



National Round Table on the Environment and the Economy

Performance Report

For the period ending
March 31, 2000

Canada

Improved Reporting to Parliament Pilot Document

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities*.

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Foreword

On April 24, 1997, the House of Commons passed a motion dividing on a pilot basis the *Part III of the Estimates* document for each department or agency into two separate documents: a *Report on Plans and Priorities* tabled in the spring and a *Departmental Performance Report* tabled in the fall.

This initiative is intended to fulfil the government's commitments to improve the expenditure management information provided to Parliament. This involves sharpening the focus on results, increasing the transparency of information and modernizing its preparation.

The Fall Performance Package is comprised of 83 Departmental Performance Reports and the President's annual report, *Managing for Results 2000*.

This ***Departmental Performance Report***, covering the period ending March 31, 2000 provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the department's *Report on Plans and Priorities* for 1999-00 tabled in Parliament in the spring of 1999.

Results-based management emphasizes specifying expected program results, developing meaningful indicators to demonstrate performance, perfecting the capacity to generate information and reporting on achievements in a balanced manner. Accounting and managing for results involve sustained work across government.

The government continues to refine its management systems and performance framework. The refinement comes from acquired experience as users make their information needs more precisely known. The performance reports and their use will continue to be monitored to make sure that they respond to Parliament's ongoing and evolving needs.

This report is accessible electronically from the Treasury Board Secretariat Internet site: <http://www.tbs-sct.gc.ca/rma/dpr/dpre.asp>

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

Planning, Performance and Reporting Sector
Treasury Board Secretariat
L'Esplanade Laurier
Ottawa, Ontario, Canada
K1A 0R5
Tel: (613) 957-7167
Fax (613) 957-7044

National Round Table on the Environment and the Economy

Performance Report

**For the period ending
March 31, 2000**

The Right Honourable Jean Chrétien
Prime Minister of Canada

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Section I: Message from the Chair and the Executive Director and Chief Executive Officer

We are pleased to submit the 1999-2000 Performance Report of the National Round Table on the Environment and the Economy (NRTEE) to Parliament.

Over the six years since its establishment in legislation as an independent agency of the federal government, the NRTEE has helped raise the awareness and understanding of complex sustainable development issues among decision makers, opinion leaders and the Canadian public. This awareness and understanding is an essential foundation upon which meaningful decisions and actions can be taken by Canadians collectively in meeting the goal of sustainable development.

Among the highlights over the past year were the following:

- As is the case every year, recommendations were made to the federal government on specific actions that can be taken in the federal budget to promote environmental improvement in Canada. In budget 2000, approximately half of the \$700 million in new environment-related spending was directed to initiatives that were consistent with these recommendations.
- Budget 2000 also committed \$9 million over three years to the NRTEE and Environment Canada to develop environmental and sustainable development indicators.
- At the request of the Clerk of the Privy Council, the NRTEE convened an unprecedented senior level consultation between government, private sector, non-governmental representatives and others on sustainable development planning in the federal government.

The National Round Table's unique contribution is that it provides a neutral forum in which stakeholders can meet, explore issues, and identify areas of agreement and disagreement. From there it produces recommendations for action. We are heartened that there is increasing recognition of the value of this service and that more issues are being referred to the NRTEE by the federal government.

Stuart L. Smith, M.D.
Chair

David McGuinty
Executive Director and
Chief Executive Officer

Section II: Departmental Performance

2.1 Societal Context

The NRTEE's stated objective is to play the role of catalyst in identifying, explaining and promoting, in all sectors of Canadian society and in all regions of Canada, the principles and practices of sustainable development. Its activities are guided by the strategic priorities of:

- ***Improving Economic Policy from an Environmental Perspective and vice versa*** - by promoting better integration of the environment and the economy in decision making, by influencing policy development within the federal and other levels of government, and by developing tools to advance sustainable development in government policy and other sectors.
- ***Ensuring Program Effectiveness and Efficiency*** - by monitoring management systems to ensure that the activities conducted by the NRTEE contribute to the achievement of its mandate and program objectives, and are carried out as efficiently as possible.
- ***Improving Strategic Communications*** - by raising the profile of the NRTEE, positioning the organization as a recognized and credible first stop for policy makers, opinion leaders and the media to obtain reliable information on the state of the debate on the environment and the economy.

