan-Canadian strategy. We did also note, as I said in my opening statement, that there was not agreement on the part of the provinces and the territories about what exactly the Public Health Agency of Canada's role should be. Certainly the agency has identified that this is a priority. They've identified a need for a national strategy and a

need for stronger leadership. We think we're still many years away from actually having a national strategy on this issue.

Mr. Malcolm Allen: I noticed that in the actual report itself, on pages 6-7, it talks about the strategy in 2011, then there's 2012, and then there's 2013. It talks about 2014, some mileposts, if you will, around we did this, or we did that, or we tried to do this. Then in paragraph 1.34 it talks about the agri-food sector, the agencies, and the partners, and it reads:

It has not yet been determined whether and how the health and agri-food sectors will work together.

Certainly health has multiple partners. We have a health ministry federally in this country, which Public Health falls into, as well as an agri sector in this country that has a federal piece, albeit provincial. Is there any consensus in this audit, Mr. Auditor General, around the sense that at least the federal departments are on the same page when it comes to antimicrobials?

Mr. Michael Ferguson: What we identified, in fact, was that the Public Health Agency determined that its first step was to try to work together with other federal organizations and agencies involved in this issue. I think it's in paragraph 1.32 that to coordinate a federal approach to antimicrobial resistance:

The Agency worked with Health Canada, the Canadian Food Inspection Agency, Agriculture and Agri-Food Canada, and the Canadian Institutes of Health Research to develop this approach.

What we have seen is an effort on the part of the agency to engage its federal partners. When you're dealing with something like public health or a health issue, obviously the provinces and territories are very significant partners that need to be engaged to a great degree of depth to deal with this problem.

● (1555)

Mr. Malcolm Allen: Let me switch tacks to the tax expenditure piece. The obvious question comes up for many folks. I've already been asked it by somebody in the riding, "Why do we need to report it? It's a tax expenditure."

Can you explain for us, Mr. Auditor General, exactly the need for that type of reporting on a tax expenditure? Why would it be important, and why indeed, as your recommendation states, should it be sent to parliamentarians for their approval?

Mr. Michael Ferguson: When we're dealing with tax expenditures in this audit, we are talking about measures that could have been delivered through direct spending types of programs. In paragraph 3.6 there is a quote from the International Monetary Fund, its fiscal transparency code, that states that "because the government policy objectives could be achieved alternatively through a subsidy or other direct outlays, [tax expenditures] are regarded as equivalent to budget expenditure".

It's important for parliamentarians to understand the extent of these tax measures, particularly what we are referring to as tax-based expenditures, because many of them could have been delivered through direct budgetary spending programs. For direct budgetary spending programs, there are a number of requirements. There are requirements, for example, to do periodic evaluations at least every five years. When departments prepare their reports on plans and priorities, they present three years' worth of estimates for their programs. That type of information doesn't exist for the tax-based expenditures.

The Chair: Very good. Thank you.

Time has expired.

Over to Vice-Chair Carmichael. You have the floor, sir.

Mr. John Carmichael (Don Valley West, CPC): Thank you, Chair. I join my colleagues in welcoming the Auditor General and his team today. A lot of work has gone into these reports and we look forward to good productivity coming out of them as we present our reports to Parliament.

Auditor General, if I may I'd like to focus on chapter 5 on information technology investments with the CBSA. I wonder if you could explain this for my benefit. Early on in your report you talk about the project portfolio management framework in 5.10 and some of the strengths and weakness relative to that. Then you talk about the project management framework that was established back in 2012. Could you explain the difference in the two structures? Do you have that information handy?

Mr. Michael Ferguson: Could you say again the two...?

Mr. John Carmichael: In chapter 5.10 your report speaks to the project portfolio management framework, which was developed in December 2013. Prior to that, in 5.20, you talk about the project management framework that was developed in 2012. I wonder if you could explain to us the difference, or similarities perhaps, of the two entities.

Mr. Michael Ferguson: Yes. The obvious difference, and it's an important difference, is that one of them contains the word "portfolio". The one mentioned in 5.20 developed in 2012 was a project management framework, so a framework for managing individual projects.

In 5.10 we're talking about a project portfolio management framework, or how you have that view of all of the projects, the whole portfolio of projects that are going on at one time.

It's one thing and is a good practice to have a framework to manage individual projects, but then from an organizational point of view you need a way to manage your portfolio of projects that are all going on at the same time.

Mr. John Carmichael: I have to be honest with you, I've had to read the report several times to capture all the various elements to it. For CBSA, this is a very large project, a series of projects. The budget is \$1 billion, so it's very important that it be managed effectively. I understand the difference in the two, and it's complex. I can't imagine the complexity that goes into developing the appropriate security and risk management. I'll come to that in a minute.

Your report found that CBSA has the necessary corporate and management practices to deliver on IT investments. I wonder if you could expand on how the project management framework has helped to ensure that taxpayer dollars destined for IT projects of this magnitude are spent appropriately?

•(1600)

Mr. Michael Ferguson: There are, perhaps, a couple of things I want to deal with in terms of your question.

Certainly, having a project management framework and a project portfolio management framework, the two of those in place, is very important to make sure that projects are delivering on their intended results, making sure there's an understanding of the benefits that would come from projects, making sure that they're going to be delivered on budget, and making sure they're going to be delivered on time, or making sure there can be appropriate adjustments along the way.

