



**Fasken Martineau lunch conferences
of the Association des MBA du Québec**

**Notes for a speech by Daniel Lebel, Eng., FEC, PMP
President of the Ordre des ingénieurs du Québec**

**Fairmont The Queen Elizabeth Hotel
11:45 a.m., Thursday, November 28, 2013.**

Mr. Chairman of the Board of Directors of the Association des MBA du Québec;
Distinguished guests of the head table;
Ladies and Gentlemen,

As you know, the engineering profession is going through some hard times. Given all the allegations of corruption and collusion in the process of awarding public contracts that have been raised by the Charbonneau Commission and the media, we can even go so far as to say that the construction world is in a state of crisis.

The scale of the revelations casting doubt on consulting engineering firms and the schemes of certain engineers have greatly harmed the public's trust in the profession. In fact, a survey conducted earlier this year by IPSOS for the Ordre des ingénieurs du Québec confirms that only 51% of Quebecers now have confidence in engineers. For the sake of comparison, this percentage was 74% in the mid-2000s.

I thank you for the opportunity to speak to you today about the vision and leadership of the Ordre des ingénieurs du Québec and its board of directors with respect to ethics and sound business practices of its members and the entire engineering and construction industries.

As President of the Ordre des ingénieurs du Québec and a project manager for over twenty years, I am concerned about the consequences of this confidence crisis, not only for Québec's industry, but also for its economic development and the promotion of our expertise around the world.

CRISIS MANAGEMENT FROM A MANAGER'S POINT OF VIEW

As managers, we have all dealt with regular emergency situations and managed crises that could have had a major impact on our organizations. Many of you have undoubtedly developed expertise in risk and crisis management.

As for me, the crisis that is now shaking up the engineering industry is not the first one that I have had to deal with as a manager. But it is the first crisis that I have ever had to manage as President and spokesperson of my professional order.

For example, I have given nearly 150 interviews since 2012, and the year isn't over yet.

Although I can now effectively draw on all of my past experiences to lead crisis management efforts and ensure that the Ordre des ingénieurs and the industry turn this situation to their advantage, this crisis is no less multi-faceted than I originally thought when I agreed to take this office.

There is no doubt that the challenges raised by this crisis go way beyond the boundaries of the engineering profession. And it is these challenges that I would like to briefly discuss with you now.

The very first challenge, of course, is the disciplinary controls that should be applied to offending engineers, and the harm that dishonest business practices have done to the reputation of the 60,000 engineers, members of the Ordre des ingénieurs.

The engineers who work in private practice and at consulting engineering firms represent only a portion of our membership. Still, there are nearly 11,000 engineers who fit in this category.

As I have been saying for several months now, not all of these engineers are involved in this scandal. After all, the scandal is mainly related to business development practices. This means that only a handful of individuals are actually responsible for ruining the reputation of 60,000 people.

Where do we begin to repair the damage?

With the support of the Board of Directors, the Ordre des ingénieurs du Québec has acquired the tools and resources it needs to carry out the necessary inquiries. We have made a commitment – you have copy in front of you – we have made a commitment to our members and the public to clean the house, provide solutions to the crisis and be more transparent so that people know what we are doing.

We also want to send a clear message: No one is above the laws, the ethics and the code of ethics that govern the engineering profession. There will be no immunity. And we also want to make sure that everyone understands the potentially harmful consequences that their actions may have on Québec's development and reputation.

The Ordre des ingénieurs was one of the first to demand a board of inquiry. Since the Charbonneau Commission began its work, the Office of the Syndic has opened more than 140 inquiries involving corruption, collusion and fraud and over 350 inquiries involving illegal political party funding by engineers.

We have added resources so that the syndic is able to complete these inquiries. To date, more than thirty engineers have been summoned before the OIQ Disciplinary Council to answer to charges in connection with illegal political party funding, collusion and corruption.

In fact, this very morning, the Ordre des ingénieurs du Québec announced that complaints have been filed against two more engineers. These complaints are being filed as a result of a two-year inquiry by the Office of the Syndic that uncovered a new stratagem.

So you can understand why competent resources are necessary to complete this extensive work.

To rigorously and competently perform this job, the members of the Board of Directors, and the Ordre des ingénieurs' permanent staff – a few of whom are here today and I want to acknowledge them – must demonstrate an on-going commitment. As president, I feel supported.

