

2003-2004



Departmental Performance Report



Scott Brison

**The Honourable Scott Brison, P.C.
Minister of Public Works and Government Services
Receiver General for Canada**



Public Works and
Government Services
Canada

Travaux publics et
Services gouvernementaux
Canada

Canada



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Minister's Message

I am pleased to present the Departmental Performance Report (for the period ending March 31, 2004) for Public Works and Government Services Canada (PWGSC), detailing the successes and challenges that the department has faced over the past year.

As the government's provider of common services, our core mandate is to provide these services at the best possible cost to government and, in so doing, to deliver economic, social and environmental benefits to Canadians.

In December 2003, Prime Minister Paul Martin announced several changes to the machinery of government. PWGSC was given responsibility

for Government On-Line, the Government Travel Modernization Project and many of the operational functions of the former entity, Communication Canada. I regard these responsibilities as new opportunities for the department to demonstrate how it brings innovative and cost-effective solutions to its ongoing efforts to serve departments and agencies and Canadian citizens.

In the past year, PWGSC has placed a renewed emphasis on working smarter. Working closely with the Treasury Board Secretariat, we have examined our mandate, goals, principles and processes. We have made important changes to ensure clear accountabilities, sound management, strong financial controls and an enhanced focus on values and ethics. We have strengthened our role as a managerial check and balance within government. We have placed a stronger focus on operating with transparency and accountability.

We are taking steps to earn the public trust. To help guide us as we move forward, we have established an Integrity Action Plan based on the Values and Ethics Code for the Public Service. We have also strengthened the role of the Senior Ethics Officer, and we are taking action to ensure that we have appropriate guideposts in place to measure our progress.

We continue to transform the culture of PWGSC, shifting away from a focus on client service within government to one of serving the real client—the Canadian taxpayer.



Management Representation

I submit, for tabling in Parliament, the 2003-04 Departmental Performance Report (DPR) for Public Works and Government Services Canada.

This report has been prepared based on the reporting principles and requirements in the *2003-2004 Departmental Performance Reports Preparation Guide* and represents, to the best of my knowledge, a comprehensive, balanced and transparent picture of the organization's performance for fiscal year 2003-04.

A handwritten signature in black ink, appearing to read "I. David Marshall".

I. David Marshall
Deputy Minister of Public Works and Government Services

September 2004



Raison d'être

The raison d'être of Public Works and Government Services Canada (PWGSC) is to ensure optimum value to government and to Canadians in the provision of modern, efficient and effective common, central and shared services. PWGSC provides these services in a professional and performance-driven manner, while safeguarding major government administrative expenditures through transparent and independent checks and balances. The department has a key role in providing the common infrastructure and services needed for the delivery of the government's agenda and in enabling the government to respond to the evolving needs and expectations of Canadians.

Business

PWGSC is the Government of Canada's chief real property manager, purchasing advisor and agent, banker and accountant, and provider of Government On-Line (GOL), information technology, translation, audit and consulting services. PWGSC also offers services directly to Canadians in the areas of communications and access to government programs and information, in addition to being the government's payroll and pensions administrator. From more than 200 locations across Canada, USA and Europe, it delivers high-value, innovative services and solutions to the complex challenges that confront today's government. In Canada, PWGSC services are delivered through offices located in the National Capital Area and across Canada, with regional operations based in Vancouver, Edmonton, Toronto, Montreal and Halifax.

Vision

PWGSC's vision is to be the Government of Canada's centre of excellence for the development and delivery of common, central and shared services and to be one of the most respected and well-managed departments of government. In searching for new ways to demonstrate respect for taxpayers' dollars,

Business Highlights

- Accommodates almost 210,000 public servants across Canada and manages over 6 million square metres of space in some 1,900 locations.
- Purchases over \$10 billion in goods and services on behalf of government and manages over 60,000 contractual documents.
- Administers compensation for 292,000 government employees and 322,000 pensioners.
- Handles \$1.3 trillion in Receiver General cash flows and makes 226 million payments.
- Provides Parliament and colleague departments and agencies with around \$230 million in linguistic services, \$126 million in telecommunications and informatics services and \$129 million in consulting and audit services.

PWGSC's vision focuses on savings over the coming five years. Savings will be achieved as a result of efficiencies, which must also improve services.

To realize this vision, PWGSC is committed to:

- Buying smarter to reduce the cost of goods and services purchased.
- Exploring savings in real estate and real property management.
- Modernizing information technology systems by placing more services on-line through secure channel technology.
- Reducing service delivery time.
- Developing open and collaborative relationships with colleague departments, other levels of government and Canadians.
- Using its position in government to strengthen government-wide initiatives, such as sustainable development.



- Applying the highest standards of integrity, probity, transparency, prudence and accountability in the conduct of its business.

The central objective for the department is to become as efficient as possible over the next five years so that more of the Government of Canada's resources can be directed towards those issues that matter most to Canadians --- issues ranging from health care and early childhood development to a new deal for communities and sound environmental stewardship.

Performance Context

Government Priorities: PWGSC's operating environment is shaped by the priorities of the Government of Canada. PWGSC supports these priorities directly through its own operations and indirectly through the services it provides for customer departments and agencies.

During the past year, the government priorities and the expectations of Canadians that most impacted PWGSC included the following:

- Restoring confidence in government following the Auditor General's Report and maintaining the highest standards of integrity, accountability and transparency.
- Keeping administrative costs as low as possible by exercising fiscal prudence, improving efficiency and eliminating waste.
- Improving communications with Canadians and providing better access to government services, including Government On-Line.
- Strengthening the management accountability and control framework.
- Promoting environmental sustainability and viable cities.

In addition to government priorities, a number of factors in PWGSC's operating environment presented the department with notable challenges in 2003-04, including the Auditor General's Report on Sponsorship, Advertising and Public Opinion Research; organizational changes; and a series of central agency and internal reviews of the department.

The Sponsorship Program drew criticism from the Auditor General and challenged PWGSC's sound record for integrity. Responding to information requests from Parliament and taking preliminary steps toward the establishment of the Commission of Inquiry into the Sponsorship Program and Advertising Activities were priorities for PWGSC. The government discontinued the Sponsorship Program in December 2003. Restoring public trust will take time and remains the top priority for PWGSC.

A change in PWGSC's culture has been initiated. Building on its traditional focus on quality services to departments, PWGSC has now placed increased emphasis on the checks and balances necessary to ensure overall value for taxpayers. PWGSC must have clear accountabilities and sound relationships with both stakeholders and partners in order to fulfil its mandate.

Immediately after the 2003 federal budget, the government announced a series of expenditure and management reviews. In the case of PWGSC, the focus was on core mandate, service delivery and management capacity. PWGSC also contributed to a number of horizontal cross-government reviews such as the review of common infrastructure and service delivery and the review of fixed capital assets of Canadian Heritage portfolio organizations.

Environmental Sustainability

PWGSC building operations are estimated to be 31% more energy-efficient and 20% more greenhouse gas-efficient than the department's baseline in 1990, on track to meet its target of 40% improved efficiency by March 2008.



While some of these reviews are still on-going, they have confirmed PWGSC's essential role as a provider of common, central and shared services and its consequent influence over the efficiency and effectiveness of government operations.

The reviews also identified a number of areas where there was room for improvement, including the following:

- Strengthened accountability for the use of public funds.
- Identifying and implementing opportunities to realize further government-wide savings.
- Better service to and co-ordination with clients.
- Management information and performance tracking systems.
- Strategic management capacity in human resources.

The reviews found that the department had the potential to strengthen its mandate as a provider of common, central and shared services.

As a result of the reorganization of the public service, announced in December 2003, a number of operational functions were transferred to PWGSC from the Treasury Board Secretariat (TBS). These included TBS's Information Management/Information Technology (IM/IT) responsibilities, together with GOL and the Government Travel Modernization Office. In addition, Communication Canada was disbanded and a number of its key functions were transferred to PWGSC.

Strategic Challenges: The department faced a number of strategic challenges throughout the year in its pursuit of best value to government and Canadians

These challenges included the following:

- Restoring public confidence in PWGSC.
- Generating a citizens' dividend by improving the efficiency of operations, exploiting opportunities for economies of scale and leveraging investment in alternative forms of delivery.
- Providing a check and balance role between federal departments' demands and best value for Canadian taxpayers.
- Working more closely with customer departments to better anticipate their needs and respond in a timely manner.
- Providing the infrastructure for improved communications between government and Canadians, including facilitating access to government services.
- Supporting the government's broader agenda in areas such as environmental and urban sustainability.
- Absorbing new program responsibilities following the public service reorganization announced in December 2003.
- Modernizing key central, common and shared systems such as travel, acquisition, pensions and pay.
- Strengthening management capacity, including management information and performance tracking systems, and building a more strategically oriented organization.

International Relations

Working with the World Monuments Fund and the Chilean government, PWGSC joined an international team of experts working to protect a World Heritage site—the sacred ceremonial village of Orongo in Rapa Nui National Park on Easter Island, about 4,300 km from Chile in the South Pacific. PWGSC prepared a site development and interpretive plan, facilitated public consultation and helped train the local Rapa Nui people to do the hands-on work.



Performance Highlights

While PWGSC has set ambitious goals for the future, much was achieved during 2003-04. These achievements were the result of hard work by the 13,438 employees of PWGSC and their commitment to quality service, sound stewardship and sound management. During 2003-04, PWGSC had eight business lines: Real Property Services; Acquisitions (previously Supply Operation Services); Telecommunications and Informatics

Common Services; Receiver General; Public Service Compensation; Consulting and Audit Canada; Translation Bureau; and Operational Support.

While a fuller discussion can be found in Section III – Business Line Performance, the following are PWGSC's performance highlights for 2003-04:

Real Property

- Completed a major review of requirements for the replacement in 2005 of the real property Alternative Forms of Delivery contracts, leading to a request for proposal, with a contract to be awarded in 2004-05.
- Operated with a national vacancy rate for Crown-owned office inventory of 3.9%, significantly lower than the Building Owners and Managers Association (BOMA) industry reported rate of 9.7%.
- Continued the five-year trend of improvement in the usage of office space.

Payments In Lieu of Taxes

Payments totalling \$407 million in lieu of property taxes were made to about 1,300 taxing authorities across Canada, including municipalities, school boards, provinces and some native bands.

- Was honoured with the prestigious Building of the Year Award from BOMA for leadership in property management in the government buildings category and received eight other awards across the country.

Acquisitions

Managed, on behalf of government organizations, a contract volume (excluding amendments) of approximately 60,000 processes, 13% used Advance Contract

- Award Notices (ACANs) and 18% were non-competitive. transactions valued at \$10 billion. Of these, 69% were awarded through competitive
- Negotiated, in partnership with the provinces and territories, prices on approximately 700 prescription and over-the-counter drugs and 47 different vaccines, resulting in cost savings estimated at \$28 million over a four-year period.
- Awarded 2,199 contracts worth over \$509 million to Aboriginal businesses in 2003-04, an increase of 54% over 2002-03.
- Established incentives for the CF-18 Advanced Distributed Combat Training System contract, including bonuses for early delivery and penalties for late delivery.
- Developed a new version of the Government Electronic Tendering Service to enhance services and reduce fees, thus benefiting small and medium-sized businesses.

Acquisition Savings

PWGSC saved \$50 million on three contracts to modify and install strategic air-to-air refuelling systems in two military aircraft and saved \$8.1 million by negotiating better tariff arrangements with movers and freight forwarders for the Department of Foreign Affairs and International Trade.



Telecommunications and Informatics Common Services

- Completed the migration of all federal departments and agencies to the new Secure Channel Network (SCNet) on time and within budget.
- Issued approximately 170,000 e-passes to Canadians, enabling them to access a wide array of existing and new on-line government applications and services in a secure and private manner.
- Saved approximately \$96.5 million cumulatively over the past six years through reduced government telecommunications expenses.
- Provided secure and stable electronic infrastructure services to support on-line service delivery to Canadians (www.canada.gc.ca).
- Provided consistent, reliable mainframe performance and availability, exceeding the 99.7% target.

Secure Channel Network

PWGSC has now migrated federal departments and agencies to the Secure Channel Network. This powerful high-capacity network has been designed to provide citizens and businesses with secure access to all federal government on-line services.

Receiver General

- Issued more than 99.9% of payments according to schedule, up from 99.6% last year.
- Increased the volume of payments from 222 million to 226 million and the proportion of electronic payments from 67.6% to 68.7% of total payments.
- Expanded the use of direct electronic deposits, increasing cost avoidance from

\$79.4 million in 2002-03 to \$86.7 million in 2003-04.

- Reduced the net cost of banking services from \$35.7 million to \$32.4 million.
- Reduced paper consumption by an estimated 2.6 tons through direct deposits, avoiding the use of an equivalent of 45,000 trees.

Public Service Compensation

- Supported 292,000 pay and 322,000 pension accounts.
- Issued 12.6 million pay and pension payments.
- Conducted a pilot project allowing approximately 600 internal PWGSC users to access the Compensation Web Application secure site for functions such as viewing Statements of Pension and Group Benefit Plans.

Consulting and Audit Canada

- Fostered effective and efficient public sector management in Canada and internationally by developing and sharing leading-edge management knowledge and expertise.
- Improved service quality, as indicated by client satisfaction rate of 90%, and increased volume by 9%.
- Provided 5,000 small and medium-sized enterprises (SMEs) with access to government business, with 60% of CAC's business going to these SMEs.