We were very happy with the framework that had been put in place in the agency and the fact that it was comprehensive. Our concern, again, was that it wasn't at this point in time always being applied in the management and the oversight of the projects.

You mentioned the fact that with this type of an audit sometimes you have to read it very carefully to understand it. I think that's true whenever you're looking at information technology. Information technology is a complex business.

You know, I mentioned in my opening statement the importance of dealing with these issues now so they don't become bigger problems in the future. I think this is a good example. They have a good framework. Right now their projects seem to be in a place that they can get them delivered. They need to make sure they're applying that framework so that we're not coming back here in four years' time talking about one of these projects because we've done an audit and found problems. The framework is important.

I understand that trying to get through an audit like this and understanding exactly what it's about can be difficult. It's very important that organizations, particularly like this one with \$1 billion worth of IT projects, have all of the oversight to make sure that all of those projects are being delivered as they're supposed to be.

The Chair: Thank you, your time has expired.

We're now over to Monsieur Giguère.

[*Translation*]

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

I will start with the health care issue in the north. I would like to draw your attention to paragraph 4.55. You said you had requested documents, but they were not provided to you. At issue was the cost of nine facilities. You wanted to know whether those facilities met the applicable building code requirements. In paragraph 4.55, you say that the information was not provided to you or was partially provided. You also received documents that did not pertain to the questions you asked.

[English]

Mr. Michael Ferguson: What we were provided with were the certificates of substantial completion, again, for five of the nine facilities.

We were asking for some sort of indication about whether those facilities had met the applicable building code requirements. They didn't have anything where they had gone in directly and assessed the building code requirements specifically to see if they had been met; instead, what they had were certificates of substantial completion.

It wasn't a question that they didn't provide us with something that we asked for; it was a case that they hadn't done all of those assessments. They gave us the certificates of substantial completion, which is what they were using as their way of assessing whether the buildings had been built as specified.

[Translation]

Mr. Alain Giguère: So you were basically not given the information you asked for. You asked whether the facilities had been built according to building code requirements, but you did not receive an answer.

• (1605)

[English]

Mr. Michael Ferguson: Again, as I understand it, they didn't have the information to provide us that was directly about whether all aspects of the codes been met. That information didn't exist.

What existed in five of the nine cases where certificates—

[Translation]

Mr. Alain Giguère: I think you are misunderstanding my question.

You asked them to provide you with a certificate to prove that the building code requirements had been met. You clearly indicate in the two bullet points that you did not obtain answers to the questions you asked them and that you were not provided with the documents you requested. That's what it says in paragraph 4.55.

[English]

Mr. Joe Martire (Principal, Office of the Auditor General of Canada): Thank you, Mr. Chair, and perhaps I can clarify.

The Auditor General is right. We asked for evidence to show us that these buildings were indeed built according to code. The department uses these certificates of substantial completion. They were able to show us the certificates for five of the nine facilities, and for four they didn't have them. That's one issue.

The issue with the certificates of completion themselves, in our view, and the department agreed, is that they don't explicitly state whether the buildings were in accordance with code. The department has agreed to clarify going forward to make sure that these documents now explicitly state whether they meet code.

[Translation]

Mr. Alain Giguère: So they answered your question, but they did not have the documentation they needed to provide an answer. It was not a matter of bad faith.

[English]

Mr. Joe Martire: Yes.

[Translation]

Mr. Alain Giguère: Okay.

I would like to discuss paragraph 4.4 of the same chapter, regarding health-related problems. You have consulted a number of documents, so you must also know that one of the problems identified has to do with undernourishment and poorly developed children. That also comes up later, when you talk about the coordination of health services among jurisdictions. In terms of coordination among jurisdictions, do you also make sure that people in remote regions are receiving enough food?

I don't know whether you have looked at Health Canada's document according to which the rate of food insecurity is about 36% in Nunavut.

Does coordination among jurisdictions also apply to ensuring that people have enough food, so that their health is not jeopardised?

[English]

Mr. Michael Ferguson: The audit was not an audit of availability of nutrition and food, that type of thing. The audit was essentially about the direct nursing services and the transportation benefits that Health Canada provides to residents of the first nations. Certainly we identified early in the audit the fact that there are many health challenges for the residents of the first nations: higher rates of chronic and infectious disease, mental health and substance abuse issues, unsafe drinking water, so many different issues that are relative to those first nations. The audit wasn't about access to food or malnutrition, it was about the services that are being provided at the nursing stations or the availability of transportation benefits to residents of those remote first nations.

The Chair: Thank you. Time has expired.

Moving along, over to Mr. Hayes. You have the floor, sir.

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

I'm going to focus on chapter 1, Antimicrobial Resistance. Looking at the full report, in section 1.31 it states there was an attempt to develop a pan-Canadian strategy, but consensus was not achieved. In fact, you stated in your report that the Public Health Agency of Canada:

...discussed areas for collaboration with its public health counterparts in the provinces and territories, but did not achieve consensus to pursue the development of a pan-Canadian strategy.

Does the federal government have the authority to enforce this strategy, to force the provinces to achieve consensus? Why wasn't consensus achieved? Do we have an understanding of who didn't agree and how we would make things different in order to achieve that consensus to develop the strategy?