As managers, you know how essential commitment is. If the inquiries are not thoroughly carried out by competent and motivated individuals, our evidence will be inadequate and the efforts we have made will be for nothing.

That is why we are determined to work every day toward eradicating the source of the problem by punishing the offenders and modernizing business practices.

All of the OIQ's resources are behind the daily decisions we make and the working meetings we hold to advance operations. They stand ready to fulfill our commitment and reach our goals.

The Ordre des ingénieurs du Québec also has a duty to support its members. You undoubtedly know some engineers. They are...we are...professionals who are proud of our profession. We are passionate people who have chosen our profession because we dream of building a bright future for our fellow citizens, just like Québec's original builders did before us. I am thinking of major feats of engineering like the hydro-power dams and the Canadarm, as well as our accomplishments in the field of aeronautics.

Today, the vast majority of engineers do not feel mobilized. We cannot sacrifice this great profession and pillar of our collective identity for the greed of certain individuals.

We must learn lessons from today's events so that we can prevent them from recurring. Québec society and consulting engineering firms need to come out on top of this crisis and we engineers have a duty to become inspiring examples for stakeholders by demonstrating how to resolve it.

SUSTAINABLE SOLUTIONS

To accomplish our mission, which, I remind you, is to protect the public, the Ordre des ingénieurs du Québec has launched several initiatives designed to position Québec as a world leader in the integrity and efficiency of engineering business practices

These projects are the product of the OIQ's vision, which is to dispel, once and for all, doubts about the integrity of engineers and the companies that employ them.

Our chosen methods will affect the ability of our companies to carry out projects with government departments, corporations and bodies at all levels. They will also make it possible to carry out work and projects at a lower cost and within deadlines so that Québec companies develop a competitive edge both here and abroad.

Even though Québec engineering is the one going through the crisis, it is Québec as a whole that suffers the consequences. Because the construction industry is affected by this crisis, a large part of our economy is in jeopardy. We run the risk of losing our competitive edge over several other countries and provinces that are just as able to compete with us in attracting investments in the civil engineering, aerospace, biotechnology and pharmaceutical sectors.

Not to mention our ability to rectify the major lack of maintenance affecting our strategic infrastructures, which are necessary for our collective development. Champlain Bridge is a good example of both a lack of maintenance and a lack of long-term vision.

Nevertheless, our current situation gives us a chance to implement sustainable solutions that will make Québec a world leader in integrity and efficiency.

Although project cost overruns may very well be the product of lacking integrity or misconduct, they may also be explained by poor organization and planning, or even by ineffective project management.

The Ordre des ingénieurs du Québec has been particularly proactive in setting up sustainable solutions in such a context.

HOW?

For Québec to come out on top of this crisis, it will have to change the way it does business, awards and manages public contracts and supervises our construction sites.

By our actions and initiatives will not only transform the professional system. We want to transform the construction and consulting engineering industries...and I would go even farther to include the entire set of ethical standards involved in business practices across Québec.

The Ordre des ingénieurs du Québec believes that the companies that want to do business in Québec must first exhibit a high level of integrity that is beyond reproach. Then, we can talk about expertise and prices.

In this way, the Ordre des ingénieurs du Québec is stepping up research and training activities with its members on the issues of professional independence, contract management, ethics, conflicts of interest and the supervision of construction work.

Furthermore, our professional inspection system now allows us to better target specific, more sensitive environments such as municipal bodies and consulting engineering firms.

AUDIT PROGRAM FOR CONSULTING ENGINEERING FIRMS

In May of this year, the Ordre des ingénieurs du Québec broke new ground by announcing a program that would audit the business practices of consulting engineering firms. This has never been done before in the world of Québec's professional orders, whose current authority extends only to their members.

The OIQ is now developing voluntary standards for auditing firms, in tandem with the Bureau de normalisation du Québec, which has extensive expertise in certification.

I would like to acknowledge its director, Mr. Jean Rousseau, who is with us today. Mr. Rousseau, I sincerely thank you and your colleagues at the BNQ for your invaluable assistance.

The Association des ingénieurs-conseils du Québec and three of its members are also participating in the committee that is developing this audit program, which will be able to better determine the realities of these environments. I would like to acknowledge the CEO of the AICQ, Ms. Johanne Desrochers, who is also with us today.