Translation Bureau

- Contributed to training emerging Canadian language professionals by hosting 201 students in practicums under a partnership program with 10 Canadian universities.
- Continued to expand TERMIUM[®], the terminological and linguistic data bank, which now contains more than 3.5 million terms and was consulted over 600 million times last year.



- Developed the Canadian translation industry by awarding \$50 million in high dollar value contracts largely to small and medium-sized businesses.

Translation International

PWGSC delivered on-line translation for the first Virtual Parliament of the Inter-Parliamentary Forum of the Americas. Our expertise enabled parliamentarians from Canada, Mexico and Brazil to participate in their own language on the Internet and communicate in real time.

Operational Support

- Implemented an Ethics Program and a Ten-Point Integrity Plan that ensures that integrity remains the bedrock of all decisions and actions.
- PWGSC has developed a Management Accountability Framework (MAF) Action Plan, which focuses on strategic priorities, business planning, performance evaluation, strengthened accountability framework, risk management, sound financial management, stewardship of resources, strong values and ethics, citizen focused services, and value for Canadians.
- Undertook coordination of PWGSC inputs to a number of horizontal government reviews of management and expenditures. Significant areas for improvement were identified as highlighted earlier in this report. These reviews are ongoing and will be completed in the 2004-05 fiscal year.
- Undertook a major review of the department's functions and business lines, resulting in a change in PWGSC's organizational structure and the beginning of a transformation process for the department's service delivery.
- Undertook mandate and management reviews of the Industrial Security and the Controlled Goods programs, resulting in

strengthened, transparent and ethical program delivery.

- Enhanced intergovernmental relations through senior-level committees, knowledge and best practices sharing, and collaboration, as exemplified by the federal and Ontario governments' Memorandum of Agreement on Collaborative Approach for Service Delivery.

Organization and Expenditure Summary

Organization

PWGSC reorganized in 2003 to strengthen accountabilities, consolidate expertise and enable the department to establish a more strategic approach to service delivery.

A key element of this reorganization was the establishment of the Service Integration Branch (SIB), which acts as the principal point of entry for departments to access PWGSC's real property, procurement and IT services. PWGSC services are delivered through offices located in the National Capital Area and across Canada, with regional operations based in Vancouver, Edmonton, Toronto, Montreal and Halifax.

The department also added a new branch, Government Information Services (GIS) following the December 2003 machinery of government changes, effective April 1, 2004. GIS consists of a range of services transferred from the former Communication Canada. In addition, a number of operational functions were transferred to PWGSC in December 2003 from TBS, including GOL and the Shared Travel Services Initiative.

During 2003-04, PWGSC had eight business lines: Real Property Services; Acquisitions (previously Supply Operation Services); Telecommunications and Informatics Common Services; Receiver General; Public Service Compensation; Consulting and Audit Canada;



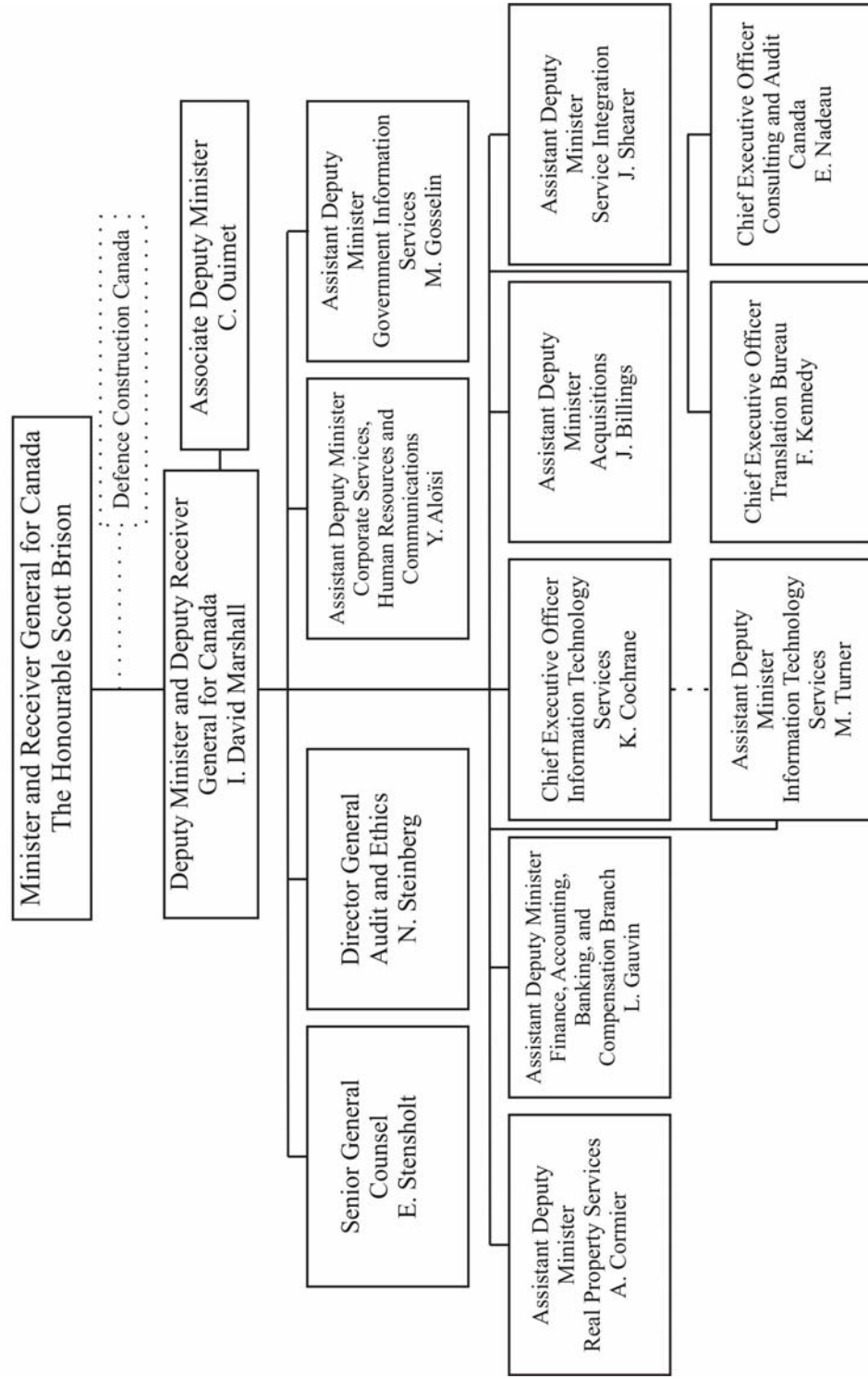
Translation Bureau; and Operational Support (including areas such as Human Resources, Communications, Audit and Ethics, Information Management, Finance).

PWGSC uses different organizational and financial approaches to achieve its mandate. For

example, the 'special operating agency' (SOA) delivery model provides Consulting and Audit Canada and the Translation Bureau with increased operational flexibility. All business lines are funded through appropriations, net voting or revolving funds. PWGSC's organization chart follows.



PWGSC Organization Chart





Expenditure Summary

The expenditure summary that follows highlights PWGSC’s planned spending, related authorities and actual spending for 2003-04.

Net Expenditures 2003-04			
		<i>(in millions of dollars)</i>	
	Planned Spending	<i>Total Authorities</i>	Actual
GOVERNMENT SERVICES PROGRAM			
• Operating (including Separately Controlled Allotments), Capital, Grants and Contributions and Statutory Votes			
Gross Expenditures	2,892.0	<i>3,423.5</i>	3,129.3
Less: Revenues credited to the Vote	467.0	<i>784.4</i>	784.4
Net Expenditures	2,425.0	<i>2,639.0</i>	2,344.9
• Revolving Funds Authorities			
Gross Expenditures	1,390.2	<i>1,430.0</i>	1,314.9
Less: Respendable Revenues	1,404.9	<i>1,404.8</i>	1,313.2
Net Resources (Provided) Used	(14.7)	<i>25.2</i>	1.8
DEPARTMENTAL TOTAL	2,410.2	<i>2,664.2</i>	2,346.7
FULL-TIME EQUIVALENTS	13,018.0	<i>13,111.0</i>	13,438.0
<i>Totals may not add up due to rounding.</i>			
<p>The variance between total authorities and actual spending in the separately controlled allotment and capital vote is mainly due to lower than forecast lease and fit-up costs, project deferrals, staffing freezes, a government-wide capital freeze, the annual return of employee benefit and health care costs, and departmental expenditures reductions. Additional details along with references to operating budget lapses are available in Section IV, Financial Tables.</p>			

Contech Award for Sustainable Development

PWGSC won the Contech award from the Quebec construction industry for its innovative design for a new building at 740 Bel Air Street in Montreal. The design uses alternative energy sources and a green roof made of vegetation to make the building highly energy-efficient.



Real Property

Objective

To provide departments and agencies with office and common-use accommodation and a full range of real property services, while contributing to policy priorities that support the Government of Canada in the delivery of programs for Canadians.

Business Line Overview

Our department is one of the largest consumers and owners of office space in the country. Real Property Services (RPS) is the custodian of a vast inventory of federal office space and common-use facilities, which makes up a major part of the infrastructure that enables the Government of Canada to serve citizens.

RPS provides real property leadership and stewardship and provides other federal departments and agencies with affordable, productive work environments. It is also the steward of various engineered public works, such as bridges and dams, and national treasures such as the Parliamentary Precinct and other heritage assets across Canada.

RPS provides strategic and expert advice and innovative professional and technical services in

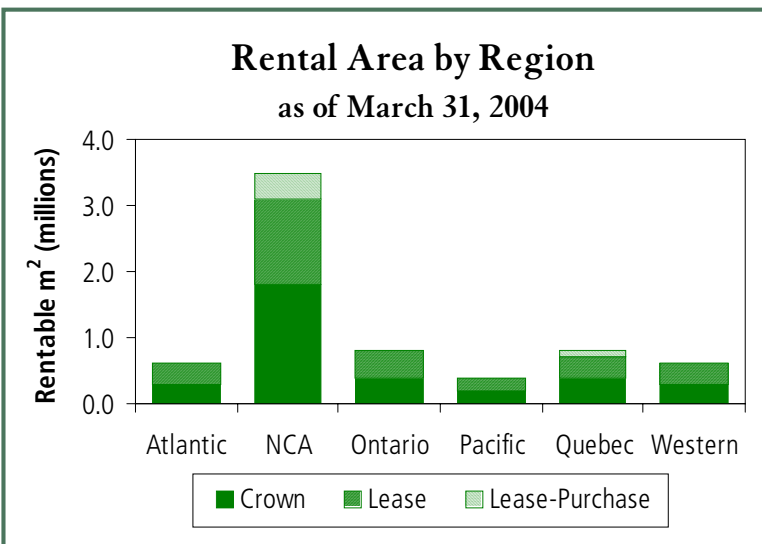
Key Facts

- PWGSC provides work environments for almost 210,000 federal employees in 100 departments and agencies in about 1,900 locations across Canada.
- PWGSC is the custodian of \$7 billion worth of federal real property.
- We manage 6.7 million square metres of rentable space, including
 - ⇒ 3.5 million m² of Crown-owned space
 - ⇒ 2.7 million m² of leased space
 - ⇒ 0.5 million m² of lease-purchase space
- We administer annual payments in excess of \$400 million under the Payments in Lieu of Taxes Program.

the areas of architecture and engineering, real estate, and asset and facilities management to other federal departments and agencies for the acquisition, development, construction, management, operation, maintenance, repair and disposal of real property.

On behalf of the federal government, Real Property Services administers the Payments in Lieu of Taxes Program and manages the Real Property Disposition Revolving Fund, which facilitates the disposal of properties that are surplus to government requirements.

RPS also plays the lead role for the federal government in the remediation of the Sydney Tar Ponds and leads a co-ordinated approach to greening government, including supporting the urban agenda.





Financial Summary

Real Property Services Expenditures

Net Expenditures 2003-04			
	Planned	Total	
	Spending	Authorities	Actual
FEDERAL ACCOMMODATION AND HOLDINGS SERVICE LINE			
• Operating (including Separately Controlled Allotments), Capital, Grants and Contributions and Statutory Votes			
Gross Expenditures	2,081.5	2,366.9	2,113.1
Less: Respendable Revenues	260.1	488.9	488.9
Net Expenditures	1,821.3	1,878.0	1,624.2
SERVICES SERVICE LINE			
• Real Property Services Revolving Fund			
Gross Expenditures	863.0	863.0	743.8
Less: Respendable Revenues	863.0	863.0	743.8
Net Resources (Provided) Used	-	-	-
• Real Property Disposition Revolving Fund			
Gross Expenditures	3.8	3.8	3.5
Less: Respendable Revenues	20.4	20.4	18.4
Net Resources (Provided) Used	(16.6)	(16.6)	(14.9)
BUSINESS LINE TOTAL	1,804.7	1,861.4	1,609.3
FULL-TIME EQUIVALENTS	4,850	4,850	4,926

Totals may not add up due to rounding.

Federal Accommodation and Holdings: The variance between total authorities and actual spending in the separately controlled allotment and capital vote is mainly due to lower than forecast lease and fit-up costs, project deferrals, staffing freezes, a government-wide capital freeze, the annual return of employee benefit and health care costs, and departmental expenditures reductions.