• (1610)

Mr. Michael Ferguson: I think certainly simply the use of the word “consensus” points to the fact that people have to come to the table: the provinces, territories, federal government, federal organizations have to come together to agree on that strategy. I think that's central. But the mandate of the Public Health Agency is to provide leadership on these public health issues that reach across the country. We have identified in the course of the audit that there were many different times when the agency tried to work with partners to get to a strategy, but hasn't succeeded in doing that. As I said, and repeated a little earlier, there wasn't any provincial or territorial consensus on what the role of the agency should be. I think the first step is very much getting to the point of: what is the role that the agency can play in helping treat this as a national issue?

Mr. Bryan Hayes: It appears as an interim step that the agency did develop a federal framework so that they could deal with trying to move things through from the federal level, where they did have jurisdiction. It would seem to me that the development of a federal framework was a good interim step while they worked toward reaching consensus. Would you agree with that?

Mr. Michael Ferguson: It was a step, certainly. Again, when you look at the World Health Organization saying that there needs to be a national strategy, and that would include things like in paragraph 26:

...reduce antimicrobial use in humans and animals, improve surveillance of antimicrobial resistance and antimicrobial use, strengthen measures to prevent the emergence and spread of drug-resistant infections, and stimulate research and innovation.

The strategy needs to deal with all those things. My concern is—and it's why I emphasize this in the opening statement and I've said it a couple of times—we've been 18 years without a national strategy, identifying it's a priority. To try to help reduce at least, or maybe prevent further proliferation of this problem, we need to get to having a national strategy that deals with all these issues. I'm not sure that interim steps right now are what are needed. I think getting to that national strategy is what's needed.

Mr. Bryan Hayes: With respect to that, you did state that in your opinion:

...it is likely that the development of a pan-Canadian strategy will take many years, given that, according to the Agency, such a strategy requires the cooperation of all levels of government and sectors.

Given the difficulty of reaching that, you obviously recognize the complexity of developing this national strategy if you're going on record saying in your opinion it's likely that it's going to take many years.

Do you have any recommendations on how to speed up the process?

Mr. Michael Ferguson: We have a number of recommendations in the audit, but the primary one is to get together all of the partners, or at least as many as possible, to coordinate what the national approach is going to be and try to get to that national strategy. The biggest hurdle that needs to be overcome is making sure that this is understood as a priority across all jurisdictions, not just the Public Health Agency saying it's a priority. Once that priority is understood, then the timeframe we have laid out could be shortened.

The Chair: Thank you.

Now we go to second vice-chair, Madam Jones. You have the floor, Madam.

Ms. Yvonne Jones (Labrador, Lib.): Thank you very much.

Thank you for joining us today to answer all of these questions that we have.

My questions are going to focus on Report 4 right now. It is a huge concern for me to see that essential services, while they are defined appropriately by Health Canada, are certainly not delivered appropriately in terms of ensuring that adequate facilities exist in these remote areas, and ensuring that the human resources on the ground—in this case, the nurses in particular—have the adequate training they require.

It is a huge concern, and I would like to note that the clinical process in northern Canada is not a new process to me. I have six remote clinical facilities in the riding I represent, and five semi-remote facilities, all staffed by nursing staff, so I understand the additional training that is required for those nurses to deliver on the responsibilities and essential services they are required to do.

My question has to do with the high turnover rate we see in the staffing in many of these clinics. What is the contributing factor to that high turnover rate? Why aren't the nurses who are placed in these positions given the appropriate training upon accepting the positions? I would like to know what rationale and explanation are given for that.

• (1615)

Mr. Michael Ferguson: In general terms, we didn't address the question of turnover directly in terms of the staffing of the nursing positions. We did identify that, first of all, all of the nurses in northern Ontario and Manitoba we looked at in the audit who are employees of Health Canada are registered nurses, but sometimes, because of the circumstances in the environment in which they have to work, they have to work outside their scope of practice. We have explained that in the audit. Because of those circumstances, Health Canada has said that those nurses need to have additional training in order to provide those extra services. In our sample we found that only 1 out of 45 nurses had received all of the five mandatory courses to be trained in delivering those extra services.

It was simply that Health Canada had set these requirements for their nurses to receive this training but they weren't making sure it was happening. They've said it is important. It is work that the nurses have to do that is outside what a nurse would normally have to do, so they should get the extra training, but they just weren't getting the training.

Ms. Yvonne Jones: Is there any requirement within Health Canada that any of these nurses would have to have nurse practitioner training, or is registered nursing the acceptable hiring standard, accompanied by those courses?

Mr. Michael Ferguson: We talk in the audit about the fact that the nurses are required to work outside of their scope of practice, that is, do some things that a nurse is not normally required to do—this is in section 4.35—and we talk about the fact that Health Canada has explored some options to deal with this problem. The options that have been discussed include putting medical directives in place so that the nurses' activities beyond the scope of practice are delegated by an appropriate medical professional, working with the provinces to amend the relevant provincial nursing acts and regulations, or perhaps hiring more nurse practitioners. The concept of nurse practitioners in those remote areas is something that has been discussed, but at the time of the audit, in the communities that we looked at, the services were still being provided by nurses. These services were outside the scope of what a normal nurse would provide, and the nurses had not received all the training that was identified as necessary for them.

