



# Governance Framework Trajectory for Major Public Projects in Quebec: Their Evolving Nature

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# Presentations



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**Expertise:**

- Organizing for projects
- Development of major projects
- Project management office



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**Expertise:**

- Governance of public projects
- Major and mega projects
- Innovation in construction

# Agenda



1. Context
2. The Quebec governance framework
3. The evolution of the framework
4. Discussion
5. Conclusion
6. Questions and comments

# 1. Context

- In Quebec, public infrastructure investments are estimated at \$ 142,5 billion CAD for the next 10 years, of which most of those investments will be delivered as major projects
- Quebec adopted a governance framework in 2008, inspired by the Norwegian and British models
  - Second version in 2010
  - Third version in 2014
  - Diagnosis currently undertaken by the government
  - Front-end phase of individual projects of over \$ 50 million
- **Over this period, the overall context has evolved worldwide as well as the nature of projects**

# The Interest to Look at the Evolving Nature of the Governance Framework

- To understand how governance frameworks adapted (if they do) to the rapidly changing contexts
  - Pre-conditions and triggers
  - Outcomes
  - The process of evolution

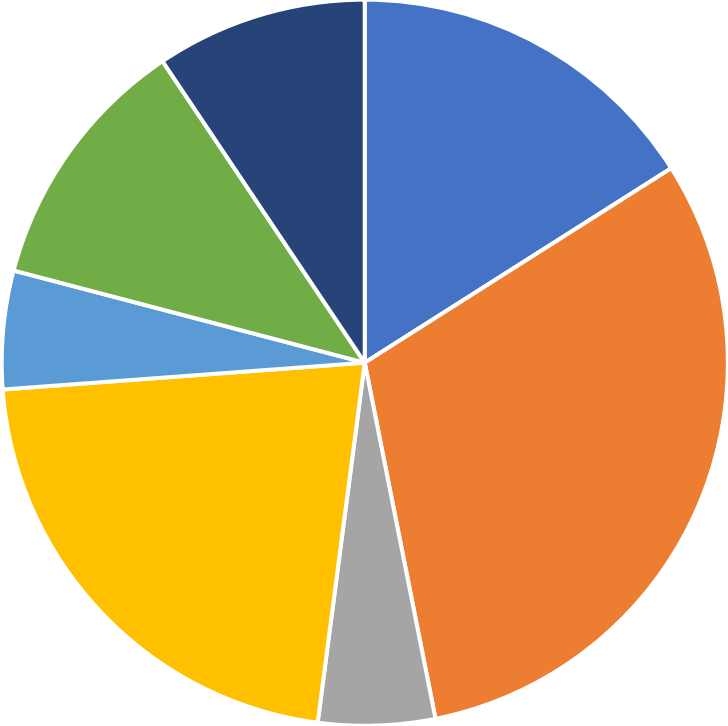
# Law on Public Infrastructures (LIP)

- **Adopted in 2013**
- **Infrastructure public investments planning**
  - 10 years rolling portfolio: Plan québécois des infrastructures, actualized every year
- **Allow the Quebec Treasury Board to emit directives concerning the planning and management of public infrastructure**
- **Constitution of Société québécoise des infrastructures (SQI) – November 13th, 2013**
  - Merger from different government organisms mainly involved in buildings construction and assets maintenance
  - *The* government expert in the management of all projects
  - Project manager for government buildings
  - Building assets maintenance

# Quebec's Infrastructure Investment Plan

- **Le Plan québécois des infrastructures (PQI) 2022-2032 anticipates total investments of CAD 142,5 billion, of which:**
  - 75,6 B\$ for assets maintenance
  - 53,5 B\$ for replacement and improvement of actual infrastructures (determined projects)
  - 13,4 B\$ for eventual projects, not yet determined