The authorities and actuals have both been overstated by an amount of \$38.6 million related to expenditures for employee benefit plans. This accounting anomaly has a nil net impact and will be corrected in future reports.

Services: The Real Property Services Revolving Fund broke even as budgeted. However, there was a significant reduction in actual expenditures because of decreased business volume resulting from government-wide spending control measures and departmental staffing freezes. The Real Property Disposition Revolving Fund variance of \$1.7 million between planned spending and actual unused authority carried forward is due to a decrease in the total number of disposals and is partially offset by the value of completed projects for the Affordable Housing Property Fund. For more information, see Section IV, Financial Tables.



Performance Results

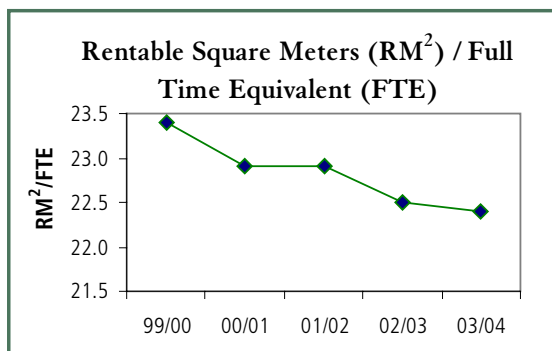
Improved Stewardship of Federal Real Property

PWGSC sought to provide responsible stewardship of real property assets and to maintain the value of these assets on behalf of Canadians. The department continued to provide safe, secure and healthy workplaces that enabled government departments and agencies to deliver programs and services to Canadians. It continued to safeguard Canada’s national treasures, such as the Parliamentary Precinct. The primary areas of focus for this commitment were accommodation usage, vacancy rates, capital reinvestment, sustainable development, and Alternative Forms of Delivery (AFD).

Accommodation Usage: RPS monitors the effective and efficient use of office accommodation.

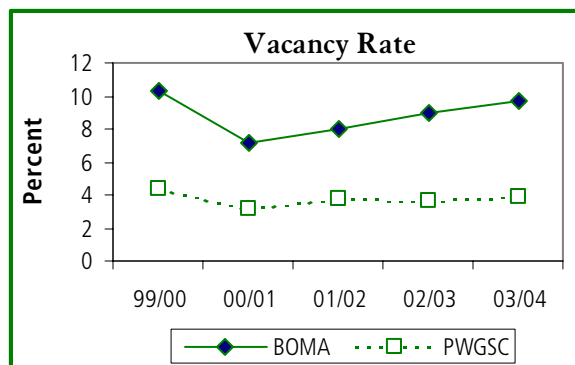
Rentable square metres (RM²) per full-time equivalent (FTE) decreased marginally compared with last year. The five-year trend continues to show improvement in the usage of office space.

The rental cost per FTE increased by about 5%. RM² also increased by about 5% as a result of an increase in inventory and a stronger real estate market, which increased rental rates.



Vacancy Rates: The national vacancy rate for Crown-owned office inventory increased slightly from 3.7% to 3.9% and still meets the target of less than or equal to 4%. The national

vacancy rate was significantly lower than the BOMA-reported rate of 9.7% for office facilities. RPS’s low vacancy rate contrasts with the upward trend of the BOMA rate.



Capital Reinvestment: The National Investment Strategy (NIS) is designed to maintain the value of the Crown-owned office and common-use portfolio by recapitalizing 4% of the inventory every year. This results in renovating or replacing the entire portfolio every 25 years, which is in line with the average economic life of major building systems. Consequently, safe, healthy and productive workplaces are maintained.

Because of other government spending priorities, the capital budget has not been protected against inflation since 1995-96 and is now funded at an annual recapitalization rate of 3.1%. This reduced rate has increased pressure on operating and maintenance budgets, as well as on overall reinvestment requirements. Recognizing this trend, PWGSC continues to explore innovative approaches to resolve these pressures.

Sustainable Development: In support of Canada’s Kyoto commitments, RPS plays a leadership role in reducing greenhouse gas emissions in its own operations and in activities through the Federal House in Order initiative. To do so, RPS established a strong environmental management framework setting out concrete targets for more energy-efficient processes, innovative building technologies and



better fleet management systems. As of the end of fiscal year 2003-04, PWGSC's building operations were estimated to be 31% more energy-efficient and 20% more greenhouse gas-efficient than the department's baseline in 1990, on track to meet its target of 40% improved efficiency by March 2008 (see Annex A for more details).

Alternative Forms of Delivery (AFD): RPS continues to explore alternative forms of service delivery. Following the favourable results of an independent evaluation of the initial AFD initiative, RPS launched a procurement replacement process for the existing contracts for property management and project delivery services, set to expire on March 31, 2005. In this second round, both the number of buildings and the scope of services were expanded. The resulting contracts will take effect on April 1, 2005.

Parliamentary Precinct: The Library of Parliament, the Wellington Building and the

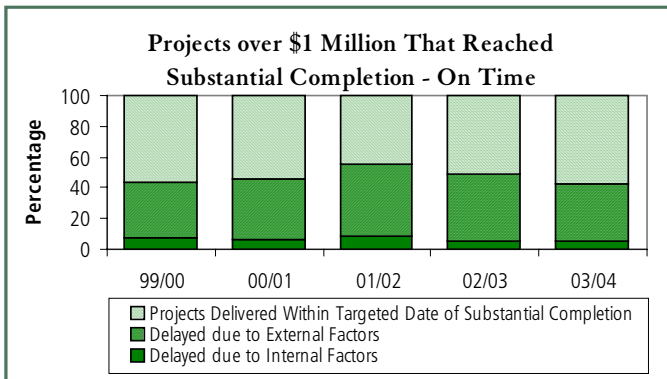
A focus on safety led to investigations of the Parliamentary Precinct facilities. The Life Safety Compliance Verification (LSCV) process and fire protection systems inspections evaluated the operational capacity and interaction of life safety systems such as elevators, fire protection systems and emergency lighting in the event of a commercial power outage by the municipal utility. In addition, inspections assessed compliance with legislated standards such as the National Fire Code (NFC) and the National Building Code (NBC). Compliance with these standards enabled PWGSC to respond quickly to minimize the disruption caused by the province-wide electrical blackout in August 2003.

RPS undertook and completed all corrective actions required, resulting in significantly improved client-occupancy quality and overall safety in the facilities.

Enhanced Value to Clients

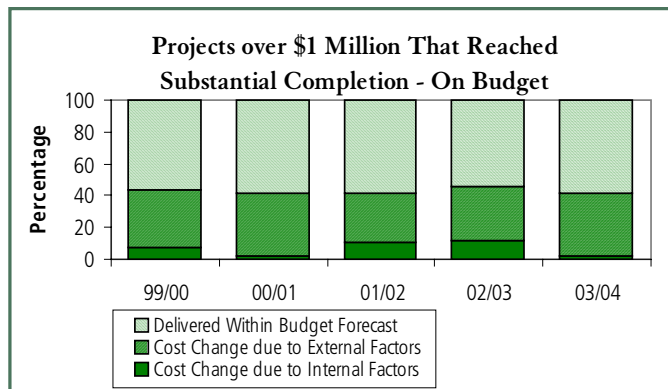
The department aimed to deliver its services on time and within budget at agreed levels of scope and quality, as well as to maintain a high level of customer satisfaction. To achieve this commitment, three areas were emphasized: project efficiency, tenant satisfaction and master occupancy agreements.

Project Efficiency: The department set a three-year target in 2002-03 for a 10% improvement in projects delivered on



Bank Street Building are the three main projects currently in progress as part of the 25-year Long-Term Vision and Plan for the Parliamentary Precinct. (For more information, see Annex A).

As part of ongoing assessments of the Parliamentary Precinct buildings, the structural integrity of the West Block's South-East Tower was examined leading to further engineering studies to be available in the 2004-05 fiscal year.





time and on budget. Project timeliness continued to improve in 2003-04.

The percentage of on-budget projects reversed the drop that occurred in the previous year, registering a slight net gain overall.

Compared with 2001-02, performance results were as follows:

- Timeliness improved by 12%.
- Projects on budget increased by 7%, for a net increase of 1% over the baseline.

There were some projects that did not meet expectations. In these cases, the main reasons for delays or cost overruns continued to be factors beyond the direct control of the project manager, including customer changes in project scope, unforeseen site conditions, contractor performance and acts of God, such as floods. In 10% of all projects, delays were attributable to the department.

Tenant Satisfaction: No survey was conducted in 2003-04. However, Statistics Canada will administer the RPS 2004-05 tenant satisfaction survey.

Master Occupancy Agreements (MOAs): MOAs formalize the supply and use of office accommodation between PWGSC and its client departments and agencies. At the end of the fiscal year, approximately 50% of the PWGSC accommodation inventory was covered by MOAs. In the absence of an MOA, the relationship is governed by the generic PWGSC

Office Accommodation Framework. An MOA is preferred, as it puts PWGSC and its customer several steps ahead in the planning process when new requirements arise.

Expanded Public Policy Role

RPS continued to seek opportunities to contribute to public policy development and

program design in areas such as the environment, sustainable development, urban strategy and healthy communities. RPS participated in real property policy reform together with other stakeholders, including the Treasury Board Secretariat, international partners, and provincial, territorial and municipal governments. RPS supported government policy and program priorities in areas such as the Good Neighbour Policy,

homelessness, sustainable development, Government On-Line, greening of government operations and the national Historic Places Initiative.

Throughout the year, RPS sought to improve its service delivery through greater integration of services, with particular emphasis on regional operations. Opportunities still exist to augment co-location with the provinces and territories and to work more closely with cities.

Strengthened Capacity

RPS strives for effective planning, management and reporting of financial resources. It has in

*RCMP “K” Division building
– Edmonton, Alberta*

Award: PWGSC won the prestigious 2004 Building Owners and Managers Association (BOMA) International Office Building of the Year (TOBY) Award in the Government Buildings category, competing against six other international entries. This is a first for Canada.



place a human resources strategy that addresses employee issues such as recruitment, retention and professional development and which aims to build a representative, supportive and flexible workforce.

Key areas emphasized in strengthening capacity were the Real Property Renewal Initiative, the Real Property Services Revolving Fund and the Real Property Disposition Revolving Fund.

Real Property Renewal Initiative: During the summer of 2003, the department initiated a comprehensive examination of its real property practices. The purpose of the review, known as the Real Property Renewal Initiative, is to ensure that PWGSC's real property management and operations are as efficient, effective and economical as those of other leading private and public sector real property organizations. Over the course of the year, Renewal Initiative personnel conducted a series of intensive analyses of how PWGSC delivers real property services, focussing on changes and improvements in the areas of portfolio management, service delivery, demand management and management practices. Currently, a wide array of possible changes to the way PWGSC does business are being assessed.

Real Property Services Revolving Fund (RPSRF): The RPSRF provides separate financial reporting for optional real property services available to customers. These services are provided on a break-even, commercial-accounting basis. For 2003-04, the RPSRF had a deficit of \$10.2 million on a total budget of \$680 million (for more details, see Section IV – Table 8.1).

Real Property Disposition Revolving Fund (RPDRF): The Real Property Disposition Revolving Fund is used to realize cash from surplus properties for the benefit of the government. The net surplus revenue generated was less than the authority because of a decrease in the total number of disposals and is partially offset by the value of completed projects for the Affordable Housing Property Fund (for more details, see Section IV – Table 8.2).

Pioneering Architectural Design

Public-private partnering: Working with National Defense's research labs, McGill University and the private sector, PWGSC pioneered new heating, ventilating and air conditioning architecture to maintain healthy, reliable and energy-efficient environments in secure facilities.



Acquisitions

Objective

To provide Canadians and the federal government with value-added service that is relevant and timely in the management of acquisitions and related common services.

Business Line Overview

Acquisitions, through Headquarters and regional offices, delivers government-wide supply operations services and solutions to government departments and agencies efficiently and effectively, ensuring best value for Canadians.

As the primary service provider on behalf of the Government of Canada, Acquisitions offers its customers a broad base of procurement solutions such as customized contracting instruments, standing offers, supply arrangements and electronic marketplaces. Acquisitions plays an important role in greening government operations by assisting our colleague departments to identify and adopt

Key Facts

- *PWGSC is Canada's largest public purchaser of goods and services.*
- *Each year, over \$10 billion in goods and services are bought, and approximately 60,000 contractual documents are managed.*
- *Top commodities typically purchased include computers and software, information-processing and telecommunications services, communications equipment, commercial goods, and construction-related services.*

green alternatives, encouraging them to buy green products and providing them tools designed to help meet the government's green procurement commitments. In this sense, Acquisitions adds value by delivering a continuum of procurement solutions aimed at defining and realizing customer needs while, at the same time, ensuring optimal benefits to government and taxpayer's procurement dollar. Acquisitions also promotes the integrity of the procurement process within PWGSC and across federal government departments and agencies.



Financial Summary

Acquisitions Expenditures

Net Expenditures 2003-04			
	Planned	Total	
	Spending	Authorities	Actual
• Operating and Statutory Votes			
Gross Expenditures	155.9	178.7	183.7
Less: Respendable Revenues	28.3	33.9	33.9
Net Expenditures	127.6	144.8	149.7
• Optional Services Revolving Fund			
Gross Expenditures	119.0	119.0	92.5
Less: Respendable Revenues	119.1	119.1	97.6
Net Resources (Provided) Used	(0.1)	(0.1)	(5.0)
BUSINESS LINE TOTAL	127.5	144.7	144.7
FULL-TIME EQUIVALENTS	1,780	1,806	1,877

(in millions of dollars)

Totals may not add up due to rounding.