Ms. Yvonne Jones: I don't know if this something you examined or not, but can you speak to the fact that some of these vacancies or the high turnover rate may be due to the fact that the package—the salaries—being offered to these nurses to work in those remote and isolated regions isn't attractive enough to maintain that level of stability in providing essential services?

Mr. Michael Ferguson: Again, the turnover rate wasn't something that we specifically addressed, so I can't talk to exactly what the turnover rate was in those communities or what those reasons were. It just was not an aspect of the audit that we got into.

The Chair: Sorry, time has expired, Madam.

Moving along, over to Mr. Aspin.

You have the floor, sir.

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

Welcome, Mr. Ferguson and your team, to our committee.

I'm going to focus on chapter 7, which is on the office of the ombudsman for the Department of National Defence and the Canadian forces.

In chapter 7 you concluded that the:

Office of the Ombudsman for the Department of National Defence and the Canadian Forces...had inadequate controls for financial management, contracting, and human resource management in carrying out its mandate....

In your remarks, on line 27, you state:

After 2012, the workplace environment stabilized, and efforts to close long-standing files were successful.

Can you speak to how these issues are being addressed under the current ombudsman?

• (1620)

Mr. Michael Ferguson: There still is a lack of clarity in terms of the line on the roles and responsibilities between National Defence and the office of the ombudsman. This issue is important because the ombudsman's office needs to have the independence to conduct its investigations. The investigations that it's doing are about complaints that members of the military, or their families, or civilian employees of National Defence have about the operations of the military or National Defence. The ombudsman's office is the way that those

employees have to get their concerns dealt with, so the ombudsman's office needs to have independence to conduct those investigations.

On the other hand, all of the staff and the budget for the ombudsman's office come from National Defence, so National Defence has a responsibility to make sure that the hiring rules are respected, that the financial management rules are respected, and that values and ethics are respected. They have to do monitoring of the ombudsman's office to make sure those administrative rules and roles function properly.

You can see that, almost by definition, there's a push-pull between those two things, where National Defence has to monitor the ombudsman's office, but the ombudsman's office has to do independent inquiries into National Defence's activities.

We certainly did find that the problems were at their worst between 2009 and 2012. There were some actions that were taken in the latter part of 2012 into 2013 to try to resolve the issues. The investigations started to be completed on a more timely basis again, but there still are some places where the roles and responsibilities are not totally defined. It's important to make sure that the inquiries can be done independently but that there can also be appropriate oversight of the management and administration of the ombudsman's office.

Mr. Jay Aspin: I take it that's what you mean in point 28 of your remarks when you say that:

Since the Office's investigations are carried out independently from National Defence but the Office's staff and budget reside with the Department, the organizational relationship with National Defence is a complex one that needs to be better defined to ensure adequate monitoring in all areas.

You're talking about that independence.

Mr. Michael Ferguson: That's right, and I'm concerned that National Defence needs to find a way to monitor the administrative part of the office of the ombudsman, to make sure that the financial contracting and human resource rules are being followed and being respected, but not be doing it in a way that gives people the perception that National Defence is using that as a way, somehow, to perhaps impede the independence of the investigations.

It's a very complex relationship. Trying to protect, both respecting the rules but also respecting the independence of the investigations, needs to be sorted out.

Mr. Jay Aspin: DND and the ombudsman's office have virtually accepted all your recommendations. Could you speak to the effectiveness of the actions already taken for better controls of financial management?

Mr. Michael Ferguson: I think, again, we identified in the audit that in the latter part of 2012 we saw that things had started to improve, both in terms of investigations and in terms of what was happening in the workplace. I think, though, there is still some education that needs to be done and some systems and controls that need to be put in place to make sure there are good financial controls in the office of the ombudsman. That's why we've made the recommendations again that National Defence and the ombudsman's office have to sort out those roles and responsibilities. There's still some work to do there.

•(1625)

The Chair: Thank you.

Mr. Allen, you have the floor again, sir.

Mr. Malcolm Allen: Thank you, Chair.

Mr. Ferguson, I'll get back to the antimicrobial piece because there has been a discussion back and forth about leadership, coordination, working to a consensus of some description in a pan-Canadian piece. Let me take the beginning of the chapter, which is on page 8 at paragraphs 1.38 and 1.39, where you talk about, it seems to me, what Public Health Canada is responsible for. Is that correct? When I look at those two paragraphs this is really the purview of Public Health Canada, these particular pieces that talked about looking at "obtaining, analyzing, and disseminating national-level surveillance information about antimicrobial resistance and antimicrobial use."

Is that actually the purview of...? Basically, Public Health Canada should be doing that. Albeit it has to bring it in, but actually has it got to do that role?

Mr. Michael Ferguson: Well, we say in paragraph 1.39 that "the Public Health Agency of Canada is responsible for obtaining, analyzing, and disseminating national-level surveillance information about antimicrobial resistance and antimicrobial use."

So it's clear that they need to collect this information to give them that pan-Canadian picture of what's happening in terms of antimicrobials and the development of resistance to the antibiotics that are used to treat these organisms.

We identified that the Public Health Agency of Canada is not right now collecting all of the information that it would need to give it that picture. I believe further on in the audit we describe some of the things they are doing about collecting information and where some of the weaknesses are.