# Investments by sector

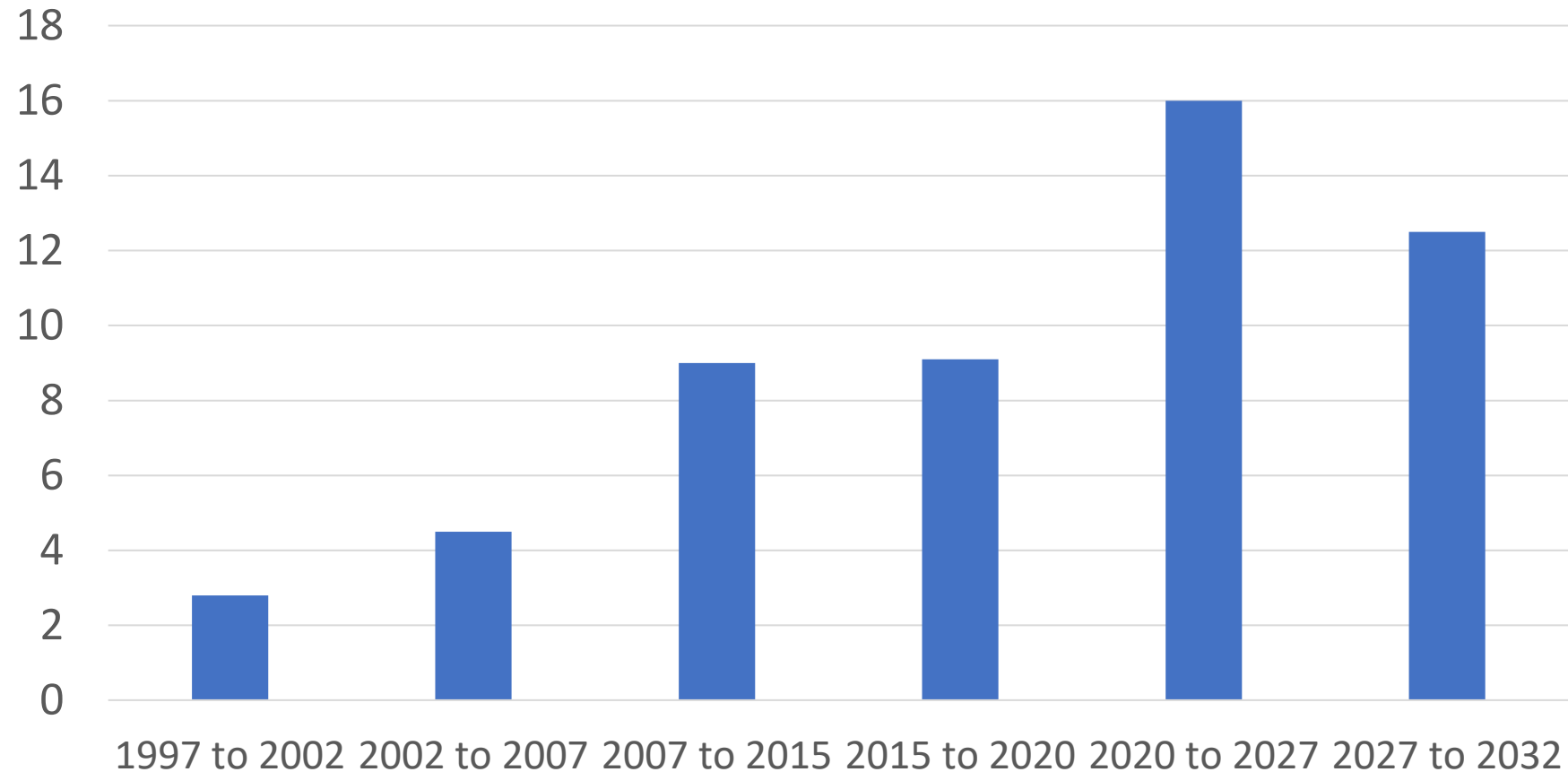


- Health & Social services
- Municipalities
- Informational resources
- Central envelope
- Transport (roads and collective)
- Education and Culture
- Other sectors

