

# Lac-Mégantic: Safety spending questioned

## Watchdogs contradict agency's claims it received extension on improvements

BY MIKE DE SOUZA, POST MEDIA NEWS SEPTEMBER 26, 2013 1:12 PM

Two federal government watchdogs are contradicting some of Transport Canada's safety oversight claims in the wake of the Lac-Mégantic train disaster.

While the auditor general denied it granted extensions on the department's commitments to improve oversight of the transportation of dangerous products in response to a 2011 audit, the federal budget watchdog has published preliminary figures suggesting Transport Canada has failed to spend millions of dollars announced last year to promote rail safety, as well as under-spending in budgets promoting safety in the other modes of transportation by air, water and roads.

Overall, the budget numbers suggested Transport Canada spent 64 per cent of about \$37 million budgeted for rail safety in 2012-13.

At the same time, they revealed the government had spent 99 per cent of the \$12.7-million Transport Canada budget dedicated to the transportation of dangerous goods.

The government's own accounting records for the previous year indicate it spent about 85 per cent of approximately \$38 million allocated for rail safety in 2011-2012.

The only area where Transport Canada was overspending in 2012-13, according to the Parliamentary Budget Office numbers, was on "internal services" in the department. The department was not immediately able to say what this spending was for or how it managed to exceed its \$168 million budget for "internal services," by instead spending \$192 million in this category.

According to the government's Treasury Board Secretariat, "internal services" generally refers to a range of administrative services including legal, human resources and technology support services as well as communications or public relations. Transport Canada was also not immediately able to respond to the information provided by the watchdogs. But the office of Transport Minister Denis Lebel said this week that the government was not cutting inspectors and continuing to hire with more than \$100 million in rail safety investments since 2009.

Lebel's office also said that the government had introduced rules to increase fines for companies violating rail safety legislation, noting that train accidents have decreased by 23 per cent since 2007.

Transport Canada said Wednesday it had failed to deliver on three major commitments to improve its oversight of the transportation of dangerous products based on weaknesses identified in the December 2011 audit by the federal environment commissioner in the auditor general's office.

But after the Lac-Mégantic train disaster, the department claimed in statements that it was still on schedule to meet its commitments and was granted extensions by the auditor general's office, which refuted those claims.

"We aren't, as auditors, the ones who grant extensions," said Céline Bissonnette, a spokeswoman for the auditor general's office. "That is Transport Canada's own decision, for which they alone are accountable."

At the time of the 2011 audit, the former environment commissioner, Scott Vaughan, noted that the problems were "not new" and had been identified in internal audits five years earlier.

Vaughan's audit found that inspectors were not following up in ensuring compliance in most cases after uncovering problems during inspections of transportation of dangerous products in a variety of modes, including railways, roads and shipments on water and air.

The department, at the time, said it would fix the oversight weaknesses by April 2013.

The unfulfilled commitments include the development of a quality assurance plan for following up on compliance, as well as to "clarify and document roles and responsibilities" of various groups "involved in the inspection of dangerous goods."

The department also said it had not yet delivered plans to "update and implement a performance measurement strategy" for the transportation of dangerous goods. But it said it had delivered seven out of 10 commitments, including a stronger riskassessment strategy and improved training for inspectors and management. NDP transport critic Olivia Chow said the Transportation Safety Board and the auditor general have both provided a roadmap for the department to correct its oversight weaknesses, but she said she was sad that it failed to deliver clear goals and a comprehensive database to fulfill its responsibilities in ensuring public safety.

"I keep imagining the horror and suffering and pain that the town folks are going through, and by gosh we need to do everything we can to prevent such tragedies from happening again," Chow said in an interview.

"Surely we can work together and do a much better job."

Meantime, the department disagreed with suggestions it had "failed" to improve oversight.

"The accusation regarding compliance is not accurate," said Transport Canada spokeswoman Maryse Durette.

"Information provided by Transport Canada clearly states that we have completed our commitment to 'Strengthen compliance monitoring guidance tools, and processes and document follow-up procedures.' "