And they are not alone. Representatives from the Autorité des marchés financiers, the Conseil du Trésor, the Lobbyists Commissioner, Transports Québec, the UPAC and the Office des professions du Québec have agreed to participate in the working committee by offering advice on integrity and business practices. We are very proud and pleased to be able to count on their assistance.

This initiative is now in the process of being set up. Once the codes of conduct have been analyzed, the OIQ will begin to perform audits in firms. By participating in this program, firms agree to follow established rules and practice standards and to submit to audits by the OIQ. This program is, I repeat, voluntary, and will be funded by the firms.

The Ordre des ingénieurs is also using this initiative as a way to stay in close contact with employers of engineers in the interest of achieving a better mutual understanding of the professional obligations of engineers.

These professional obligations provide an ethical lever that can and must benefit the companies.

The audit program of the Ordre des ingénieurs du Québec is meant to transform Québec's professional system, since nothing like this has ever been tried before. This initiative is beginning to catch on among our colleagues at other professional orders.

Another contribution of the Ordre des ingénieurs du Québec to better supervision of engineering practice is its involvement in the modernization process of the Engineers Act.

The Engineers Act dates back nearly 50 years. In 1964, there were barely 4 fields of engineering practice. Today, we have 11 schools and faculties of engineering in Québec and over 42 new programs that train our future engineers. These programs include biomedical, computer and biotechnological engineering, to name just a few.

The special consultations held for Bill 49 earlier in November were a major step toward adopting a new Engineers Act. We ask Mr. Bertrand St-Arnaud, Minister of Justice and Minister responsible for the administration of legislation respecting the professions, to continue the consultations so that the updated version of our Act can be quickly adopted. Public safety is at stake.

In this regard, the bill includes mandatory supervision, which is essential to ensure the protection of the public, as well as the specialties of hundreds of new engineers not covered by the current version of the Act because it does not mention their specific activities.

The revelations of the Charbonneau Committee were the reason we began to discuss the integrity of companies that do business with the government and municipal bodies. This discussion was necessary to curb the schemes that have already been exposed and prevent them from being perpetuated.

But these wrong-doers will be replaced by others and regardless of the control mechanisms we set up, there will always be people who try to get around them, for as long as the public and private organizations awarding contracts do not develop better ways to control the process of awarding and managing their contracts.

AN INDEPENDENT INTEGRITY INSTITUTE

To enable these public and private organizations to receive the expertise and information they need to soundly manage engineering structures, the Ordre des ingénieurs du Québec is evaluating setting up an independent integrity institute to research, monitor and disseminate best practices around the world.

The main duty of this type of organization would be to assist decision-makers and contract providers in the search for better solutions based on their actual needs. It would also assist them in setting up processes to ensure the quality, service life and functionality of future engineering structures.

Not only would the institute provide information on continuously evolving best practices, but it could also increase Québec's ability to manage and complete quality projects at reasonable costs.

Imagine if we were able to reduce the percentage of impact that misconduct in the public contract award and management process has caused by just one point, from 25% to 24%. That would bring back, in the most conservative way, 175 million dollars per year into the government's coffers. 1%. Think about it.

We are convinced that this type of independent institute would allow Québec to distinguish itself and become a world leader in managing infrastructure projects and other engineering structures. It would also leave an indelible mark on the crisis we are now experiencing.

It goes without saying that the institute would have to be audited and file regular reports.

Companies here in Quebec have long been considered some of the finest in the engineering industry. We have the opportunity and the responsibility to restore our status and become known around the world for our integrity and ethics in engineering.

The Ordre des ingénieurs du Québec is proposing sustainable solutions that will make Québec a world leader in integrity and efficiency. And we are actively implementing our proposed measures, which is why we need the assistance and support of all stakeholders. That means business professionals and managers like you.

We need to rally all stakeholders in Québec to work together so that professional orders have the power to intervene quickly when the codes of ethics of professionals are seriously violated. This will not be the last crisis that professionals will face.

We need to work together to transform the ethical standards involved in the business practices of the engineering and construction industries. But not just in those industries. All business communities should be concerned.

The entire province should come out on top of this crisis.

We have a duty to become an inspiring example of how to solve this crisis for stakeholders both here and abroad.

We are a people of builders who are capable of achieving great feats. We have proven it in the past, and we continue to prove it every day in the success our companies achieve abroad.

Together, we are capable of making the changes required to solve this crisis.

Thank you!