

CEPA 24th session – Dedicated observer consultation

Sustainable public finance (item 7)

Remarks by Mr. David Fulford, Chief Executive Officer, Institute of Public Administration of Canada

- Many thanks for the opportunity to provide my views on the Sustainable Public Finance paper. I found the paper to be a comprehensive assessment of the challenges that we face with thoughtful recommendations.
- Congratulations to the team that collaborated on the paper.
- Now when we started our meeting on Monday the mood in the room was not as upbeat as in previous years. I was struck by one of the comments that was initially made – “It is difficult to think about what could be the future”.
- There is no question that we are facing some unprecedented challenges, and we are significantly behind on several of our 2030 goals but generations before us faced significant challenges that they were able to overcome. My grandparents survived two world wars and a depression and managed to raise 8 children. If they were alive today, I know they would tell me how lucky I am to live in a world that offers so much more than what they had.
- I agree that funding is needed to close the gap, but we must recognize that the countries that could contribute more are now talking about spending more of their budget on increasing defense spending, healthcare for an aging population and assistance to help individuals & businesses who will be impacted by an economic downturn, not to mention debt servicing payments.
- The credibility of and trust in public institutions is under scrutiny so we need to take a different approach to change the course if we want our goals to remain a priority and not just an objective.
- Building on the recommendations in the report I believe we need more collaboration and partnerships to develop innovative solutions to the challenges we are facing.
- Practitioners and academics need to come together to teach public servants about their fiduciary responsibilities. Anyone managing public finances and those who work in policy creating ideas on how to spend public funds need rigorous training to avoid the issues Auditors regularly find and to build trust with the public that their tax dollars are being well spent.

- There is an essential role for higher education to educate both public servants and elected officials. We recently developed a program on Values & Ethics, and we require a grade of 80% to pass. Something similar should be considered for training public servants in their fiduciary responsibilities.
- I know many of you are concerned about the risks around AI in our future, but I also see an opportunity for government to be more productive for its citizens and drive better outcomes. This could ultimately help us in achieving sustainable public financing. We recently introduced an AI program for all public servants in Canada to help them navigate this new world.
- When it comes to emergency funding, governments want to be seen to be quickly responding to a situation, but we all know there are risks to not thoughtfully planning. I recommend a new approach – add a member of the audit team to the emergency team from day one so they can help upfront as opposed to commenting in an audit years later. It won't solve all the problems, but it is an example of how we can take a different approach by partnering & collaborating
- Lastly, the report mentions that public procurement needs to be recognized as a stand-alone profession. I support this but we need proper training and standards to set them up for success.