Mr. Malcolm Allen: It reminds me of a subcommittee on listeriosis in 2009. Public Health Canada actually said the same thing. One of their problems was they didn't have the information. They said they couldn't get it out fast enough to talk to folks. It seems they didn't learn their lesson. Maybe we'll hopefully learn a lesson come the next time.

I was interested in your comments, Mr. Ferguson, when you opened this meeting. It was actually near the end of your written piece. At paragraph 32 it says that you were concerned that the issues you are seeing today may be the "symptoms of bigger problems in the future if they are not resolved quickly".

"It is important for departments to focus on addressing these issues promptly, to avoid bigger problems which will cost more to fix down the road, in terms of time, money and effort."

A simple question. Did you mean all of the reports that you presented today, or are there some that you think have a higher priority in the sense of the timeliness of the actions needed to happen?

Mr. Michael Ferguson: I think if you go through the various reports, and again you can start with the report on antimicrobial resistance where we said it appears that the Public Health Agency of

Canada is many years away from having that national strategy that they say they need to have.

We also identified that Health Canada had been working for a number of years on closing some of the gaps that exist in the importation of drugs for use in farm animals. Some of those controls needed to be tightened up. They had recognized that, but still hadn't done it.

I think that you can go on to the health services on remote first nations and those types of problems where the nurses weren't getting all the training, the facilities were not in sufficient condition that they could be properly used, and that sort of thing. Again, those problems need to be resolved quickly.

You can go into information technology investments at CBSA, I talked about that earlier, and the need to apply that framework to make sure those systems are delivered properly.

Preparing offenders for release, I think is another good example of that. As offenders spend more of their time within the facility, it means they have a shorter amount of time under supervision in the community. That could become a bigger problem in the future.

As for the office of the ombudsperson for National Defence, it's important to make sure those roles and responsibilities are clear so that there can be appropriate oversight of that office to prevent a recurrence of the types of issues that were happening between 2009 and 2013.

I think you can look at a number of these audits and see that thread of issues that needs to be resolved now, so that we're not talking about these same issues in four or five years' time.

•(1630)

The Chair: And speaking of time....

Mr. Malcolm Allen: Speaking of four or five years' time—

The Chair: Sorry.

Mr. Malcolm Allen: Since 2013, CBSA—

The Chair: Mr. Allen. Mr. Allen. Please, that's not like you.

Mr. Malcolm Allen: Yes, Chair.

The Chair: You're done.

Mr. Falk, you have the floor, sir.

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

Thank you, Mr. Auditor General and your team, for coming and testifying at committee here today.

I will be focusing my questions on chapter 8, the Special Examinations. I note that in your report, it states that the government has 44 parent crown corporations that require a special examination once every ten years, and it has one additional corporation that is lumped into that group as well for a total of 45, employing approximately 84,000 people across Canada.

I want to make note of paragraph 8.16, where it states, "We identified no significant deficiencies in the two special examination reports". That's a very encouraging comment in your audit.

You give the Canada Lands Company very glowing comments on the management of that crown corporation. They are very profitable with a net income during the fiscal year when you conducted your examination of about \$48 million and they contributed a dividend of \$20 million to the government.

You have less than glowing comments as far as their strategic planning, risk management, and performance measures and reporting goal, and you commented on amalgamation and also some significant turnover at board and senior management levels.

Could you comment a little further on that? That is paragraph 3 under Findings. Is a strategic plan coming that was identified to you?

Mr. Michael Ferguson: In this chapter of the audits that we've released, we're giving you that very high level overview of the two special examinations we had done. The details of those two special examinations are publicly available. The process for doing these special exams is we go in, look at the systems and practices that are in place at the organizations, present those special exams to the board of management essentially, the board of directors of the organizations, and then the special exams are made public.

Certainly further details are available in those documents. We don't present the whole document to the committee when we release our spring report, for example, but we want to make sure that you are aware that we've done those special exams, that they exist, and that the full information is available.

Certainly in terms of the Canada Lands Company, again the fundamental point is that there are no significant deficiencies in their systems and practices. But we did talk about the fact that they did not have their new strategic direction in place at that point. I don't have an update on that, whether they have that in place now or not.

Again, overall, there are no significant deficiencies, but a few things they need to resolve.

Mr. Ted Falk: Thank you.

I noticed under the mandate portion of the report that the mandate seems to be for repurposing and the sale of crown property. Is also part of management, from a strategic perspective, the acquisition of strategic properties?

Mr. Michael Ferguson: I can't speak directly to the mandate. I don't have all the information of the mandate with me, so I'm not going to try to say something from memory on the exact mandate of the organization that I would risk getting wrong. But obviously, the mandate of the organization is available.

•(1635)

Mr. Ted Falk: Okay, very good.

From the Royal Canadian Mint aspect of that special examination, it says in paragraph 2 that there are "many elements of a good governance framework that meets the expectations of best practices in board stewardship, shareholder relations, and communications with the public", all of those things. Yet one of the notes in the report is that you're a little concerned about the issue of travel and hospitality.

Mr. Michael Ferguson: Yes, and again, in terms of their overall framework for governance, we found they had many of those things

in place. But we did have concerns about the way they were managing some of the travel and hospitality activities.

I can ask Ms. Cheng to give you a bit more information in terms of that corporate governance, since she was involved in that special examination.

Ms. Nancy Cheng (Assistant Auditor General, Office of the Auditor General of Canada): Thank you, Mr. Chair.