PQI p.A16



# Evolution of Public Investments (B\$/year)



PQI p.A18 and PQI 2016 p.21

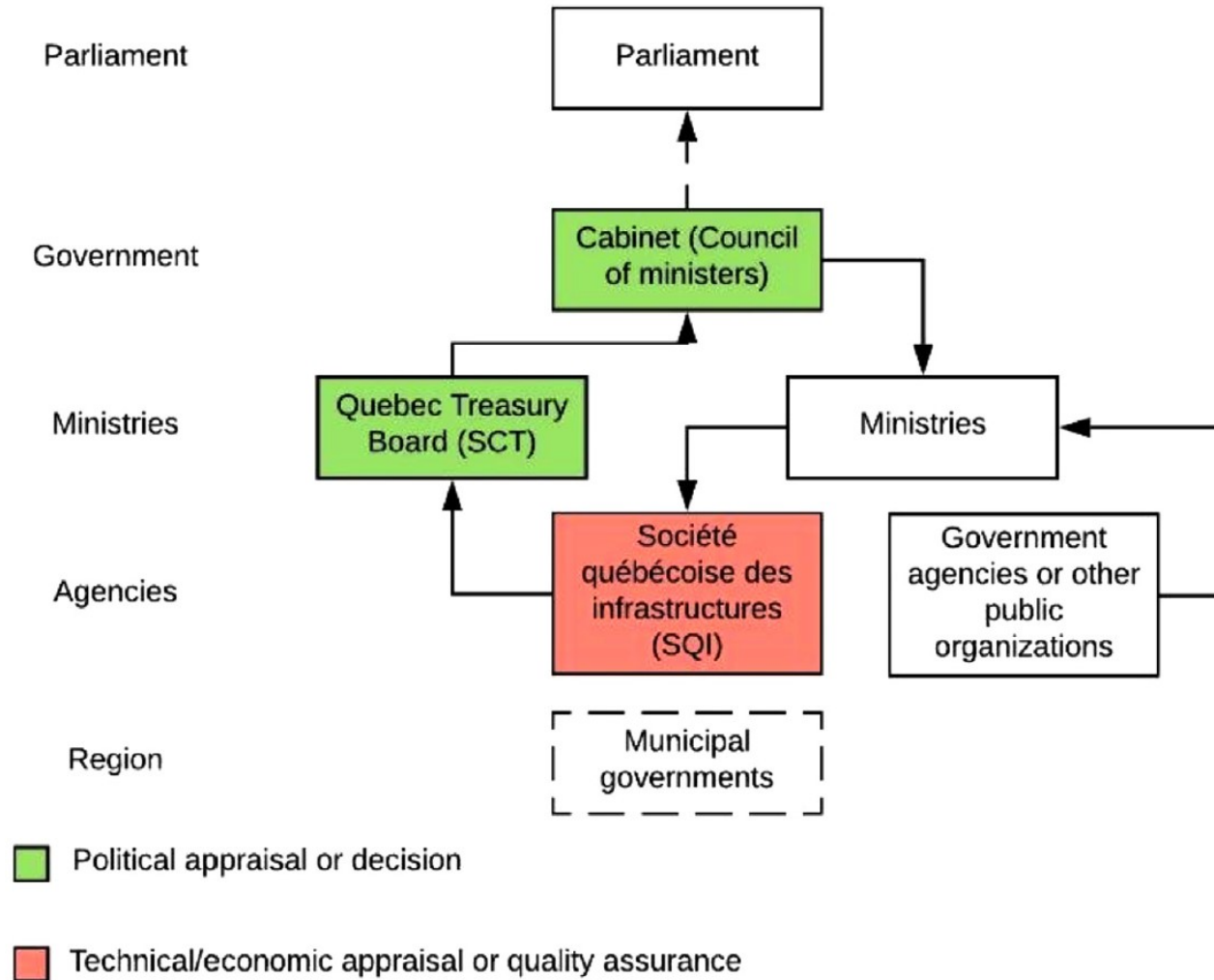
# 2. The Quebec Governance Framework

## Objectives of the Quebec governance framework

- Best and optimal practices
- Better selection of projects (according to needs)
- Better governance: accountability and transparency
- Long term, global vision
- Quality of infrastructures
- Respect of costs, time and scope
- Standardisation of project management practices