The operating vote variance between total authorities and actual spending is due to additional salary expenditures that were not included in the budget. In addition, \$1.9 million was transferred to the Optional Services Revolving Fund to replenish the drawdown authority.

The Optional Services Revolving Fund variance between the authorities and actual spending is due to lower than anticipated sales in the Vaccine Program.

Performance Results

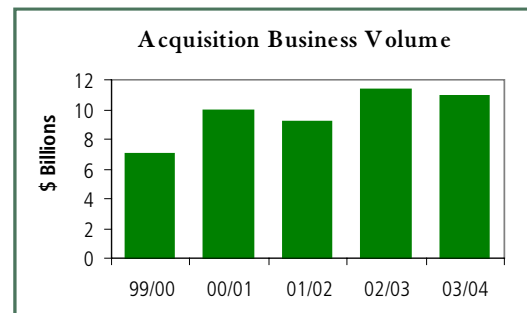
Cost-Effective Delivery of Procurement and Related Services

Review and Transformation: Acquisitions provided key resources to the task force responsible for the Government-Wide Review of Procurement. In parallel with this review and as a consequence of a number of other reviews, including a vertical probe into acquisition services, Acquisitions launched an aggressive business transformation program, which is expected to mature over the next three to four years and to yield long-term benefits by:

- cutting the costs of goods and services by 10%.
- reducing the time to process procurements by 50%.
- reducing the cost of purchasing by 10%.

For more information on the Government-Wide Review, please visit <http://www.pwgsc.gc.ca/prtf/text/index-e.html>.

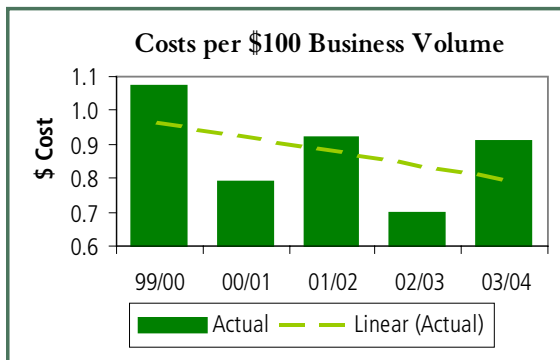
Business Volume: As illustrated by the accompanying chart, business volume in 2003-04 represented a total value of about \$10 billion.





Approximately 60,000 contractual documents were handled, including original contracts, standing offers and amendments. Among these, 2,199 contracts worth over \$509 million were awarded to Aboriginal firms. In 2002-03, Aboriginal firms received \$270 million in contracts.

Cost-Effectiveness: The total cost per \$100 of business volume rose by 34%, from \$0.70 to \$0.94 during 2003-04. While consistent with the cost incurred in 2001-02, the five-year trend line shows a decrease of 15%. This illustrates the significant challenge of measuring public procurement in an environment of fluctuating purchasing volumes, major reorganizations, and the multi-year delivery of large contracts awarded in one particular year.



Streamlined Procurement: PWGSC refined its contract management practices as a first step in achieving its multi-year commitment to significantly reduce the costs of goods and services, reduce the processing time for procurements and reduce the cost of purchasing. The department also strengthened its check and balance role. For example, more rigorous contract management resulted in the detection of fraudulent activity on a client contract and the recovery of \$146 million.

Competitive Contracts: Original contracts awarded during the period, excluding amendments, accounted for approximately 36,000 documents valued at \$8.2 billion. Of these, 69% were awarded through competitive processes, 13% used Advance Contract Award

Notices (ACANs), and 18% were non-competitive.

Drug and Vaccine Group Purchases: PWGSC purchased over \$100 million of vaccines, prescriptions and over-the-counter pharmaceuticals on behalf of the provinces and territories. A four-year contract, awarded on behalf of certain provinces and territories, will yield savings of between 11% and 55% off the government list price, for estimated savings of \$28 million over the four years. As a result of the Group Purchasing Program, the Department of National Defence (DND) was able to realize additional savings of approximately \$300,000. Finally, by consolidating influenza vaccine purchases for all of Canada, the provinces and territories are paying less for their influenza vaccine than they did 15 years ago.

Defence Procurement: DND is the largest client, representing 44% of business volume and 37% of contracting services. A prefabricated contract was put in place for the provision of proprietary spare parts for wheeled light armoured vehicles. This expedited the processing of DND requirements when identified.

The contract for the recently announced purchase of maritime helicopters included long-term in-service support with the original equipment manufacturer. This shared the risk for the total operating cost of the fleet with the contractor, which must guarantee the fleet's reliability. In addition, the delivery schedule included incentives for early delivery and penalties for late delivery. These incentives were also built into the CF-18 Advanced Distributed Combat Training System contract.

Government of Canada Marketplace (GoCM): In January 2004, PWGSC signed a contract to develop and implement an e-procurement service to enhance the delivery of acquisition by establishing an on-line marketplace for all federal departments. The GoCM service will be implemented in collaboration with the Royal



Canadian Mounted Police, Transport Canada and the Transportation Safety Board of Canada in late 2004 to early 2005. Following testing, it will be made available to other departments and agencies.

Improved Government Electronic Tendering Service (GETS): GETS is used for advertising government procurement opportunities. It is also a key instrument to position Canada as a world leader in e-commerce. In the spring of 2004, an enhanced version was implemented in which a monthly subscription fee for the cost of downloadable tender documents and amendments was included. Benefits included:

- Access to full tender documents on-line.
 - Reduced fees for annual subscription and one-time purchase of documents (27%).
- More details are available at <http://contractscanada.gc.ca/en/tender-e.htm>.

Partnerships: Various communication means were used, including extensive use of seminars, to help small and medium-sized businesses across the country to learn about the fundamentals of selling goods and services to the Government of Canada. More information is available on the Contracts Canada site at <http://contractscanada.gc.ca/en/sem-e.htm>.

Green Procurement: Green procurement training was given to 1,209 federal employees. The Green Procurement Network was enhanced and now provides a single window for information. The site had an average of 140 hits a month.

The *Government Motor Vehicle Ordering Guide 2004*, a catalogue that includes a list of all the available alternative fuel vehicles that can be purchased by the federal government, was published. It includes information on fleet management and alternative fuel vehicles. The Accommodation Directory, which allows users to search for hotels with a green leaf (environmental performance) rating, was also issued.

Decisions by the Canadian International Trade Tribunal: The Canadian International Trade Tribunal (CITT) is an independent administrative tribunal that rules on procurement complaints filed by potential suppliers in relation to procurements covered by Canada's trade agreements. PWGSC continuously reviews CITT's procurement-related decisions to identify policy concerns and assess their impact on the procurement process. The number of procurement-related complaints found to be valid by the CITT decreased to 17% from 23% in the previous year. More information is available at http://www.pwgsc.gc.ca/text/factsheets/canadian_international_trade-e.html.

International Relations: While International Trade Canada is the lead organization for negotiating trade agreements, PWGSC provides expertise on procurement-related issues. Acquisitions provided advice on the ongoing management of the Free Trade Agreement of the Americas (FTAA), the Central America (CA-4) agreement and the Canada-Singapore Free Trade Agreement. Substantive agreement was reached on the majority of the issues in the Canada-Singapore Free Trade Agreement chapter on government procurement.

Effective Delivery of Specialized Services

Acquisitions provides a series of specialized services such as Canadian and international industrial security services and seized property services. This year the focus has been on the expansion of the travel modernization initiative services.

Expansion of Travel Modernization Initiative Services: The Shared Travel Services Initiative allows the Government of Canada to offer fully automated and integrated travel services to all federal departments and agencies. On April 1, 2004, travel card and travel agency services were provided on schedule to all departments except DND, which is scheduled to join the initiative April 1, 2005.



PWGSC took over the lead of the Shared Travel Services Initiative project from the Treasury Board Secretariat on January 13, 2004. More information can be found in Annex A.

Human Resources Modernization

Acquisitions centralized its professional development services and change management activities in order to provide a uniform

approach to meeting future capacity requirements. It also began implementing a generic approach to competitions to maximize staffing resources and reduce related costs. Five generic competitions were initiated to cover both procurement and procurement-related areas. Additionally, external competitions were held to staff non-procurement-related positions in the financial and audit fields.



Telecommunications and Informatics Common Services

Objective

To provide electronic infrastructure and professional services, upon request, to all departments and agencies in the areas of network and computer services, telecommunications, and application development. Also, to provide leadership in supporting government-wide initiatives such as the Secure Channel, IM/IT community renewal and Government On-Line.

Business Line Overview

Telecommunications and Informatics Common Services (TICS) responds to the increasing demands of government and Canadians for reliable, fast, secure and convenient information technology services. It provides a wide range of optional services to departments and agencies in the areas of telecommunications and informatics services; professional training and development services in information and communications technologies; and electronic access to government information and services for Canadians 24 hours a day. It provides, brokers, develops and/or manages voice and data networks, computers, servers, communications services, applications, project management and e-government Knowledge Centre services to federal departments, agencies and Crown corporations.

Key Facts

- *TICS provides common electronic infrastructure, including the Government of Canada Secure Channel and secure services, connecting over 100 departments, agencies and Crown corporations and enabling electronic service delivery.*
- *TICS hosts the Canada Site, available to the public 24 hours a day, 7 days a week.*
- *TICS manages the Government Electronic Directory Service (GEDS) master electronic directory for all public service employees (125,000 hits per day, 64% of which are from the GEDS public site).*

TICS is responsible for the overall management of the Government On-Line (GOL) initiative. It oversees and provides strategic leadership to departments and agencies in implementing the GOL initiative and supports the design and service delivery of electronic government (e-government) programs and infrastructure. TICS develops strategies and innovative solutions for the cost-effective management of the government's telecommunications and informatics requirements. TICS also conducts research and technology evaluation to assess opportunities for the introduction of new and innovative products and services, the application of new technologies and the use of alternative forms of delivery and partnering.



Financial Summary

Telecommunications and Informatics Common Services Expenditures

Net Expenditures 2003-04			
	Planned	Total	(in millions of dollars)
	Spending	Authorities	Actual
• Operating and Statutory Votes			
Gross Expenditures	107.9	218.5	212.4
Less: Respendable Revenues	28.9	50.5	50.5
Net Expenditures	79.4	168.0	161.9
• Telecommunications and Informatics Common Services Revolving Fund			
Gross Expenditures	113.6	113.6	120.6
Less: Respendable Revenues	113.6	113.6	125.7
Net Resources (Provided) Used	-	-	(5.1)
BUSINESS LINE TOTAL	79.4	168.0	156.8
FULL-TIME EQUIVALENTS	266	333	388

Totals may not add up due to rounding.

The variance between planned and actual spending is due to additional funding received for several Government On-Line initiatives.

The operating vote variance between the total authorities and actual spending is due to a freeze on staffing, discretionary spending control measures, as well as the purchase of government-wide licences negotiated at a lower cost than anticipated.

The Telecommunications and Informatics Common Services Revolving Fund surplus relates to an increase in business volume and a reduction in expenditures resulting from the discretionary spending freeze.

Performance Results

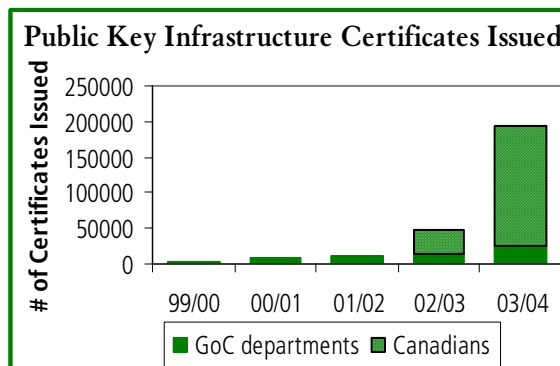
Effective Service Delivery

TICS provides secure and reliable electronic government infrastructure services, which enable access to government information, transactions, programs and services, such as community learning and software sharing.

Secure Channel Infrastructure: The Secure Channel has successfully met its primary goals for 2003-04. More information on the Secure Channel can be found in Annex A.

Privacy Protection: TICS expanded the Government of Canada Public Key Infrastructure (PKI) service and electronic

directories and issued over 24,000 PKI certificates to Government of Canada employees and 170,000 to Canadians, enabling them to access a wide array of existing and new on-line government applications and services in a secure manner. This represents a 500% increase over the previous year.





Learning: TICS manages The Knowledge Institute for the Government of Canada. It offers the government's IM/IT community a wide range of learning opportunities, including seminars, college and university credit programs, and customized learning programs. Last year, The Knowledge Institute trained 1,400 government employees from 50 federal departments and agencies. While this was 7% short of the targeted number of seats filled, the goal of serving 30 departments was exceeded. The variance was due mainly to government spending control measures in effect during the last quarter.

Cost-Effective Telecommunications Solutions

TICS facilitates delivery of programs through cost-effective telecommunications solutions for departments and agencies. These solutions are provided by the private sector, are offered on an optional basis to clients and achieve the best value through economies of scale.

Technical Solutions: Through brokering, TICS continued to provide telecommunications services to government. Of the six major requests for proposal (RFPs) for telecommunications services planned for 2003-04, three were issued, one was cancelled because of changing customer requirements and two were delayed due to changing technical and procurement requirements and will be issued in 2004-05.