The NRTEE is a small agency that, in cooperation with its stakeholders, seeks to identify actions that will balance economic prosperity with environmental conservation. It targets its efforts and messages primarily at decision makers and opinion leaders, including the media, and in so doing, promotes open and participatory processes, creates alliances between traditionally adversarial or disconnected groups, and educates the wider public. The NRTEE relies on partnerships with representatives from a large variety of sectors, including all levels of government, business, academe, and non-governmental organizations. Within the federal government, the NRTEE collaborates most closely with the departments of Environment, Finance, Natural Resources, Industry, Foreign Affairs and International Trade, Transport, Health and with Statistics Canada.

The major challenges faced by the National Round Table stem from the intrinsically complex and multi-dimensional nature of sustainable development issues, which typically concern a broad range of stakeholders with competing points of view. As a result it requires conceptual rigour and careful organization to successfully convene stakeholders and to gain their confidence in a process to balance protection of both the environment and the economy in specific problem areas.

2.2 Chart of Key Results Commitments

The National Round Table on the Environment and the Economy (NRTEE) has an annual budget of \$3,308,000.

To provide Canadians with:	To be demonstrated by:
Objective views and information regarding the state of the debate on the environment and the economy for specific (sustainable development) issues	<ul style="list-style-type: none"> • Useful and credible information and advice provided to opinion leaders and decision makers. • Programs and activities that are relevant, effective and efficient, and that involve appropriate stakeholders. • Policy makers, opinion leaders and the media viewing the NRTEE as a reliable and impartial source of information and advice on the state of the debate on the environment and the economy for specific issues.

2.3 Performance Expectations

The NRTEE is a policy advisory organization. At the broadest level, its goal is to promote a *sustainable future for Canada*, an outcome that is clearly difficult to measure, and one for which attribution is even more problematic. Similarly, the ability of the NRTEE to *improve policy development* is dependent on a wide array of factors over which the organization has little control. For these reasons, the NRTEE's performance expectations and results focus primarily on the intermediate objective of providing useful information and advice to decision makers and opinion leaders. Where possible, the achievement of this objective is linked to results related to the broader goals of the agency.

The program performance expectations that were described in the 1999-2000 Report on Plans and Priorities are listed below.

Program	Expected Results
Millennium Program	Creation of practical and strategic recommendations to governments, industry and environmental groups on sustainable development policy priorities for the new millennium.
Environment, Health and the Economy	Creation of recommendations, tools and policies that will improve the quality of decision making related to the protection of human health from environmental pollutants.
Aboriginals and Northern Resources Development	Identification of the essential components of a process to guide non-renewable resource development over the next 10-25 years that balances the economic, environmental and social interests of industries, Aboriginal communities, environmental non-governmental organizations and governments located in Canada's north.
Greening the Budget	Recognition by the federal government, in its 2000 budget, of the importance of economic, community and ecological linkages.

In addition three operational priorities were established:

1. completion of a major redesign of the client database;
2. installation of an activity-based costing system to track NRTEE costs more effectively and thereby support improved budgeting, planning, evaluation and reporting; and
3. minor adjustments to computer systems to complete the NRTEE's Y2000 upgrade.

2.4 Performance Accomplishments

The NRTEE actively monitors program timelines and budgets, and conducts a more formal evaluation of one program area annually. In addition, many of the NRTEE's internal policies and practices support the ongoing, or formative, assessment of its programs. The initial planning and design of programs focus very strongly on "results" – on identifying outcomes and the impacts each program hopes to achieve. Task force and committee deliberations and regular plenary sessions provide continuous feedback from members on the progress and value of work undertaken. Programs are routinely revised or readjusted in response to this input. As well, it should be noted that NRTEE program activities are supportive of and consistent with the Government-wide priorities set out in the October 1999 *Speech from the Throne* (see box).

Government-wide Priorities

- A strong and united Canada
- Children and youth
- A dynamic economy
- Health and quality care
- The quality of our environment
- Stronger communities
- The relationship with Canada's Aboriginal peoples
- Canada's place in the world

2.4.1 Presentation of Financial Information

National Round Table on the Environment and the Economy

Planned Spending	\$3,308,000
<i>Total Authorities</i>	<i>\$3,498,000</i>
1999-2000 Actual	\$3,320,000

2.4.2 Performance Accomplishments for the NRTEE's Programs

Millennium

The program's goal is to describe important emerging sustainable development trends, issues, challenges and opportunities for Canada for the first decade of the new millennium.

Three plenaries were held in 1999-2000 to obtain information and advice from experts in three areas – environment and health; environment, economy and jobs; and preservation of nature. Those meetings took place in Halifax, Toronto and Calgary respectively, and highly successful public events were organized in conjunction with the plenaries to stimulate wider debate and discussion of the issues that were identified by the experts. A fourth and final session on urban liveability took place in Montreal in May. A total of about 1500 people attended the public events.