# Governance Parties and Roles

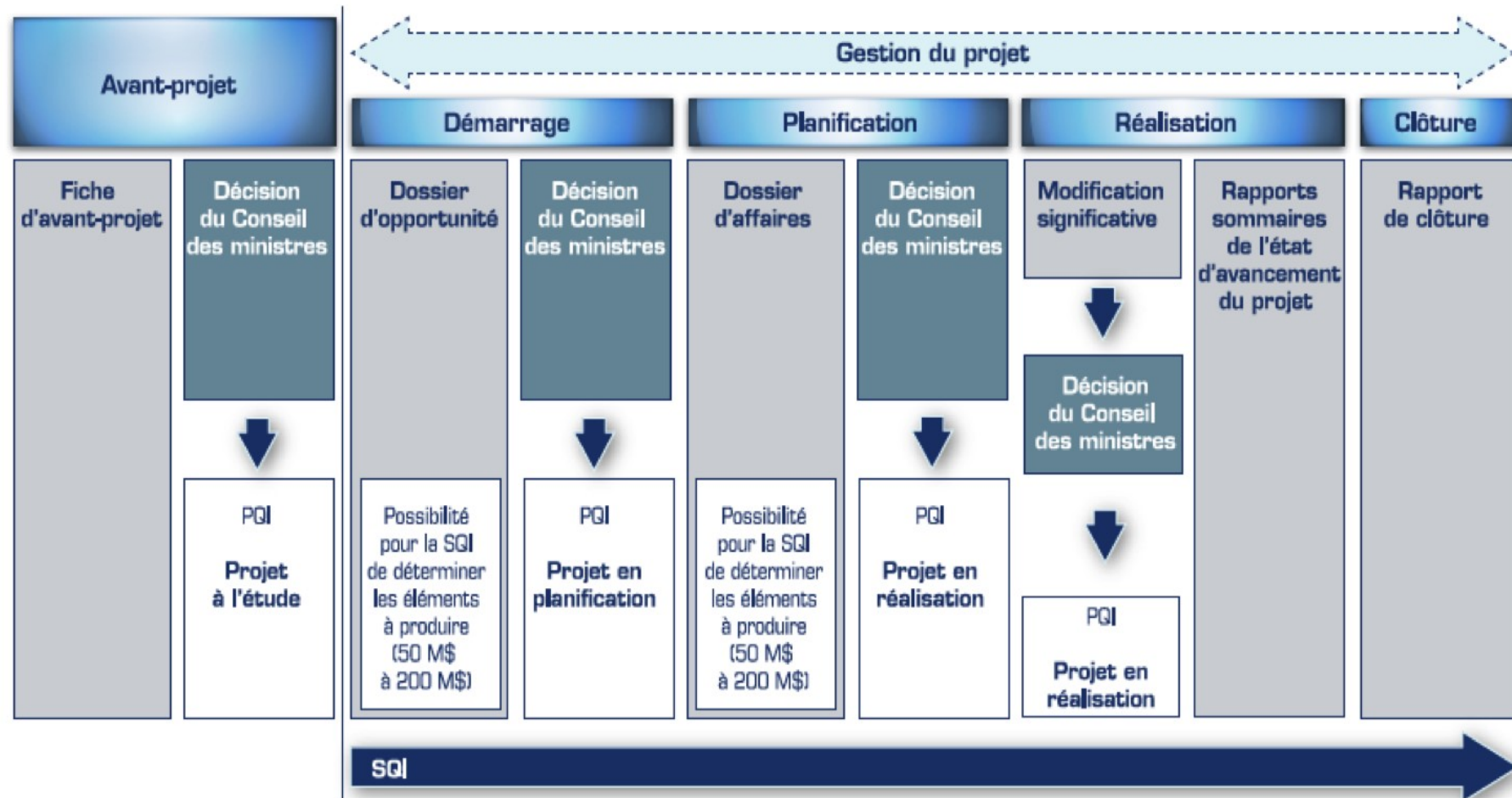


Source: Brunet 2021

# Projects Covered

- Large infrastructure projects (+50M\$)
- SQI for all projects but transport (managed by the Ministry of Transport)
  - Project manager
  - In association – technical/economic appraisal or quality insurance

# Quebec Governance Framework



# Projects Steps

## 1. Strategic presentation document

- Initially instigated by the Ministry sponsoring the project
- Has to be approved by the Council of ministers
- Once approved, the project is included in the portfolio
- **Content:**
  1. 1-Brief description of needs
  2. 2-Preliminary estimation of total project costs
  3. 3-Preliminary estimation of costs for the production of OC and BC

# Projects Steps

## 2. Opportunity Case

- Usually around 1 to 1 ½ year
- **Content:**
  1. Needs analysis
  2. Project specifications
  3. Possible options and evaluation
  4. Choice of the best long-term option, and justification
  5. Annual investments allocation
  6. Main economic and financial variables
  7. Estimations of costs for the production of BC
- **Conceptual appraisal submitted by project team (SQI, Ministry and professionals) for review at Treasury**
- **Approval at the Council of ministers**

# Projects Steps

## 3. Business Case

- Usually around 1 ½ to two years
- **Content:**
  1. Project scope
  2. Project schedule
  3. Project management plan
- **Preliminary plans and specifications submitted by project team (SQI, Ministry and professionals) for review at Treasury**
- **Approval at the Council of ministers**