Customer Base: The previous client base was entirely retained, and TICS continued to accumulate annual savings for the government of approximately \$96.5 million, generated over the past six years through reduced telecommunications expenses. TICS successfully recovered the total costs of services and achieved a break-even financial position.

Enhanced Information Management and Technology (IM/IT) Services

TICS supports the program and service delivery of departments and agencies through innovative IM/IT services.

Service Value and Quality: Network and computing services business volumes increased over the year. TICS provided secure and stable electronic infrastructure services to support service delivery to Canadians, enabling access to Web-based transactional and information services such as the Canada Site (www.canada.gc.ca), and related government portals. Client surveys demonstrate that clients are satisfied with the service. The target to resolve service desk calls 90% of the time, as set out in service agreement standards, was met.

Service Delivery: TICS continued to provide consistent, reliable mainframe performance and availability at 99.9%, exceeding the 99.7% target. In terms of safeguarding the systems, TICS exercised constant vigilance to protect the electronic infrastructure from the threat of computer viruses, hacking and denial of service attacks.

Storage Capacity: Capacity on Demand infrastructure is intended to provide PWGSC and other government departments with computer storage in a timely fashion. Whereas it used to take up to 120 days to provide additional computer storage, this demand can now be met within 2 days. To do this, TICS procured and implemented flexible, scalable computer storage in its data centres, as well as a metropolitan area network connecting these data centres. This infrastructure was installed and tested, enabling PWGSC and over 45 other government departments to access capacity on demand and, in turn, deliver new services and programs more quickly.



Resourcing Strategy

Workforce Strategy: TICS made limited progress in addressing workforce priorities. However, it is implementing a strategy for HR modernization, including wide-ranging efforts to build capacity in the IM/IT community across government and to mitigate the risks related to the aging workforce and the constant evolution of technology.

Employee Development: The TICS e-Learning Gateway pilot project saw a 38% increase in registered participants from over 20 departments and agencies, and its employee development programs had 91% of candidates completing or continuing on in their respective programs, thereby meeting or surpassing targets.



Receiver General

Objective

To manage the operations of the federal treasury, including issuing payments and managing revenue collection for major government programs, to prepare the Public Accounts, and to produce the government's Monthly Statement of Financial Operations.

Business Line Overview

The Receiver General (RG) business line plays a vital operational role in ensuring the government's financial stability and public confidence through accurate and timely reporting of the government's financial activities and the issuance of payments to the majority of Canadians.

The RG is responsible for maintaining the integrity of the Consolidated Revenue Fund and the financial information presented to Parliament and the public through the Public Accounts and the Monthly Statement of Financial Operations. It adds value by delivering central government-wide services that eliminate duplication of effort and infrastructure, and by consolidating the

Key Facts

- 226 million payments in almost 200 countries.
- \$1.3 trillion in cash flows handled.
- Payments on behalf of 7 provinces and 3 territories as part of joint initiatives with federal departments.

management of the government's payments and revenue collection to achieve the most competitive rates for services available from Canada's financial industry.

Through its own initiatives and in partnership with other government departments and agencies, RG contributes significantly to achieving government objectives in terms of client focus, responsible spending and reporting of results to Canadians. All federal departments and agencies require access to Receiver General services to complete their obligations to the public and Parliament, whether through payment issue, revenue collection or financial reporting. RG is also a key operational arm of the Department of Finance and the Treasury Board Secretariat in the context of debt management and financial policy and controls.

Financial Summary

Receiver General Expenditures

Net Expenditures 2003-04			
		<i>(in millions of dollars)</i>	
	Planned Spending	Total Authorities	Actual
• Operating (including Separately Controlled Allotment) and Statutory Votes			
Gross Expenditures	123.3	121.2	117.2
Less: Respendable Revenues	18.6	22.1	22.1
BUSINESS LINE TOTAL	104.6	99.1	95.1
FULL-TIME EQUIVALENTS	490	490	405
<i>Totals may not add up due to rounding.</i>			
The decrease in gross expenditures is mainly due to reduced banking fee expenditures, as well as an imposed spending restraint.			



Performance Results

Improved Treasury Services

The Receiver General delivers effective management of federal treasury operations and RG payments for government programs.

Payments: More than 99.9% of payments were issued according to schedule, compared with 99.6% last year. The volume of payments increased, from 222 million to 226 million, as did the percentage of payments issued electronically, from 67.6% to 68.7% of the total payments. Cost avoidance as a result of direct deposit increased from \$79.4 million in 2002-03 to \$86.7 million in 2003-04.

Banking and Disbursement: RG managed cash flows of more than \$1.3 trillion, representing \$662 billion in inflows and \$660 billion in outflows. These amounts include both budgetary and statutory revenues and expenditures, as well as cash flows related to the debt management operations of the Department of Finance. While the scope of banking services increased, the net cost decreased from \$35.7 million to \$32.4 million because of increased efficiency in the use of banking services.

Green Operations: Direct deposit and the increasing use of electronic remittance eliminated the need for an estimated 2.6 tons of paper, the equivalent of 45,000 trees.

Payment Service for Recipients Living Abroad:

A new service, which allows people to receive their payments in local currency at a very favourable exchange rate, was implemented in January 2004. For example, a pensioner living in the United States and receiving a government pension of \$260 a month would receive about 10% more US\$ than under the previous arrangement.

Receiver General Buy Button: A new version of the Receiver General Buy Button was implemented to take advantage of the Secure Channel infrastructure. This approach will also

serve as the cornerstone for the introduction of new on-line payment options such as the on-line debit service being developed by Canada's financial institutions.

Of 226 million payments, 81,822 were not issued according to Receiver General standards. All but 64 of these payments were cheques, which are more prone to error than electronic payments because of the amount of manual processing required for paper transactions.

Enhanced Central Accounting Services

The Receiver General delivers effective maintenance of the Accounts of Canada and preparation of the Public Accounts.

Annual Public Accounts: With the move to full accrual accounting, the model used by the government to report its financial results was changed. The reporting model recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants was implemented for the 2002-03 financial statements. This move shifted the focus of financial reporting from expenditures (recorded when funds are spent) to expenses (recorded when resources are used). It also resulted in the recording of tens of billions of dollars in additional assets and liabilities in the financial statements.

Public Accounts and Financial Statements: The Public Accounts for 2002-03 were prepared on a full accrual basis of accounting for the first time. This brought to a successful close the government's Financial Information Strategy initiative. Monthly financial statements were produced within time lines established by the Department of Finance. For 2002-03, the Auditor General's management letter contained no issues for the Receiver General.

Statement of Financial Operations: The Web enablement of the Central Financial Management Reporting System (CFMRS) used to maintain the Accounts of Canada was well under way in 2003-04. Several components, such as the Central System Mailbox and CFMRS



Transmit Trial Balance, have been successfully developed and implemented for 95 departments and agencies.

Skilled and Knowledgeable Workforce

To renew the workforce, RG participated in the government-wide Financial Officer

Recruitment and Development (FORD) program, with emphasis on increasing diversity in the RG workforce. RG hosted 12 FORD assignments and hired 1 trainee on completion of the program. All were visible minorities.



Public Service Compensation

Objective

To provide payroll, benefits and pension plan administration services for the Public Service of Canada.

Business Line Overview

The Public Service Compensation (PSC) business line delivers efficient pay and benefits services to public service employees and members of the Royal Canadian Mounted Police, and pension services to retired public servants, retired members of the Canadian Forces, the federal judiciary and Members of

Key Facts

- Canada's largest payroll and pension administration.
- 292,000 pay accounts and 322,000 pension accounts.
- 12.6 million pay and pension payments issued.

Parliament. PSC assists colleague departments and agencies in achieving their objectives through better and automated compensation services and stronger integration of the PWGSC central pay system with their human resources systems.

Financial Summary

Public Service Compensation Expenditures

Net Expenditures 2003-04			
		<i>(in millions of dollars)</i>	
	Planned Spending	Total Authorities	Actual
• Operating and Statutory Votes			
Gross Expenditures	63.7	73.4	74.0
Less: Respendable Revenues	32.2	42.8	42.8
BUSINESS LINE TOTAL	31.5	30.6	31.2
FULL-TIME EQUIVALENTS	793	793	920

Totals may not add up due to rounding.

The increase in gross expenditures is related to work performed under the initiatives approved for the *Public Service Superannuation Act (PSSA)* and the *Canadian Forces Superannuation Act (CFSA)*. These costs are recovered from the pension accounts as respendable revenues.

Performance Results

Public Service Compensation achieved or exceeded most of the results planned for 2003-04, as outlined in this section.

Effective Management of Payroll Benefits and Pension Systems

Reliability of Systems: Processed payments in the right amounts and on time, while ensuring accurate remittance and collection of taxes, contributions and other deductions, which were

of paramount importance to employees, pensioners, colleague departments and stakeholders. There were no technical disruptions to affect the timeliness of payments or the regular updating of databases. System response times were maintained consistently within 0.5 seconds or less. The accurate collection of deductions and monthly remittances to 150 organizations was managed effectively and expeditiously.



Timely Implementation of Legislative Requirements, Collective Agreement Provisions and Other Major Policy Changes: All technical system updates were released for production as required to meet legislative requirements, improve regular system maintenance and make system enhancements. All collective agreement provisions were implemented within established time frames.

Pay System Master File Expansion: The Master File Expansion objective was primarily to increase the system capacity in the handling of key components required for pay administration by expanding fields, redefining elements and streamlining internal processes used to process pay and contribution data. The project targeted elements such as those used in the reporting of deduction and entitlement data by removing the limitations through the redefinition of fields to alphanumeric values, which will allow for over 1,000 deductions and/or entitlements to be defined in the system. This project was successfully implemented in two phases, the first in June 2003 and the second in March 2004.

Enhanced Value to Clients

Secure Automation of Business Processes on the Web: PSC worked to address the issues pertaining to the secure Government of Canada infrastructure to allow full implementation of Compensation Web applications. In March 2004, a pilot project allowed approximately 600 internal PWGSC users to access the Compensation Web application secure site for functions such as viewing their Statement of Pension and Group Benefit Plans, accessing their payment stubs, accessing the option to amend/change/delete selected voluntary deductions and performing pay-related “what if” scenarios. It also allowed them to estimate

pension division entitlements under the *Pension Benefits Division Act* and to perform gross-to-net pension calculations.

Automation of business processes continued with a new feature added to the existing Pension Benefits Calculator whereby pension plan participants can estimate their Transfer Value amount. In addition, enhancements were made to the Service Buyback Estimator, which enables them to perform calculations for multiple periods of prior service. An added feature allows the calculation of benefits resulting from a division of pension following a relationship breakdown. Lastly, all compensation advisors now have access to e-training, and two modules of the Insurance Training Program were posted on the Web in 2003-04, with others to follow.

Pay System Interface: The new interface between the Regional Pay System and the PeopleSoft Government of Canada Human Resources Management System used by many departments was successfully developed. Following development of the interface, a pilot project was conducted with Industry Canada involving all stakeholders.

Skilled and Knowledgeable Workforce

Build and Ensure Capacity: The recruitment of new compensation staff was continued through the Post-Secondary Recruitment (PSR) Program, which focussed on attracting visible minorities, and an apprenticeship program was designed to retain existing employees. A formal apprenticeship program, the Compensation Officer Apprenticeship Program (COAP), was developed to address succession planning.



Consulting and Audit Canada

Objective

To make a leading contribution, through staff and services provided, to the improvement of public sector management and operations in Canada and abroad while balancing operating costs with the revenues received from charging customers for services.

Business Line Overview

Consulting and Audit Canada (CAC) provides, on an optional and fee-for-service basis, consulting and audit services to federal government departments and agencies. These services help customers provide better service to Canadians by improving public sector management, operations and administration while meeting the priorities and needs of government. Upon request, CAC services are also made available to foreign governments and international organizations.

Financial Summary

For 2003-04, CAC generated a positive cash contribution of \$3.8 million as compared with a planned contribution of \$1.1 million. On an accrual basis, CAC achieved a net contribution of \$3.9 million, primarily as a result of a 9% increase in business volume.

Consulting and Audit Canada Expenditures

Net Expenditures 2003-04			
		<i>(in millions of dollars)</i>	
	Planned Spending	Total Authorities	Actual
• Consulting and Audit Canada Revolving Fund			
Gross Expenditures	98.4	98.6	125.5
Less: Respendable Revenues	99.5	99.5	129.2
BUSINESS LINE TOTAL	(1.1)	(0.9)	(3.8)
FULL-TIME EQUIVALENTS	400	400	372
<i>Totals may not add up due to rounding.</i>			
The improved financial position of \$3.8 million versus the total authorities of \$0.9 million is related to a 20% increase in staff fee revenue coupled with a 35% increase in revenue from subcontracting activities.			

Key Facts

- Provides, on an optional and fee-for-service basis, assurance, accounting, audit, consulting and international services.
- Supports government departments and agencies in fostering effective and efficient public sector management.
- Provides access to government business to over 5,000 small and medium-sized enterprises (SMEs).

CAC services focus on excellence in client service, sharing of public sector expertise, and areas of particular relevance to the federal government. It adapts services to meet the needs of public service managers and the priorities of government and provides services in collaboration with the private sector through subcontracting.