The process followed so far has been successful in generating the foundation of a final statement that will be signed by members of the National Round Table. That statement will be released at the Policy Research Initiative conference in November, 2000, and will then be extensively communicated across the country over a 12 month period.

Health, Environment and the Economy

The focus of this program has been on policy and decision-making processes. After the program was launched early in the year, a multistakeholder task force was created to provide direction and oversight. From there four case studies were commissioned to illustrate deficiencies and strengths in Canada's decision-making processes. The four were Lindane, low-sulphur fuel, MMT (methylcyclopentadienyl manganese tricarbonyl), and bovine hormone Revalor-H.

A productive large multistakeholder workshop was held to review and assess the generic issues raised by these case studies, and the conclusions reached form the basis of a State of the Debate Report under preparation. Draft recommendations have been vetted with senior officials in Health Canada and Environment Canada, and the final report will be released in the fall of 2000.

Aboriginals and Northern Resource Development

The goal of this program has been to determine measures that must be taken to ensure that non-renewable resource development in Canada's north over the next 10-25 years supports economically viable, self-sufficient and socially healthy Aboriginal communities without compromising the ecological integrity of the environment. A planning meeting in June brought together an experienced cross-section of participants from across Canada representing industry, the environment, government and Aboriginal communities to

identify conflicts related to the extraction of non-renewable resources near Aboriginal communities and to recommend how the round table process might help bring stakeholders together to make progress in this area.

Research that was commissioned to provide the information base for the program included: *Aboriginal Communities and Non-renewable Resource Development: The Magnitude of Opportunity*; *Oil and Gas Activity in the Northwest Territories*; *The Legal, Regulatory and Policy Framework for Non-renewable Resource Development in the NWT*; and *Impact and Benefits Agreements as Instruments for Aboriginal Participation in Non-renewable Resource Development*.

Over 100 participants representing Aboriginal communities, the federal and territorial governments, NGOs, academe, and the mining, oil and gas, and diamond industries helped identify priorities and preliminary recommendations at a meeting in Yellowknife, NWT, in March, which was opened by the Honourable Stephen Kakfwi, Premier, NWT. A State of the Debate report including final recommendations is being drafted and will be released in early 2001.

Economic Instruments and Green Budget Reform

- a) Continuing the work of the Greenhouse Gas Emissions Trading program, completed last year, which explored various approaches for incorporating emissions trading into a Canadian program to limit greenhouse gases, the NRTEE hosted a workshop entitled *An International Comparison of Progress Toward Development of Domestic Emissions Trading Programs for Greenhouse Gases* at Globe 2000 on March 23 in Vancouver, BC. This session provided a current analysis of a variety of domestic emissions trading schemes either being implemented or under consideration in selected countries, and linked these schemes to the international trading mechanisms. Representatives from Canada, the United States, Australia and Denmark participated in the panel discussion.

- b) The Economic Instruments and Greening the Budget Committee has continued its work on the use of economic instruments to improve the environment. Central to this program is the annual Greening the Budget process to develop recommendations for consideration by the Finance Minister in the ensuing year's budget. Stakeholder meetings were held throughout the summer in 1999 to examine proposed measures and streamline the recommendations into six key measures that were presented to the Minister of Finance and the House of Commons Standing Committee on Finance in November. The six measures fell into three broad categories:
- Catalyzing investment in innovative technologies included implementing a federal green energy procurement plan and an accelerated capital cost allowance for investments in highly eco-efficient technologies.
 - Protecting and conserving natural spaces included reducing capital gains taxation on ecological land gifts by 50 per cent and establishing a stewardship fund for habitat conservation. Such initiatives will create jobs and make communities more liveable and healthy.
 - Capacity-building measures consisted of (a) support for a Canadian program for applied sustainable economics to develop indicators to measure environmental performance and (b) the creation of a sustainable solutions network to provide governments, business and communities with the information and tools they need to integrate economic and environmental considerations into their decision-making processes.

Approximately half of the \$700 million in new environmental-related spending was directed to initiatives that were consistent with the NRTEE's proposals.

- c) The Economic Instruments Committee has launched a major program to promote discussion and implementation of ecological fiscal reform in Canada. Initiatives in concrete areas such as air and water quality will be emphasized.

2.4.3 Performance Accomplishments for the NRTEE's Internal Operations

In its 1999-2000 Report on Plans and Priorities, the NRTEE committed to three operations priorities, all of which have been successfully implemented.

The NRTEE completed a major update of its client database, which consists of a list of its client groups and stakeholders. The database now contains current information for over 13,000 individuals. While completing this update, the NRTEE also developed a strategic core list of 3,000 key decision makers and opinion leaders to assist in targeting its communications efforts more effectively.