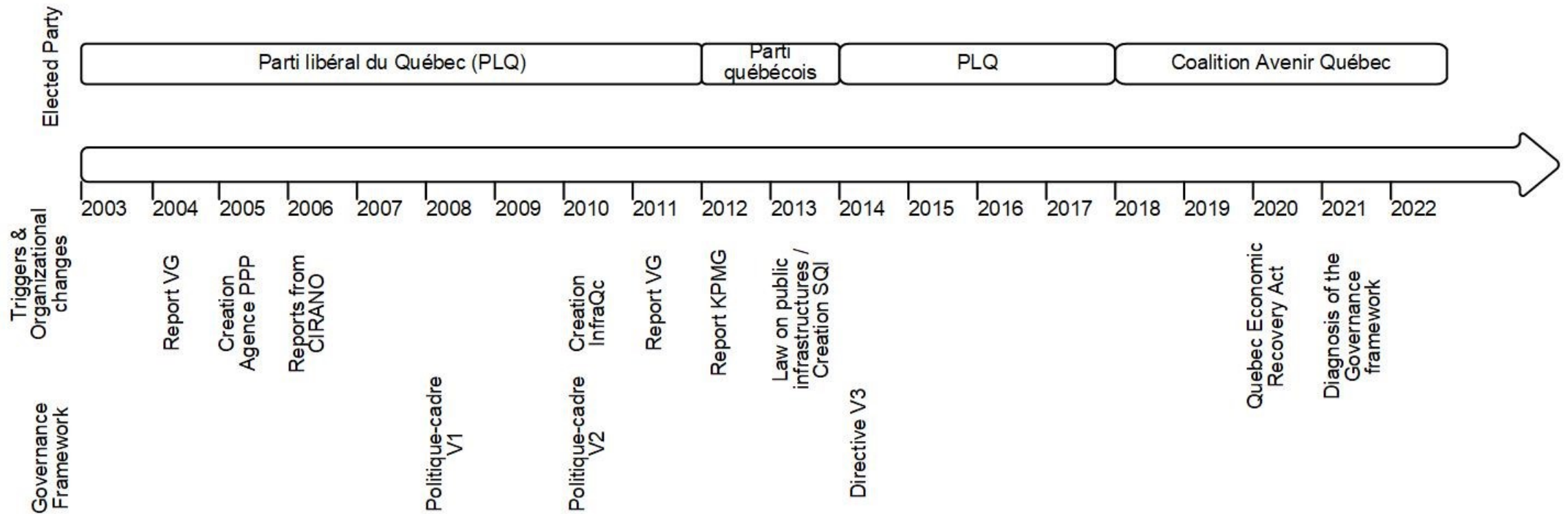


# Projects Steps

## 4. Project Execution and Closing

- Initially instigated by the Ministry sponsoring the project
- Project reports have to be given to the Quebec Treasury Board (SCT) about twice a year for the execution phase, and once the project is closed for the final report
- Additionally, if there is a modification to the project scope and costs, the project manager has to formally ask for approbation of this modification to the Council of Ministers

# 3. The Evolution of the Framework



# Modifications From Past Versions

- Institutionalized framework: from an administrative policy to a legal document
- Threshold of 40M\$ raised to 50M\$
- More emphasis on front-end, approval at the Council of ministers (justification of needs)
- No more quality assurance by outside consultants (done internally)
- Before there was 5% of costs estimates that could be used without further approvals, now reduced to 0%
- Project manager for all major projets: Société québécoise des infrastructures (SQI) or MTQ

# Triggers and Outcomes

	Triggers	Outcomes (main points)
V1 Politique-cadre 2008	<ul style="list-style-type: none"> <li>• Report by Auditor general (2004)</li> <li>• International benchmarking (2006)</li> </ul>	<ul style="list-style-type: none"> <li>• Administrative policy</li> <li>• Agence PPP</li> <li>• Quality assurance by private actors (experts consultants) and Treasury</li> <li>• PPP projects by default (otherwise had to be justified)</li> </ul>
V2 Politique-cadre 2010	<ul style="list-style-type: none"> <li>• Political reorientation, governance framework to encompass all major projects, not only PPPs</li> </ul>	<ul style="list-style-type: none"> <li>• Infrastructure Quebec</li> <li>• Conventional contracting by default, otherwise had to be justified</li> <li>• Approvals: Gate 1 – ministry sponsoring the project; Gate 2-3 – Council of ministers</li> </ul>
V3 Directive 2014	<ul style="list-style-type: none"> <li>• Report by Auditor general (2011) and independent firm SECOR-KPMG (2012)</li> <li>• Law on public infrastructure (2013)</li> <li>• Political reorientation to develop quality assurance internally</li> </ul>	<ul style="list-style-type: none"> <li>• Legal document</li> <li>• Project manager: Société québécoise des infrastructures (SQI) or Ministry of transport (MTQ)</li> <li>• Quality assurance by SQI and Treasury</li> <li>• No formal need to consider different contracting modes</li> <li>• Approvals: All gates approved by Council of ministers</li> </ul>