In terms of the governance front, it is important that they have strong leadership, that they provide the oversight and that they challenge the corporation in terms of its strategic thinking.

In terms of the special examination, at the time we had talked to all the board members to get an understanding as to the kind of information they received, and they asked for the information that they needed to actually exercise their oversight duty. In the course of looking at the Mint, you can see there are challenges with respect to management's positions.

In addition to that, one of the strategic areas they were considering has to do with foreign business. The Mint is actually very profitable and has—

Mr. Ted Falk: I'm glad you answered that because it was a question I was hoping to get to, the profitability.

The Chair: Time has expired, thank you.

Ms. Nancy Cheng: I am sorry.

The Chair: You guys are testing me.

Back over to Vice-Chair Jones. You have the floor, ma'am.

Ms. Yvonne Jones: Thank you.

Getting back to chapter 4 again, I have a couple of questions left. This chapter focuses on the fact that many of the nursing stations in these remote first nations communities that were looked at were not kept to acceptable standards. They didn't go through regular inspections. That is very worrisome, the fact that these particular maintenance pieces aren't even being kept to a standard that's acceptable. Then it talks about the fact that there hasn't been adequate training for some of the nursing staff.

In your opinion, or in your findings in this study, do you think many of these issues are fixable within the allocated financial resources that are in place right now?

Mr. Michael Ferguson: Again, we didn't do a direct comparison of budget to the types of issues, but I would certainly say that many of the issues we identified are fixable. If you look at something like the training for the nurses, I think it's something that certainly can be dealt with.

I believe also that they themselves have identified a number of deficiencies with these facilities. Health Canada has had people come in to look at some of these facilities to determine what condition they're in, and have that information. Obviously, they know the types of things that need to be done.

We didn't line up how much budget they have and is there enough money to deal with all of these issues, but I think in general that a number of these issues are, in fact, fixable.

Ms. Yvonne Jones: In paragraph 4.57, it notes that, “Health Canada had not assessed whether each nursing station was capable of providing all the health services that the Department had defined as essential in 2013.”

To start with, how could a program be fulfilling its mandate in any way if the facilities are not equipped to do so? I want to get on the record as to what rationale Health Canada gave as to why they were not ensuring that the space they use is able to provide the services that they tell Canadians, and everyone else who lives in those communities, that they are intending to provide. Obviously, it's not being done.

• (1640)

Mr. Michael Ferguson: In paragraph 4.62, again, I think we try to define that a bit more.

We say, “Health Canada defined the essential health services that each of its nursing stations should provide” and what those services are in terms of “triage, emergency services, and outpatient non-urgent services”. Health Canada defined the services, but then in paragraph 4.63, we say they haven't assessed whether each of those nursing stations was capable of providing all of those essential services.

In terms of the rationale, that was simply the situation as we found it when we did the audit. They had defined what the nursing stations were supposed to be doing, but they weren't making sure that it was happening.

Ms. Yvonne Jones: Did they outline any particular practices that they're prepared to put in place at this stage to ensure that happens? What was their explanation?

Mr. Michael Ferguson: In paragraph 4.64, we have our recommendation and we have the department's response. They say, “In collaboration with First Nations, Health Canada will review the clinical care complement in an effort to progressively move toward the creation of interprofessional teams where possible to support the culturally appropriate, safe, and effective delivery of essential services.” Then further on they say, “will provide a list of all clinical care services offered at each nursing station for communication to community members”.

In general terms, they've agreed with the two recommendations and they've made some comment about the types of things they are going to do. Certainly I think it's very important that they come up with a way of making sure that the nursing stations that they've defined as essential services to those first nations are in fact able to provide those essential services.

The Chair: Do you have something very fast? Otherwise, you're done.

Ms. Yvonne Jones: No, that's good.

The Chair: Okay, great. Thank you.

We appreciate your cooperation.

Moving over to Mr. Woodworth, you now have the floor, sir.

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

My thanks to the witnesses, particularly Mr. Ferguson, for coming today, and as always giving us a thorough review.

This is only a kind of first brush through a number of chapters, so I may jump around a bit, but I'll be jumping around only in chapter 6, on Corrections.

I'd like to begin in particular with an observation at paragraph 6.13, the last sentence of which reads, “During the 2013–14 fiscal year, 86 percent of CSC recommendations for early release on day parole were granted by the Parole Board.”

May I take it that of one in seven cases, or 14%, where CSC recommended early release, the Parole Board did not agree?

Mr. Michael Ferguson: That's the case, yes.

Mr. Stephen Woodworth: It seems that the Parole Board itself is even more restrictive than the CSC when it comes to early release on day parole.

Is that a correct understanding?

Mr. Michael Ferguson: I think it's certainly an indication that when CSC takes a case before the Parole Board that the Parole Board is looking at all of the evidence brought before them and making their own decision about whether parole should be granted.

Mr. Stephen Woodworth: There were some one in seven cases where CSC wanted to give an early release but the Parole Board refused to allow it. I presume that's because of concerns about risk of reoffending, but I don't know whether you examined any reasons from the Parole Board in those cases.

Mr. Michael Ferguson: The audit was not an audit of the Parole Board. We were looking at how Corrections Services Canada actually prepares the offenders, and their file in that case, for consideration by the Parole Board.