Performance Results

Over the reporting period, CAC made good progress against planned results and generally met its performance expectations in providing quality services to clients. The results were very similar to those of the previous year, indicating consistency in service delivery levels.

CAC maintained a high level of knowledge and consulting capacity in public policy issues, resulting in a high level of repeat business. Its participation in horizontal projects and its work with small and-medium-sized enterprises (SMEs) enabled sharing and dissemination of knowledge and expertise while providing private sector access to government business.

CAC continued to play an important role in helping public sector organizations adapt to changes in government priorities while maintaining its long-term financial viability. It is being increasingly challenged by the need to replace highly experienced staff members who have reached retirement age.

High-Quality and Professional Services

CAC assists clients in improving public sector management and operations.

High Level of Repeat Business: CAC met and exceeded its targets under this key commitment. It achieved a 9.1% growth in its business volume over the previous year, compared with a target of 2%. The repeat business indicator was measured at 90%, exceeding by 10% the target set by the 2003-04 Report on Plans and Priorities. Finally, the results of client surveys showed a satisfaction level of 90%, with 94% of clients indicating that they would use CAC services again.

During the year, CAC conducted a pricing and positioning study to improve its understanding of its current and potential value to government clients and of its potential role in supporting

government priorities. The insights gained from this study will be used to strengthen collaborative relationships with PWGSC, central agencies and clients and will help to position the organization for a sustainable future. During the coming year, CAC plans to build on the findings of the study by introducing a systematic approach to the development of new products and services in response to clients' emergent needs.

CAC continued its rigorous approach to the management of contract risk. Through quarterly audits of contracts awarded, CAC assures itself that actual practices conform to contracting regulations. During the year, CAC took steps to implement an integrated risk management action plan. Finally, CAC continued to promote its Code of Ethics and Professional Conduct and plans to use it as a basis for an internal dialogue on ethical issues.

Shared Public Sector Management Knowledge and Expertise

CAC shares its knowledge and expertise with clients.

Augmentation Using Small and Medium-Sized Enterprises (SMEs): CAC contracted out 60% of its business to SMEs, meeting the planned target of 50% to 60%. CAC met expectations concerning horizontal initiatives, participating in the planned 10 government-wide projects.

The target of committing 50% of projects to the internal Corporate Memory System (CMS) was met. However, the decision was made to review the benefits of using the CMS following evidence that the system may not be generating the anticipated benefit to business processes.

Meeting of Treasury Board Targets for Revolving Funds

CAC generated a positive cash contribution of \$3.8 million, exceeding the targeted contribution of \$1.1 million by \$2.7 million or 245%.



Translation Bureau

Objective

To assist the Government of Canada in providing services to and communicating with Canadians in the official language of their choice and in more than 100 other languages, helping to implement the government's bilingualism and multiculturalism policies and programs. Also, to help maintain and develop the supply of language services that are essential to Canada's ability to function as a bilingual country, maintain international relations and prosper in export markets.

Business Line Overview

The Translation Bureau is a key enabler in helping the government carry out its official languages commitment by providing translation, interpretation, terminology and technolinguistic services to Parliament, the judiciary and federal departments and agencies and by standardizing terminology within the federal government.

The Translation Bureau adds value to the government's service delivery infrastructure by providing a critical mass of language professionals—employees and contractors—to help the government operate smoothly, fulfil its official languages obligations and promote the values of bilingualism and multiculturalism that make up Canada's identity. The Translation Bureau also contributes to the stability and

Key Facts

- *The Translation Bureau is the linguistic and terminology standardization authority of the federal public service.*
- *The Bureau's terminological and linguistic data bank, TERMIUM[®], contains more than 3.5 million terms and is consulted over 600 million times each year.*
- *The Bureau provides access to government linguistic business for 2,000 small-and medium-sized language firms.*

growth of the Canadian language industry by working with partners in the federal government and the industry to preserve Canada's bilingual character and to increase the visibility of Canadian businesses and facilitate their export market penetration. The Bureau provides services in over 100 languages to support the government's international relations.

The Bureau is a special operating agency that manages its finances through a revolving fund. Approximately 74% of its spending authority is generated through the delivery of services to departments and agencies on a cost-recovery basis. The remainder of the Bureau's funding is provided through appropriations for standardizing terminology and providing service to Parliament.



Financial Summary

Translation Bureau Expenditures

Net Expenditures 2003-04			
	Planned	Total	
	Spending	Authorities	Actual
• Operating Vote			
Gross Expenditures	49.0	50.8	50.8
Less: Respendable Revenues	-	-	-
Net Expenditures	49.0	50.8	50.8
• Translation Bureau Revolving Fund			
Gross Expenditures	192.5	232.0	229.0
Less: Respendable Revenues	189.2	189.2	198.5
Net Resources (Provided) Used	3.3	42.8	30.6
BUSINESS LINE TOTAL	52.3	93.6	81.4
FULL-TIME EQUIVALENTS	1,773	1,773	1,708

(in millions of dollars)

Totals may not add up due to rounding.

There is no variance in the operating vote.

The main reason for the discrepancy between total authorities and actual spending is that the Translation Bureau Revolving Fund improved its overall business volume in 2003-04. Sales increased because of a translation volume increase and additional services to parliament.

Performance Results

Improvement of the Service Delivery Model

After several years of steady growth, the Translation Bureau experienced an unusual fluctuation in demand and slower revenue growth, primarily attributable to the changes made to the machinery of government and lower demand from Government On-Line than anticipated.

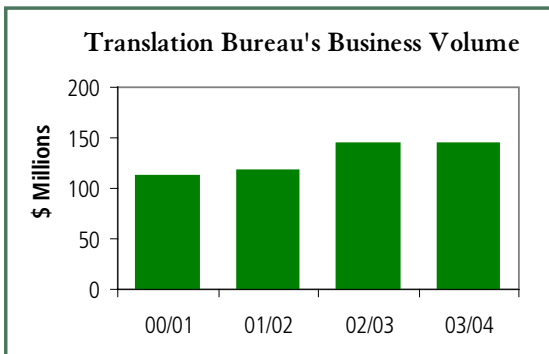
Despite these setbacks, the Translation Bureau achieved, and even surpassed, its financial objectives. For example, the Bureau concluded partnership agreements with its customers totalling \$144 million, exceeding its objective of \$120 million by a wide margin.

Working closely with the House of Commons, the Translation Bureau improved the Remote Translation Application connected to PRISM,

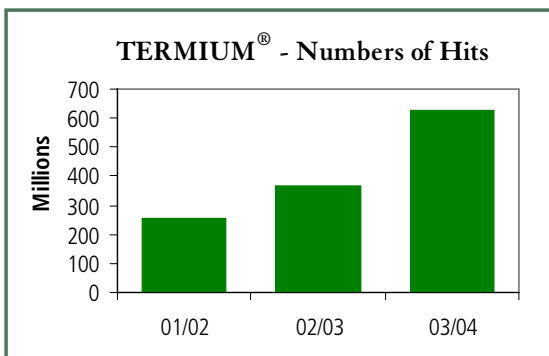
the integrated computer system used to produce parliamentary publications. Furthermore, because of steps taken by the Bureau, turnaround time for translating parliamentary committee minutes and testimony will be reduced when Parliament reconvenes in the fall of 2004. In addition, almost 60% of Parliament Hill customers now use the Translation Bureau's On-Line Ordering System.

One of the Translation Bureau's key mandates, as prescribed by law, is to standardize terminology within the federal government. Accordingly, TERMIUM[®], the terminology and linguistic data bank, now contains over 3.5 million terms in English and French.

The bank's Spanish component grew by more than 15.5% and now consists of over 146,000 terms. In addition, the number of user hits increased by more than 71%, compared with the previous year, exceeding 623 million.



The Translation Bureau continued the preparatory work for *TERMIUM*[®] V, a tool that will contain the standardized content of the current version of the data bank and the specific terminologies of client organizations. The proposed ISO certification in terminology was put on hold because of the procedural changes that will result from the implementation of *TERMIUM*[®] V.



The Translation Bureau released seven publications, five of which are accessible on the Bureau's Internet site free of charge. It also released the *Panlatin Electronic Commerce Glossary*, a glossary in eight languages that was prepared with the Realiter network. Further to an Industry Canada initiative, the Bureau launched *The Language Nook / Le Coin linguistique*, a tool designed for government employees to help them improve their communications with Canadians.

Strengthening Strategic Relations

A relationship between the Bureau and its customers that is built on quality is paramount

to the success of the organization. In order to strengthen its relations with customers and promote discussions about quality, service, customer satisfaction and terminology, the Translation Bureau set up quality circles, which are working groups established to discuss common concerns with its main customers in relation to the delivery of quality services and use of appropriate terminology.

In April 2004, at 57.65%, usage of the Translation Bureau's On-Line Ordering System was close to the targeted rate of 60%, compared with 36.65% the year before. The customer satisfaction rate went from 85% in 2003 to 90% in March 2004, according to the results of two internal initiatives aimed at measuring customer satisfaction.

The Bureau continued to play a key role in the implementation of the *Action Plan for Official Languages*, tabled by the Government of Canada in March 2003. To contribute to the development of the Canadian translation industry, the Bureau awarded 50% more high-dollar-value contracts to translation firms. In 2003-04, the total value of the work contracted out to the private sector reached \$50 million.

With respect to national partnerships, the Translation Bureau signed an agreement with the Government of Nunavut that will see words added to *TERMIUM*[®] and will help preserve the Inuktitut language.

The Bureau renewed its partnership agreement with the University of Ottawa's School of Translation and Interpretation and, in the last year, hosted eight interpretation graduates in practicums.

The Bureau was also a major partner in the creation of the Language Technologies Research Centre, on which construction began in May 2004. Lastly, the Bureau, along with key stakeholders in the federal government, the private sector and academia, created the Language Industry Association.



The Bureau was actively involved in major international standardization committees, such as those of ISO and NATO, and in the work of French-, Spanish- and Portuguese-speaking countries, becoming elected the member of the panlatin terminology network, Realiter, responsible for the French language in North America.

Human Resources Modernization

The Translation Bureau continued to focus its efforts on creating a skilled workforce to fill the

positions of employees who are planning to retire in the next few years. Since its learning program was implemented in May 2001, the Translation Bureau has hired 296 recruits, including 74 translators and 7 terminologists in 2003-04. The Bureau also helped train emerging professionals in the Canadian industry by hosting 201 students in practicums under a partnership program with 10 Canadian universities.



Operational Support

Objective

To promote efficient and cost-effective program delivery through the provision of support services that include audit and ethics, information technology, policy and planning, communications, security, financial, administration and human resources services.

Business Line Overview

The Operational Support (OS) business line provides support services to the department's other business lines. These support services shape the environment and provide many of the tools that enable the department to respond to the evolving needs and expectations of Canadians.

OS provides support to the Minister, Deputy Minister, Associate Deputy Minister, Assistant Deputy Ministers and Chief Executive Officers in their dealings with Cabinet, Parliament, central agencies, other levels of government and other organizations. It sets strategic priorities and develops tools for sound, integrated management practices to reinforce a culture shift toward a stronger corporate approach to strategic planning and management modernization. The business line ensures that the principles of sustainable development are reflected in all aspects of its internal operations.

OS manages PWGSC's audit and ethics functions, which provide management information and independent advice on business performance and management control systems, a means of investigating and reporting allegations of wrongdoing as well as the development of the departmental ethics program.

Key Facts

- *Supports the management of departmental expenditures in excess of \$4 billion each year.*
- *Supports the management of a workforce of over 13,000 people.*
- *Prints 60 million cheques and 60 million non-cashable items yearly.*
- *Manages 18,500 electronic mail accounts.*

The business line is the department's communicator. It has ongoing communications with parliamentarians and the media in order to inform Canadians about the services and role of PWGSC.

The business line ensures that the right people are hired when and where they are needed, provide learning and development opportunities for all employees and are committed to a workplace where employees are valued and respected. In addition, it ensures that the workplace is safe and secure and that PWGSC can respond quickly to any emergency. It also manages corporate information and provides telecommunications and information technology services to PWGSC employees.

OS provides a range of financial services to branches and special operating agencies (SOA) to improve organizational performance and accountability.

Through these services, the OS business line contributes to PWGSC's commitment to good governance, program integrity, effective management control and accountability to ensure the highest standards of accountability, transparency, prudence and integrity.



Financial Summary

Operational Support Expenditures

Net Expenditures 2003-04			
	Planned	Total	
	Spending	Authorities	Actual
IM/IT DEPARTMENTAL OPERATIONS SERVICE LINE			
• Operating and Statutory Votes			
Gross Expenditures	191.7	223.9	228.4
Less: Respendable Revenues	64.7	86.6	86.6
Net Expenditures	127.0	137.3	141.9
CORPORATE MANAGEMENT SERVICE LINE			
• Operating and Statutory Votes			
Gross Expenditures	119.0	190.0	149.6
Less: Respendable Revenues	34.7	59.6	59.6
Net Expenditures	84.3	130.4	90.0
BUSINESS LINE TOTAL	211.3	267.7	231.8
FULL-TIME EQUIVALENTS	2,666	2,666	2,842
<i>Totals may not add up due to rounding.</i>			
<p>The variance in the IM/IT service line reflects a freeze on staffing and spending control measures, which offset funding pressures related to disaster recovery services and office infrastructure.</p> <p>The variance for the Corporate Management service line is mainly due to a staffing freeze and internal spending control measures (these steps were initiated in the context of a government-imposed spending freeze).</p>			

Performance Results

Human Resources Modernization

PWGSC contributed its expertise and experience in human resources management to the deputy ministers' subcommittees and working groups formed in support of the *Public Service Modernization Act* (PSMA). The department also participated in reviews on the delivery of the corporate and administrative HR and compensation services. As directed by the newly created Public Service Human Resources Management Agency, PWGSC put into place a governance structure and project team to manage the implementation of its own HR modernization efforts. PWGSC continued to champion management development through the Managers' Community Network Council,

which promotes and supports learning and leadership development.