The NRTEE has also successfully developed and implemented a new activity-based costing system. This system tracks operating costs more effectively, with detailed expenditures (relating to oversight, research and development, consultations,

communications and evaluation) identified on a program basis. This has enabled the NRTEE to better assess the allocation and use of its resources.

The third operational achievement relates to the successful completion of all required computer required upgrades for Y2000.

2.4.4 Other NRTEE Accomplishments

In addition to the accomplishments described above, the NRTEE was involved in a number of other significant activities, which are summarized below.

- 1999-2000 saw the graduation of another cohort from the Leadership for Environment and Development (LEAD) Canada program.
- In addition to having several recommended environmental initiatives included in the federal budget, \$9 million over three years was provided to the NRTEE and Environment Canada, in collaboration with Statistics Canada, to develop environmental and sustainable development indicators. These indicators will provide a better basis for assessing the interactions between the economy and the environment and will improve Canada's ability to measure progress in these areas.
- On April 4, 2000, on behalf of the federal government and at the request of the Clerk of the Privy Council, the NRTEE convened the National Leaders' Forum on Sustainable Development. Approximately 40 senior business, non-governmental, labour and educational representatives provided the 30 participating deputy and assistant deputy ministers with reactions to and advice on sustainable development strategy planning.
- NRTEE distributed, on a cost recovery basis through a private sector retailer, approximately 2,500 publications.
- NRTEE continues to produce and distribute, on a quarterly basis, its newsletter *NRTEE Review*, which has a circulation of 13,000. As well, *Executive Briefs* have been introduced as a new vehicle for targeting communications at the 3,000 senior individuals from all sectors on the new core contact list.

Section III: Financial Performance

3.1 Financial Performance Overview

The difference between planned and total authorized expenditures is the result of routine adjustments such as a carry forward of unspent funds from the previous year and a transfer between operating and salary budgets.

3.2 Financial Summary Tables

Financial Table 1 - Summary of Voted Appropriations

Financial Requirements by Authority (\$ thousands)				
		1999-00		
Vote		Planned Spending	Total Authorities	Actual
National Round Table on the Environment and the Economy				
40	Operating expenditures	3,057	3,213	3,035
(S)	Contributions to employee benefits plans	231	266	266
(S)	Expenditures pursuant to paragraph 29.1(1) of the FAA	20	19	19
Total Department		3,308	3,498	3,320

Note: Total authorities are main estimates, plus supplementary estimates, plus other authorities. Costs of services provided by other departments (\$182) are not included.

Financial Table 2 - Comparison of Total Planned Spending to Actual Spending

Departmental Planned versus Actual Spending (\$ thousands)			
		1999-00	
NRTEE		Planned	Total Authorities Actual
FTEs		22	22 20
Operating		3,308	3,498 3,320
Capital		--	-- --
Grants & contributions		--	-- --
Total Gross Expenditures		3,308	3,498 3,320
Other revenues and expenditures			
Non-respondable revenues		(20)	(19) (19)
Costs of services provided by Other departments		161	182 182
Net Cost of the Program		3,449	3,661 3,483

Financial Table 3 - Historical Comparison of Total Planned Spending to Actual Spending

Historical Comparison of Departmental Planned versus Actual Spending (\$ thousands)					
	Actual 1997-98	Actual 1998-99	1999-00		
			Planned Spending	Total Authorities	Actual
National Round Table on the Environment and the Economy	3,465	3,307	3,308 ¹	3,498 ²	3,320
Total	3,465	3,307	3,308¹	3,498²	3,320

1. Represents main estimates only.

2. Represents main estimates, plus supplementary estimates, plus other authorities.

Financial Table 4 - Non-respendable Revenues

Non-respendable Revenues (\$ thousands)					
	Actual 1997-98	Actual 1998-99	1999-00		
			Planned Revenues	Total Authorities	Actual
National Round Table on the Environment and the Economy	13	16	20	20	19
Total Non-respendable Revenues	13	16	20	20	19

Section IV: Departmental Overview

4.1 Mandate, Mission and Vision

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

The agency seeks to carry out its mandate by:

1. advising decision makers and opinion leaders on the best way to integrate environmental and economic considerations into decision making;
2. actively seeking input from stakeholders with a vested interest in any particular issue and providing a neutral meeting ground where they can work to resolve issues and overcome barriers to sustainable development;
3. analyzing environmental and economic facts to identify changes that will enhance sustainability in Canada; and
4. using the products of research, analysis and national consultation to come to a conclusion on the state of the debate on the environment and the economy.