We didn't go that extra step on how the Parole Board was making its decisions.

Mr. Stephen Woodworth: To help me understand how much more strict the Parole Board is than Corrections Canada about releases, are you able to tell me whether there were any people released by the Parole Board in respect of whom Corrections Canada recommended against release?

Mr. Michael Ferguson: I'll ask Mr. Barrett to answer that question.

Mr. Frank Barrett (Principal, Office of the Auditor General of Canada): Thank you, Mr. Chair.

To clarify for the member a bit, in this report we don't look at why there is occasionally non-concurrence with the Parole Board.

However, last year we published a chapter on the expansion of facilities. We did note in that report that there was a study done. Correctional Services Canada was looking at cases where they recommended release and release was denied, and the rationale for that.

In that internal Correctional Services study, they found that even though in those cases the service believed that they were ready for release, when they looked at the evidence presented, the evidence in fact was insufficient for the Parole Board. The question before them was whether the Parole Board was being fair and unbiased, and the conclusion was yes because they didn't have enough information.

• (1645)

Mr. Stephen Woodworth: Just to go back to my other question then, did you discover any case where Corrections Canada had recommended against release where the Parole Board granted release, and can you give me a percentage of that?

Mr. Michael Ferguson: Again, what we were looking at here would have been in situations where Corrections Canada was taking forward a case to look for somebody to be released. At least I don't believe they would have been taking forward cases to say, don't release this person on parole.

Mr. Stephen Woodworth: Every offender has the right to a parole hearing and that there would be cases where Corrections Canada would recommend against release. I wondered if there were any such cases where the Parole Board released in spite of that.

I'm just trying to get a sense of whether I'm right that Corrections Canada seems to be more lenient than the Parole Board in the matter of releases.

Mr. Frank Barrett: I don't know that I would say more lenient. I think that the point is generally when you see non-concurrence, it is because Corrections Canada is recommending someone for release and the Parole Board is saying no.

Mr. Stephen Woodworth: Let me move onto a second subject.

A few years ago, there was quite a bit of fearmongering put out from certain quarters about the fact that the Conservative government's crime measures would result in a whole flood of people being admitted, an increase in admissions to the prison system that would overpower it.

I understand that your report discovers that there are people staying longer in the system. I wonder if you could tell me—and I'm specifically referring to paragraph 6.24—did it turn out that there was a huge increase in the number of admissions to the corrections system as a result of these measures?

Mr. Michael Ferguson: In paragraph 6.24, we specifically say, "Although the crime rate has decreased, and new admissions into federal custody have not increased, the total male offender population grew by 6 percent". So that deals with both the fact that the crime rate had decreased and the admissions had not increased.

The Chair: Sorry, time has expired.

Thank you, Mr. Woodworth.

We move back to Monsieur Giguère.

[Translation]

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

In the report on the ombudsman, it seems clear that, between 2010 and 2013, the service was not operational in terms of administration, or was at least limited in its ability to meet its commitments. If we

look at all the points you put forward, the situation seemed to stem from a work environment that could be described as toxic.

How is it that a service could perform so poorly for three years without the Department of Defence or another entity telling the senior officials responsible for the bad conditions and work environment to remedy the situation quickly? The working conditions clearly deteriorated over those three years without the senior officials making any changes.

[English]

Mr. Michael Ferguson: I think we go into that issue in some detail starting in paragraph 7.71, where we talk about the fact that there were complaints that were brought forward. In paragraph 7.72 we noted how National Defence—

[Translation]

Mr. Alain Giguère: I read it. I know that the working conditions were bad. What I want to know is why the situation was not remedied by the Department of Defence, which was the higher authority. That situation was allowed to deteriorate to such an extent that files took an average of two years to process instead of six months. One file was even closed after seven years instead of six months.

• (1650)

[English]

Mr. Michael Ferguson: I understand your question and I'm in the process of answering your question.

In paragraphs 7.71, 7.72, and 7.73, we talk about the fact that National Defence did in fact undertake some investigations. Some of those complaints were brought forward to them. They had to undertake some investigations into those, but they didn't do them appropriately. If those investigations into the complaints had been done appropriately, it could have perhaps prevented or fixed these types of problems earlier rather than when they were fixed. I think it was a case of just not having the right practices for dealing with the complaints in place.

[Translation]

Mr. Alain Giguère: Has the situation been resolved?

If something similar was to happen again, would the Department of National Defence be able to remedy the situation much more quickly?

[English]

Mr. Michael Ferguson: Certainly we hope so. We brought these issues forward to National Defence, and I think earlier in the audit we indicate that National Defence hadn't seen this organization as a priority because of the size of its budget, but in fact what it does is very important, regardless of the size of its budget. We have now seen an awareness of the issues that exist there and the complexity of that relationship, and that National Defence and the ombudsman need to have those practices in place to make sure that these types of issues don't happen again.

[Translation]

Mr. Alain Giguère: Mr. Auditor General, it is especially troubling to see that the period during which that service was performing poorly coincided with the period when many female members of the Canadian Armed Forces complained about being sexually harassed on one or more occasions.

In paragraph 7.8, you say that you examined those activities.

Did you check which cases took the most time to be resolved and whether they were processed correctly? If poor working conditions resulted in unreasonably long processing times, was the quality of the processing of those files also affected?