PWGSC met the overall government target with respect to representation of visible minorities as of March 31, 2004. Representation remains to be improved for certain groups in certain categories, namely, women in the Technical and Operational categories, Aboriginal peoples in the Executive Category and persons with disabilities in the Scientific and Professional, Technical and Operational categories.

The department continued to implement the Official Languages Strategic Action Plan it adopted in 2002-03. In 2003-04, the number of occupied bilingual positions in the department increased from 50% to 58%.



Learning indicators were affected by the department's major organizational changes and by the budget freeze. When compared with the previous year, the average learning days per employee fell from 5.4 to 3.8, the amount of money invested in learning decreased by 12% and the proportion of employees with learning plans went from 93% to 80%.

Enhanced Policy and Planning

PWGSC has developed a Management Accountability Framework (MAF) Action Plan, which focuses on strategic priorities, business planning, performance evaluation, strengthened accountability framework, risk management, sound financial management, stewardship of resources, strong values and ethic, citizen focused services, and value for Canadians.

A new Priorities, Strategies and Risk Management (PRSM) sector was established to enhance the department's strategic capacity and respond to the government's agenda to strengthen public sector management. PWGSC started realigning its strategic outcomes for improved citizen focus service and value for Canadians.

New Business Planning and Integrated Risk Management Frameworks have been established to support enhanced departmental and branch and SOA decision-making. The development for a Departmental Risk Reporting System was started, which will report on a quarterly basis.

The developmental phase of an Executive Dashboard to monitor key performance areas, including risk, was recently completed.

A Web-based prototype of the Executive Dashboard, supported by an internal data reporting process, is expected to be functional in the fall of 2004.

Implementation of a New Resource Management Regime

During 2003-04, the department improved its financial control systems and processes. As a result, a new commitment policy and related system were implemented within PWGSC. Studies of the departmental chart of accounts and of the financial planning framework were also carried out. Projects to improve both systems have been initiated.

Sustained High Ethical Standards

To ensure that employees have the tools and knowledge to make ethical decisions, a one-day course on ethical decision making was developed and integrated into the department's learning curriculum. Given PWGSC's key role in government procurement, a workshop on ethics in procurement was also developed and piloted and will be made available to PWGSC employees.

In October 2003, the department's Ten-Point Integrity Plan was introduced with the intent of creating a favourable climate for open and honest dialogue on ethics with employees and managers.

Expanded Security and Safety

The department undertook mandate and management reviews of the Industrial Security and the Controlled Goods programs, resulting in strengthened, transparent and ethical program delivery. These programs aim at ensuring compliance with international and national security standards, which govern classified and protected government information and assets, and regulate the safeguarding of controlled goods within Canada's borders.

The department met its targets for routine screening applications – 2 days for reliability status and 60 days for secret clearances. It also met its target to increase the level of security awareness.



Increased International and Intergovernmental Co-operation

PWGSC maintained its close relationship with provincial and territorial organizations and continued to chair the annual Federal-Provincial-Territorial (FPT) Meeting of Deputy Heads of Public Works. In addition, PWGSC initiated a dialogue on values and ethics in the delivery of government public works programs with provincial deputy heads of public works by creating an FPT Values and Ethics Panel.

PWGSC was one of the key federal departments working closely with the Province of Ontario with a view to providing shared services and infrastructure in support of mechanisms for integrated service delivery to citizens. This dialogue was leading to a memorandum of agreement between the federal and Ontario governments with the aim of establishing new collaborative approaches to delivering results to the public. Other provinces have also shown interest in joint collaboration in the areas of co-location, shared common services and common purchasing.

PWGSC strengthened its working relationships with counterpart organizations internationally. There was significant interest internationally in PWGSC's GOL activities because of Canada's recognition for three years running as first in the world in e-government. Importantly, PWGSC pursued greater engagement with its US counterpart, the General Services Administration (GSA). In 2003, PWGSC hosted the first bilateral meeting with the GSA, resulting in an ongoing commitment to share knowledge and best practices in the areas of acquisitions, real property and e-government.

Financial Management

Key financial functions were reviewed as part of a series of internal departmental reviews,

resulting in a number of recommendations to strengthen financial forecasting and reporting. These were designed to provide managers with more accurate and timely information about their budgets. Implementation of these recommendations is to occur, on a priority basis, over an 18-month period. Key actions taken in 2003 included the establishment of a focused budget allocation process, the introduction of a commitment control policy and the national rollout of a post-payment verification process.

Maintenance of Information Management / Information Technology Capacity

PWGSC was able to provide secure, stable, dependable mainframe infrastructure services, at 99.9% availability exceeding its target of 99.7%.

In support of PWGSC's delivery of key government-wide services, over 200 projects, valued at \$61.0 million, were implemented in the areas of application development, infrastructure and other IM/IT-related activities.

To ensure the security of PWGSC's IT systems, the Information Protection Centre (IPC) played a key role in the detection and mitigation of many IT security incidents, which prevented costly major operational incidents.

The Government On-Line (GOL) office for PWGSC manages departmental GOL projects and tracks progress against the GOL plan and TB-funded initiatives. Most are expected to be completed before the December 2005 target date. For more information, please see the report on Government On-Line in Annex A.



Financial Summary Overview

The following explains the significant differences between planned spending, total authorities and actual spending in the department for 2003-04.

	<i>(in millions of dollars)</i>	
PLANNED SPENDING		2,410.2
Collective bargaining		54.1
Government On-Line		44.6
Accommodation costs		40.1
RDIMS government-wide enterprise licence		31.1
Operating budget carry forward		23.9
December 12, 2003 restructuring announcement		23.3
Additional statutory authorities		10.0
Other authorities		26.8
TOTAL AUTHORITIES		2,664.2
Separately controlled lapse		
Real Property Services - Discretionary	(85.0)	
Real Property Services - Non-discretionary	(81.0)	
Real Property Services - Salary conversion factor	(51.1)	
Receiver General - Non-discretionary	(2.6)	
Real Property Services - Justice Canada legal expenditures reversal	(1.8)	(221.5)
Operating budget lapse		
Multiple business lines	(31.2)	
GOL and STSI lapses	(6.3)	
Justice Canada legal expenditures reversal	(2.5)	(40.0)
Capital lapse		(32.9)
Other lapses (including statutory authorities)		(23.1)
ACTUAL SPENDING		2,346.7

In 2003–04, the department managed, within its approved spending authorities, to deliver quality services and pursue efficiencies in all its operations.

The variance between total authorities and actual spending in separately controlled allotments and capital is mainly due to lower than forecast lease and fit-up costs, project deferrals, staffing freezes, a government-wide capital freeze, the annual return of employee benefit and health care costs, and departmental expenditure reductions.

The operating budget lapse is primarily related to the staffing freeze and to internal spending control measures, both of which were initiated in the context of a government-imposed spending freeze, and conservative risk management strategy given the uncertainty of the fiscal situation of the Government of Canada.



Financial Table 1: Summary of Voted Appropriations

Table 1 details how Parliament votes resources to the department, including voted appropriations and statutory authorities.

(in millions of dollars)

2003-04						
Vote	Program	Total Main Estimates	Total Planned Spending ¹	Total Authorities ²	Total authorities received as a result of December 12, 2003 (Total estimated authorities for entire fiscal year) ³	Revised Authorities
Government Services						
1	Operating expenditures	1840.5	1,981.6	2,190.0	21.8	2,211.8
5	Capital expenditures	368.7	368.7	312.1		312.1
10	Grants and contributions	6.1	6.1	0.4		0.4
(S)	Minister of Public Works and Government Services – Salary and motor car allowance	0.1	0.1	0.1		0.1
(S)	Contribution to employee benefit plans	68.2	68.2	111.0	1.5	112.5
(S)	Real Property Services Revolving Fund	0.0	-	-		-
(S)	Real Property Disposition Revolving Fund	(16.6)	(16.6)	(16.6)		(16.6)
(S)	Optional Services Revolving Fund	(0.1)	(0.1)	(0.1)		(0.1)
(S)	Telecommunications and Informatics Common Services Revolving Fund	0.0	-	-		-
(S)	Consulting and Audit Canada Revolving Fund	(1.1)	(1.1)	(0.9)		(0.9)
(S)	Translation Bureau Revolving Fund	3.3	3.3	42.8		42.8
(S)	Payments to municipalities and other taxing authorities	0.0	-	(0.9)		(0.9)
(S)	Refunds of amounts credited to revenue in previous years	0.0	-	2.7		2.7
(S)	Spending of proceeds from the disposal of surplus Crown assets	0.0	-	0.4		0.4
DEPARTMENTAL TOTAL		2,269.0	2,410.2	2,641.0	23.3	2,664.2
Total FTEs received ⁴					93	
<i>Totals may not add up due to rounding.</i>						
(S) = Statutory						
1	Planned spending is the amount included in the department's 2003-04 Report on Plans and Priorities and indicates amounts planned at the beginning of the year.					
2	Total authorities include the 2003-04 Main Estimates plus Supplementary Estimates, transfers in from Vote 10 – Government-Wide Initiatives, transfers in from Vote 15 – Collective Agreements, and other authorities.					
3	In accordance with P.C. 2004-5, P.C. 2003-2089 and P.C. 2003-2074, the control and supervision of Treasury Board Secretariat responsibilities related to STSI and GOL were transferred to PWGSC.					
4	Total FTEs received reflects the approved FTEs for the entire 2003-04 fiscal year related to the transfer out of TBS responsibilities for STSI (26 FTEs) and GOL (67 FTEs) on December 12, 2003.					



Financial Table 1.1: Expenditures by Authority

Table 1.1 details how responsibilities and related resources were received on December 12, 2003.

(in millions of dollars)

Vote	Program	Total Actual Spending	2003-04	
			Total actual spending for authorities and responsibilities received as a result of December 12, 2003 (Entire fiscal year) ³	Revised Total Spending
	Government Services			
1	Operating expenditures	1,935.4	15.4	1,950.9
5	Capital expenditures	279.2		279.2
10	Grants and contributions	0.4		0.4
(S)	Minister of Public Works and Government Services – Salary and motor car allowance	0.1		0.1
(S)	Contribution to employee benefit plans	111.0	1.5	112.5
(S)	Real Property Services Revolving Fund	(0.0)		(0.0)
(S)	Real Property Disposition Revolving Fund	(14.9)		(14.9)
(S)	Optional Services Revolving Fund	(5.0)		(5.0)
(S)	Telecommunications and Informatics Common Services Revolving Fund	(5.1)		(5.1)
(S)	Consulting and Audit Canada Revolving Fund	(3.8)		(3.8)
(S)	Translation Bureau Revolving Fund	30.6		30.6
(S)	Payments to municipalities and other taxing authorities	(0.9)		(0.9)
(S)	Refunds of amounts credited to revenue in previous years	2.7		2.7
(S)	Spending of proceeds from the disposal of surplus Crown assets	0.1		0.1
DEPARTMENTAL TOTAL		2,329.7	17.6	2,346.7
<i>Totals may not add up due to rounding.</i>				
(S) = Statutory				
1	Planned spending is the amount included in the department's 2003-04 Report on Plans and Priorities and indicates amounts planned at the beginning of the year.			
2	Total authorities include the 2003-04 Main Estimates plus Supplementary Estimates, transfers in from Vote 10 – Government-Wide Initiatives, transfers in from Vote 15 – Collective Agreements, and other authorities.			
3	In accordance with P.C. 2004-5, P.C. 2003-2089 and P.C. 2003-2074, the control and supervision of Treasury Board Secretariat responsibilities related to STSI and GOL were transferred to PWGSC.			



Financial Table 1.2: Impact of December 12, 2003 Announcements

Table 1.2 provides a breakdown by vote of the estimated authorities and spending transferred in tables 1 and 1.1.

(in millions of dollars)

Funding Source	2003-04		
	Total Estimated Authorities Received	Total actual spending for authorities received for 2003-04	FTEs
Treasury Board Secretariat (STSI) Vote 1 – Operating Expenditures ¹	7.8	3.2	26
Treasury Board Secretariat (STSI) (S) – Contributions to Employee Benefit Plans ²	0.4	0.4	
Treasury Board Secretariat (GOL) Vote 1 – Operating Expenditures ³	14.0	12.2	67
Treasury Board Secretariat (GOL) (S) – Contributions to Employee Benefit Plans ²	1.1	1.1	
TOTAL RECEIVED	23.3	17.0	93

Totals may not add up due to rounding.