# Some Projects Under QGF

MUHC – 1,1 B\$, 2004-2015



# Some Projects Under QGF

Turcot interchange – 3,19 B\$, 2018



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The 9th Concept Symposium on Project Governance, September 22-23, 2022

# Some Projects Under QGF

Quebec Amphitheater – 400 M\$, 2012-2015



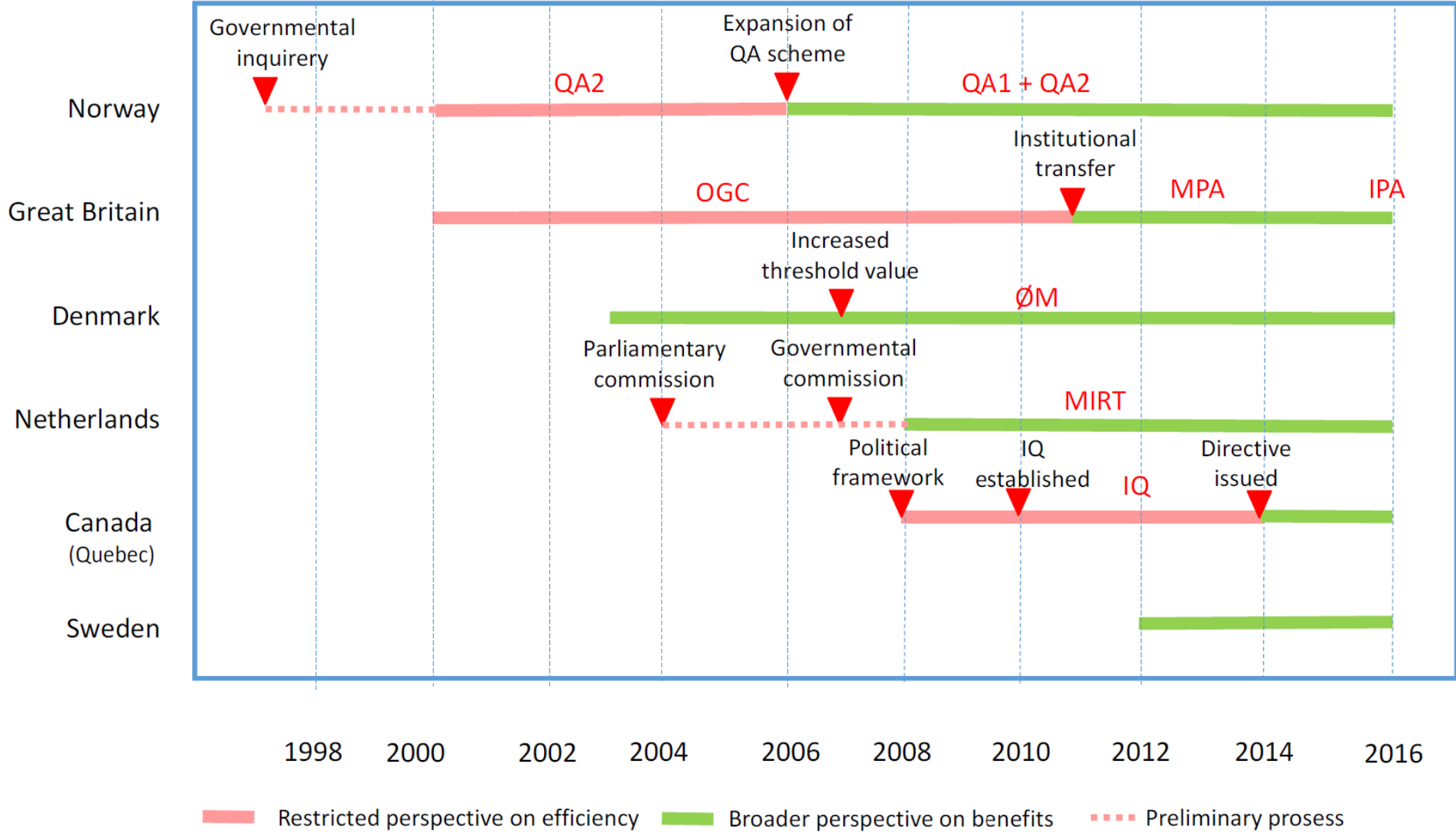
WSP website

# 4. Discussion

- Evolution of the schemes – an international perspective
- The schemes in light of project governance principles
- The need for an inclusive and proactive approach to governance