[English]

Mr. Michael Ferguson: I don't have the information about the exact types of investigations that were being undertaken. Certainly when you look at the ministerial directives, we are saying that the office the ombudsman should try to resolve issues within 60 business days, but many of these—I think we identified 122—were taking more than two years to resolve. This situation was such that the investigations were just not getting done, and they are important investigations. This is an important service to members of the armed forces and civilian employees of National Defence.

The Chair: Thank you. The time has expired.

We go to Mr. Hayes, the last in our formal rotation.

Mr. Bryan Hayes: Thank you, Mr. Chair.

I would like to share my time with Mr. Woodworth, if I may.

I would like to go back to report 1. We've talked a lot about developing a pan-Canadian antimicrobial resistance strategy, but this report is about a little bit more than that. It also speaks to surveillance of antimicrobial resistance and use, and prudent antimicrobial use. There is one area where you state, "The Public Health Agency of Canada and Health Canada have taken some steps to promote prudent antimicrobial use in humans." Can you discuss what those steps are, please?

Mr. Michael Ferguson: There is a section on that starting at 1.58. Of the steps that have been taken, I think the primary one is making sure that, for use in humans, just about all of these drugs can be obtained only with a prescription. We've also seen that they have tried to put in place some guidelines for health professionals to help them understand how to use the drugs, although we identified that the agency still has some other guidelines that it has identified that need to be developed.

There have been some steps in trying to promote prudent antimicrobial use in humans, and the most significant one is making sure that they are available only through prescription.

• (1655)

Mr. Bryan Hayes: With respect to surveillance, it appears that, in April 2014, the agency itself reviewed its resistance surveillance activities and identified several weaknesses in its system. Do you agree with the agency's self-analysis? Are there more surveillance weaknesses that you identified that the agency itself has not identified?

Mr. Michael Ferguson: We have listed in section 1.48 the weaknesses that were identified. I believe that list was sufficient as an analysis of the types of gaps in their information collection. Some of them are fairly significant, showing that they do not have that broad source of information about antimicrobial use and resistance.

Mr. Bryan Hayes: Thank you, Mr. Chair.

The Chair: Mr. Woodworth, go ahead, sir.

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

I'd like to go back to paragraph 6.24 in chapter 6 again and the statement that "new admissions into federal custody have not increased". Can you tell me over what time period that observation was made?

Mr. Frank Barrett: Yes, Mr. Chair, I would be happy to answer that question. It was between 2010-11 and 2013-14.

Mr. Stephen Woodworth: Thank you very much.

I understand from paragraph 6.46 that about 7% more medium- and high-risk offenders have been referred to corrections programs since the department updated them. Is that correct?

Mr. Frank Barrett: Sorry, could you repeat the question?

Mr. Stephen Woodworth: Yes. I'm looking at a statement here in paragraph 6.46 that there's been an increase of 7 percentage points from the 2011-12 fiscal year. It looks to me like that's referring to the number of medium- and high-risk offenders who have been referred to correctional programs. That's increased by 7% since 2013-14. Is that correct?

Mr. Frank Barrett: That's correct.

Mr. Stephen Woodworth: Okay, good, and in fact that paragraph confirms that 90% of medium- and high-risk offenders have been referred to a correctional program in the most recent year, correct?

Mr. Frank Barrett: Correct.

Mr. Stephen Woodworth: I also understand that there were some programs in specific regions where correctional programs were updated and, where those were delivered, 23% more offenders completed their correctional programs before their full parole eligibility date. That's in paragraph 6.47. Is that all correct?

Mr. Frank Barrett: Yes, that's all correct, with a plan to roll it out to other regions as well.

Mr. Stephen Woodworth: I have one other statistic I just want ask about if I can find it in the short time I've left here.

The Chair: You actually have no time left, sorry. If you had kept on going, you would have gotten it on the floor, but as it is, I'm afraid you are done.

That concludes the formal rotation as we have it, colleagues.

I see Mr. Allen seeking the floor.

Mr. Malcolm Allen: Thank you, Mr. Chair.

Before you wish our guests a good day and thank them very much, which I'm sure you're going to do, looking at the clock and the votes being at 5:37 now, I hear, rather than at 5:15 as my whip's desk originally said, hopefully there'll be some time after we have wished our guests well to maybe sit down and think about what we intend to do over the next week or two. Maybe we can work something out that will meet with my colleagues' approval.

• (1700)

The Chair: Excellent. Thank you for reminding me, yes.

I will, of course, thank our guests very much for being here.

Mr. Auditor General, you know how much we appreciate the work that you do, and it's reflected in the opening comments of virtually every member, because the work you do is so important to the people of Canada and to our Parliament. We very much thank you and your staff for the work that you do, for this report, and for being here today. So with that, you are free to leave with our thanks.

Mr. Michael Ferguson: Thank you.

The Chair: Colleagues, I had mentioned at the end of our last meeting that, if we could, we were looking for a date.

Mr. Albas.

Mr. Dan Albas: If we're going to be discussing planning, we usually do that in camera.

The Chair: I just need a date, a chapter for the 4th, but if you want to go in camera, we can.

I need a motion.

Mr. Dan Albas: I so move.

The Chair: Moved by Mr. Albas that we go in camera.

(Motion agreed to)

[Proceedings continue in camera]

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