4.2 Departmental Organization

The NRTEE has one business line: the provision of objective views and information regarding the state of the debate on the environment and the economy. Within this business line, activities are organized according to a number of program areas. Each potential program area is scoped and defined, and a task force assigned to oversee the associated activities. Emerging issues are continually explored and, if determined to be a priority, are established as new program areas as funds become available.

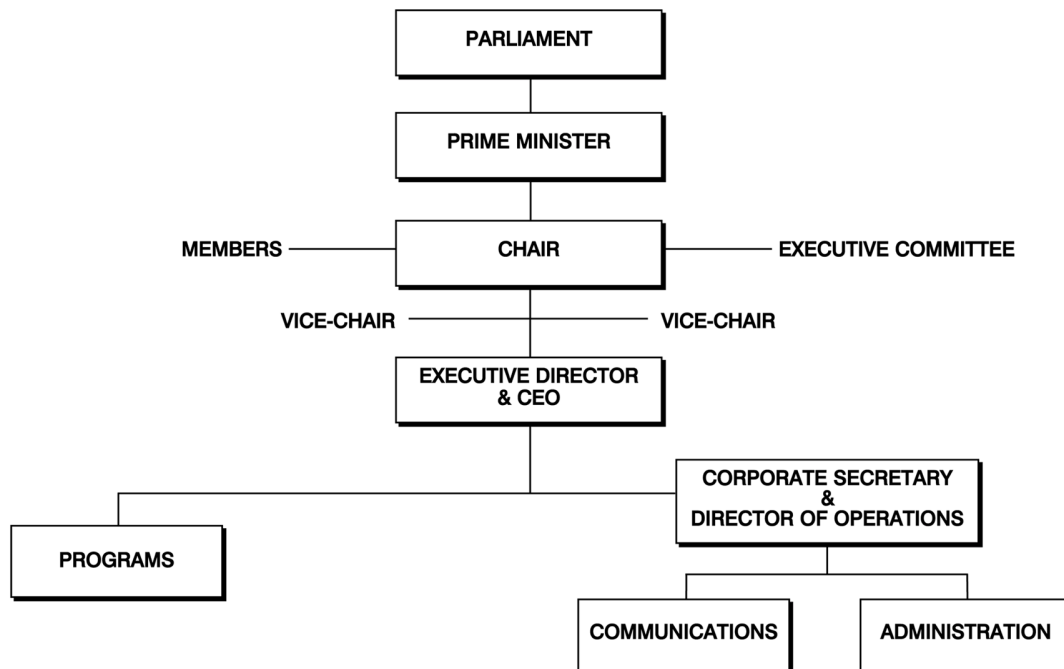
The NRTEE is a multistakeholder body comprising a Chair and a maximum of 24 members who are opinion leaders from a variety of regions and sectors of Canadian society including business, labour, academia, environmental organizations and First Nations. The NRTEE actively promotes a round table and multistakeholder approach to analyzing sustainable development issues and acts as a forum in which all points of view can be freely expressed and debated. The NRTEE members and stakeholders involved in its programs strive to define the relationship between the environment and the economy, to determine where consensus exists on resolving particular issues, and to identify any barriers that prevent consensus. This information is consolidated, assessed and communicated to stakeholders, relevant decision makers and the media.

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

NRTEE activities are organized in a series of programs, each of which is overseen by a task force made up of one or more NRTEE members and selected representatives from relevant stakeholder groups. The responsible task force commissions research, conducts national consultations, reports on areas of agreement and disagreement, and puts forward reasoned recommendations for steps to be taken that will promote sustainable development. The full Round Table then reviews these reports and recommendations prior to approving and releasing them to the public.

The members of the National Round Table meet in plenary sessions four times a year to review the progress of programs under way, to approve the publication of findings, conclusions and recommendations emanating from programs, to establish priorities for the future, and to initiate new programs.

National Round Table on the Environment and the Economy (NRTEE)



Section V: Other Information

5.1 Contacts for Further Information

The Web site address for the National Round Table on the Environment and the Economy is:

<http://www.nrtee-trnee.ca>

Publications are offered through Renouf Publishing Co. Ltd. The Web site address is:

<http://www.renoufbooks.com>

Requests for additional information should be directed to:

Mr. Gene Nyberg
Corporate Secretary and Director of Operations
344 Slater Street, Suite 200
Ottawa, Ontario
K1R 7Y3

Telephone: (613) 995-7581
E-mail: gnyberg@nrtee-trnee.ca

5.2 Legislation & Associated Regulations Administered

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

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