# Evolution of the Schemes – An International Perspective



Source: Samset et al., 2016

# Project Governance Principles

## Effective

- Structural governance
- Relational governance
- Escalation mechanisms
- Accountability
- Strong owner



## Concerted

- Social acceptability of projects
- Co-design and co-construction
- Anchoring in local communities and economy - positive spin-offs
- Taking into account environmental assessment reports (BAPE, pressure groups and citizens)

## Communicated

- Ongoing communication
- Collaborative contractual relationship
- Formalised and facilitated with new technologies
- Small successes (pilot projects)
- Definition of room for manoeuvre
- Overall coherence and pace of implementation
- Transparency

Source: Brunet & Romero-Torres, 2021

# A Multi-level and Sensemaking Approach

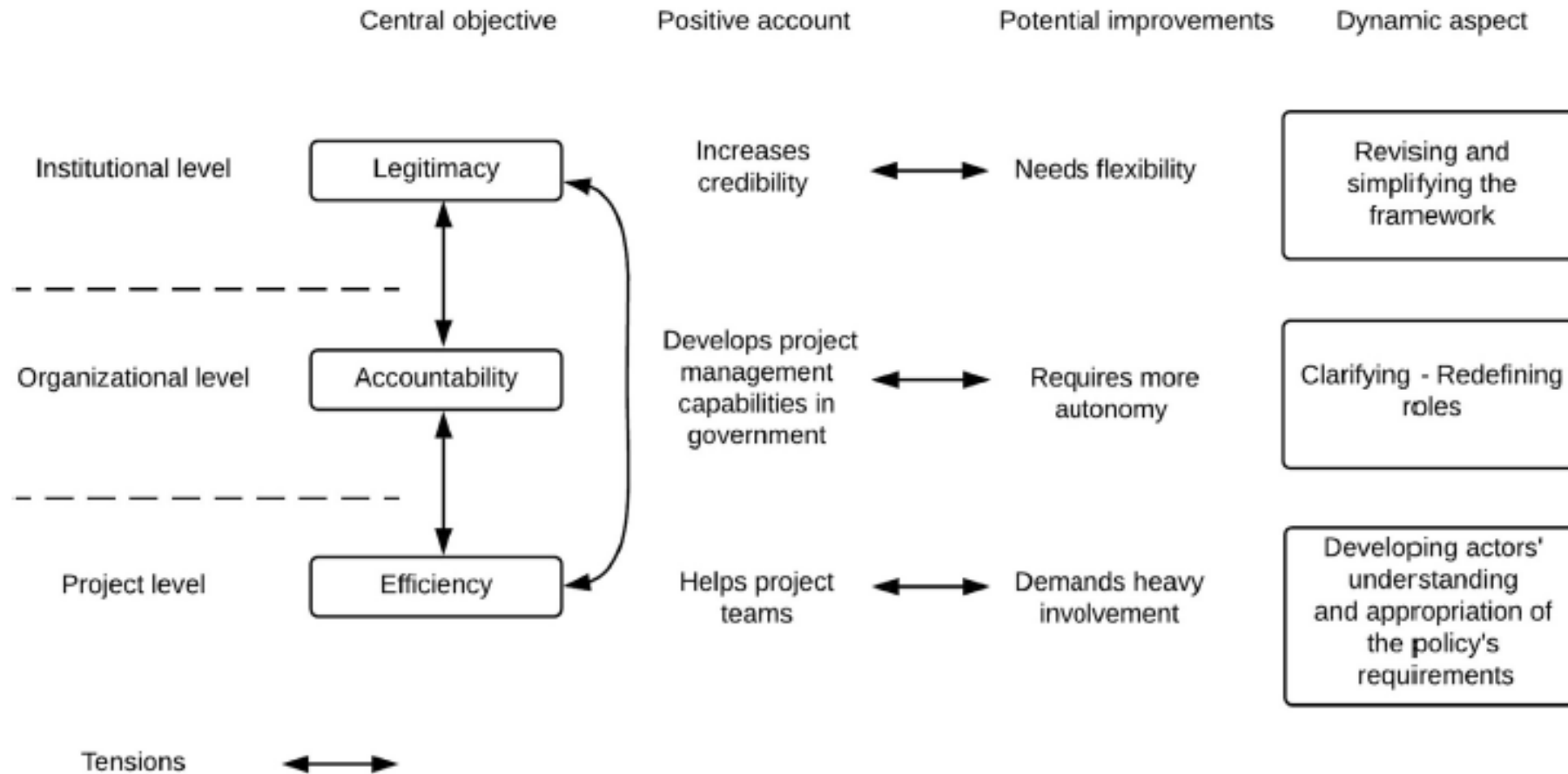
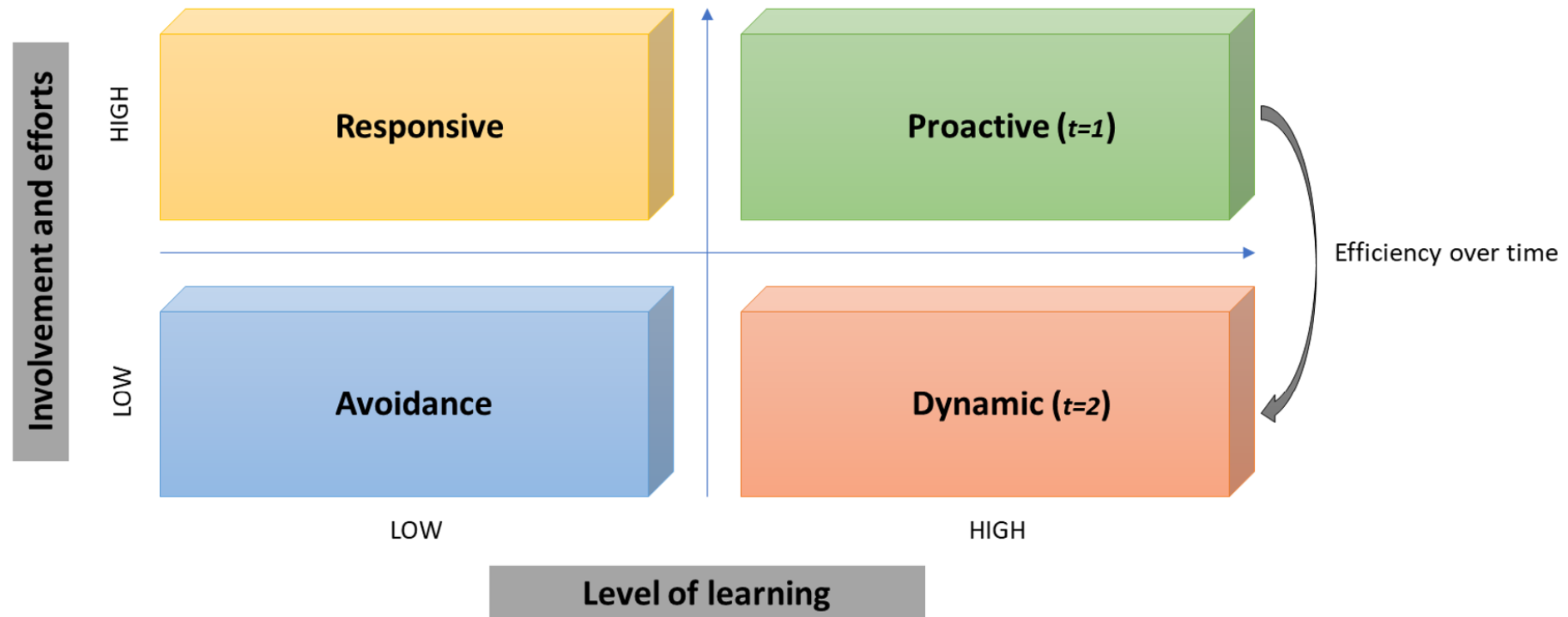


Fig. 2. Multilevel modeling of the three objectives of a governance framework based on project actors' sensemaking.

Source: Brunet 2021

# The Need for an Inclusive and Proactive Approach to Governance



**Figure 1: Four approaches to integrating impact assessment processes into project governance**

Source: Brunet & Baba, In Press

# 5. Conclusion

- **Evolution from past version:**
  - consolidating the regulative aspects
  - developing internal expertise
  - now more emphasis on broader benefits – initial justification of project needs approved at higher level
- **Many changes over the past years: actors are still learning and adjusting to the framework**
- **Still other changes are expected in the near future: need for research on performance, for training and change management**



*Thank you for your attention!*  
**Questions or comments?**

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