(S) = Statutory

- 1 Estimated authorities transferred for the entire fiscal year were calculated based on the approved reference levels of STSI responsibilities transferred from TBS to PWGSC (\$3,871.9K), in accordance with P.C. 2004-5, plus the related frozen amounts for STSI, reprofiling, and conversion factor (\$3,972.7K). A special-purpose allotment was calculated based on the approved reference level for the entire fiscal year, less estimated expenditures to December 12, 2003, and set up in the amount of \$674.6K.
- 2 Estimated authorities transferred for the entire fiscal year were calculated by prorating the actual expenditures for contributions to employee benefit plans charged to each affected TBS business line according to the percentage of personnel costs spent by the groups transferred out and remaining in TBS.
- 3 Estimated authorities transferred for the entire fiscal year were calculated based on the approved reference levels of GOL responsibilities transferred from TBS to PWGSC (\$15,058.9K), in accordance with P.C. 2003-2089. A special-purpose allotment was calculated based on the approved reference level for the entire fiscal year, less estimated expenditures to December 12, 2003, and set up in the amount of \$6,761.1K.



Financial Table 2: Comparison of Total Planned Spending With Actual Spending

Table 2 outlines how the department uses resources.

(in millions of dollars)

PROGRAM							Less:	
Business Line				Grants and	Total Gross	Responsible	Total Net	
<i>Service Line</i>	FTEs	Operating	Capital	Contributions	Expenditures	Revenues	Expenditures	
GOVERNMENT SERVICES								
Real Property Services								
<i>Federal Accommodation and Holdings</i>								
- Main Estimates	3,377	1,646.8	368.7	6.1	2,021.6	257.0	1,764.6	
- Planned Spending	3,377	1,706.6	368.7	6.1	2,081.4	260.1	1,821.3	
- Authorities	3,377	2,054.4	312.1	0.4	2,366.9	488.9	1,878.0	
- Actual Spending	3,619	1,833.5	279.2	0.4	2,113.1	488.9	1,624.2	
<i>Services</i>								
- Real Property Services Revolving Fund								
- Main Estimates	1,473	863.0	-	-	863.0	863.0	(0.0)	
- Planned Spending	1,473	863.0	-	-	863.0	863.0	-	
- Authorities	1,473	863.0	-	-	863.0	863.0	-	
- Actual Spending	1,307	743.8	-	-	743.8	743.8	-	
- Real Property Disposition Revolving Fund								
- Main Estimates	-	3.8	-	-	3.8	20.4	(16.6)	
- Planned Spending	-	3.8	-	-	3.8	20.4	(16.6)	
- Authorities	-	3.8	-	-	3.8	20.4	(16.6)	
- Actual Spending	-	3.5	-	-	3.5	18.4	(14.9)	
Total Real Property Services								
- Main Estimates	4,850	2,513.5	368.7	6.1	2,888.3	1,140.4	1,747.9	
- Planned Spending	4,850	2,573.4	368.7	6.1	2,948.2	1,143.5	1,804.7	
- Authorities	4,850	2,921.2	312.1	0.4	3,233.7	1,372.3	1,861.4	
- Actual Spending	4,926	2,580.8	279.2	0.4	2,860.4	1,251.2	1,609.3	
Supply Operations Service								
- Vote								
- Main Estimates	1,704	151.8	-	-	151.8	28.3	123.5	
- Planned Spending	1,704	155.9	-	-	155.9	28.3	127.6	
- Authorities	1,730	178.7	-	-	178.7	33.9	144.8	
- Actual Spending	1,793	183.7	-	-	183.7	33.9	149.7	
- Optional Services Revolving Fund								
- Main Estimates	76	119.0	-	-	119.0	119.1	(0.1)	
- Planned Spending	76	119.0	-	-	119.0	119.1	(0.1)	
- Authorities	76	119.0	-	-	119.0	119.1	(0.1)	
- Actual Spending	84	92.5	-	-	92.5	97.6	(5.0)	
Total Supply Operations Service								
- Main Estimates	1,780	270.7	-	-	270.7	147.4	123.3	
- Planned Spending	1,780	274.9	-	-	274.9	147.4	127.5	
- Authorities	1,806	297.7	-	-	297.7	153.1	144.7	
- Actual Spending	1,877	276.2	-	-	276.2	131.5	144.7	



Financial Table 2: Comparison of Total Planned Spending With Actual Spending (cont.)

(in millions of dollars)

PROGRAM						Less:	
Business Line				Grants and	Total Gross	Responsible	Total Net
<i>Service Line</i>	FTEs	Operating	Capital	Contributions	Expenditures	Revenues	Expenditures
GOVERNMENT SERVICES							
Receiver General							
- Main Estimates	490	123.3	-	-	123.3	18.7	104.6
- Planned Spending	490	123.3	-	-	123.3	18.6	104.6
- Authorities	490	121.2	-	-	121.2	22.1	99.1
- Actual Spending	405	117.2	-	-	117.2	22.1	95.1
Public Service Compensation							
- Main Estimates	793	49.9	-	-	49.9	23.6	26.4
- Planned Spending	793	63.7	-	-	63.7	32.2	31.5
- Authorities	793	73.4	-	-	73.4	42.8	30.6
- Actual Spending	920	74.0	-	-	74.0	42.8	31.2
Telecommunications and Informatics Common Services (TICS)							
- Vote							
- Main Estimates	73	33.6			33.6	28.4	5.2
- Planned Spending	73	107.9	-	-	107.9	28.4	79.4
- Authorities	140	218.5	-	-	218.5	50.5	168.0
- Actual Spending	173	212.4	-	-	212.4	50.5	161.9
- TICS Revolving Fund							
- Main Estimates	193	113.6			113.6	113.6	-
- Planned Spending	193	113.6	-	-	113.6	113.6	-
- Authorities	193	113.6	-	-	113.6	113.6	-
- Actual Spending	215	120.6	-	-	120.6	125.7	(5.1)
Total TICS							
- Main Estimates	266	147.3	-	-	147.3	142.1	5.2
- Planned Spending	266	221.5	-	-	221.5	142.1	79.4
- Authorities	333	332.1	-	-	332.1	164.1	168.0
- Actual Spending	388	333.0	-	-	333.0	176.2	156.8
Consulting and Audit Canada							
- Main Estimates	400	98.4	-	-	98.4	99.5	(1.1)
- Planned Spending	400	98.4	-	-	98.4	99.5	(1.1)
- Authorities	400	98.6	-	-	98.6	99.5	(0.9)
- Actual Spending	372	125.5	-	-	125.5	129.2	(3.8)



Financial Table 2: Comparison of Total Planned Spending With Actual Spending (cont.)

(in millions of dollars)

PROGRAM							
Business Line	Less:						
<i>Service Line</i>	FTEs	Operating	Capital	Grants and Contributions	Total Gross Expenditures	Respendable Revenues	Total Net Expenditures
GOVERNMENT SERVICES							
Translation Bureau							
- Vote							
- Main Estimates	-	49.0	-	-	49.0	-	49.0
- Planned Spending	-	49.0	-	-	49.0	-	49.0
- Authorities	-	50.8	-	-	50.8	-	50.8
- Actual Spending	-	50.8	-	-	50.8	-	50.8
- Translation Bureau Revolving Fund							
- Main Estimates	1,773	192.5	-	-	192.5	189.2	3.3
- Planned Spending	1,773	192.5	-	-	192.5	189.2	3.3
- Authorities	1,773	232.0	-	-	232.0	189.2	42.8
- Actual Spending	1,708	229.0	-	-	229.0	198.5	30.6
Total Translation Bureau							
- Main Estimates	1,773	241.5	-	-	241.5	189.2	52.3
- Planned Spending	1,773	241.5	-	-	241.5	189.2	52.3
- Authorities	1,773	282.8	-	-	282.8	189.2	93.6
- Actual Spending	1,708	279.9	-	-	279.9	198.5	81.4
Operational Support							
<i>IM/IT – Departmental Operations</i>							
- Main Estimates	1,257	191.3	-	-	191.3	64.4	127.0
- Planned Spending	1,257	191.7	-	-	191.7	64.7	127.0
- Authorities	1,257	223.8	-	-	223.8	86.6	137.3
- Actual Spending	1,265	228.4	-	-	228.4	86.6	141.9
<i>Corporate Management</i>							
- Main Estimates	1,409	117.9	-	-	117.9	34.6	83.3
- Planned Spending	1,409	119.0	-	-	119.0	34.7	84.3
- Authorities	1,409	190.1	-	-	190.1	59.6	130.4
- Actual Spending	1,577	149.6	-	-	149.6	59.6	90.0
Total Operational Support							
- Main Estimates	2,666	309.2	-	-	309.2	99.0	210.3
- Planned Spending	2,666	310.7	-	-	310.7	99.4	211.3
- Authorities	2,666	413.9	-	-	413.9	146.2	267.7
- Actual Spending	2,842	378.0	-	-	378.0	146.2	231.8



Financial Table 2: Comparison of Total Planned Spending With Actual Spending (cont.)

(in millions of dollars)

PROGRAM	Less:						
Business Line	FTEs	Operating	Capital	Grants and Contributions	Total Gross Expenditures	Respendable Revenues	Total Net Expenditures
<i>Service Line</i>							
GOVERNMENT SERVICES							
DEPARTMENTAL TOTAL							
- Main Estimates	13,018	3,753.9	368.7	6.1	4,128.6	1,859.7	2,269.0
- Planned Spending	13,018	3,907.4	368.7	6.1	4,282.2	1,871.9	2,410.2
- Authorities	13,111	4,540.9	312.1	0.4	4,853.4	2,189.3	2,664.2
- Actual Spending	13,438	4,164.6	279.2	0.4	4,444.2	2,097.7	2,346.7
Elimination of intra-departmental transactions		(300.1)			(300.1)	(300.1)	-
	13,438	3,864.5	279.2	0.4	4,144.1	1,797.6	2,346.7
Other Revenues and Expenditures							
Non-Respendable Revenues							
- Planned Spending							28.2
- Authorities							51.1
- Actual Spending							51.1
Cost of Services Provided by							
Other Departments							
- Planned Spending							35.5
- Authorities							35.5
- Actual Spending							51.0
NET COST OF PROGRAM							
- Planned Spending							2,394.5
- Authorities							2,664.2
- Actual Spending							2,346.7



Financial Table 3: Historical Comparison of Total Planned Spending With Actual Spending

Table 3 provides a historical perspective of how resources are used by the department.

(in millions of dollars)

PROGRAM Business Line <i>Service Line</i>	Actual 2001-02	Actual 2002-03	2003-04		
			Planned Spending	<i>Total Authorities</i>	Actual
GOVERNMENT SERVICES					
Real Property Services					
<i>Federal Accommodation and Holdings Services</i>	1,499.1	1,755.3	1,821.3	<i>1,878.0</i>	1,624.2
Real Property Services Revolving Fund	(9.5)	-	-	-	-
Real Property Disposition Revolving Fund	(10.7)	(12.3)	(16.6)	<i>(16.6)</i>	(14.9)
	<u>1,478.9</u>	<u>1,743.0</u>	<u>1,804.7</u>	<u><i>1,861.4</i></u>	<u>1,609.3</u>
Supply Operations Service					
Vote	130.3	133.2	127.6	<i>144.8</i>	149.7
Optional Services Revolving Fund	4.6	1.1	(0.1)	<i>(0.1)</i>	(5.0)
	<u>134.9</u>	<u>134.4</u>	<u>127.5</u>	<u><i>144.7</i></u>	<u>144.7</u>
Receiver General	90.8	99.5	104.6	<i>99.1</i>	95.1
Public Service Compensation	30.3	33.4	31.5	<i>30.6</i>	31.2
Telecommunications and Informatics Common Services (TICS)					
Vote	73.9	104.9	79.4	<i>168.0</i>	161.9
TICS Revolving Fund	(2.2)	(1.0)	-	-	(5.1)
	<u>71.8</u>	<u>103.9</u>	<u>79.4</u>	<u><i>168.0</i></u>	<u>156.8</u>
Consulting and Audit Canada (CAC)					
CAC Revolving Fund	(1.4)	(0.3)	(1.1)	<i>(0.9)</i>	(3.8)
Translation Bureau					
Vote	47.5	49.6	49.0	<i>50.8</i>	50.8
Translation Bureau Revolving Fund	2.7	(2.0)	3.3	<i>42.8</i>	30.6
	<u>50.1</u>	<u>47.6</u>	<u>52.3</u>	<u><i>93.6</i></u>	<u>81.4</u>
Operational Support					
<i>IM/IT – Departmental Operations</i>	175.5	162.4	127.0	<i>137.3</i>	141.9
<i>Corporate Management</i>	96.1	99.1	84.3	<i>130.4</i>	90.0
	<u>271.6</u>	<u>261.5</u>	<u>211.3</u>	<u><i>267.7</i></u>	<u>231.8</u>
DEPARTMENTAL TOTAL	2,127.0	2,422.9	2,410.2	<i>2,664.2</i>	2,346.7
<i>Totals may not add up due to rounding.</i>					



Financial Table 4: Revenues

Table 4 identifies revenues received by the department from sources both internal and external to the government.

(in millions of dollars)

PROGRAM Business Line Service Line	Actual 2001-02	Actual 2002-03	2003-04		
			Planned Revenues	Total Authorities	Actual
GOVERNMENT SERVICES					
Respendable Revenues					
Real Property Services					
<i>Federal Accommodation and Holdings</i>					
Rentals and Concessions Services	406.5	432.4	260.1	488.9	488.9
Real Property Services Revolving Fund					
Recoveries of disbursements on behalf of clients	663.2	671.9	687.9	687.9	589.7
Fee revenues from real property-related common services	159.2	154.7	175.1	175.1	154.1
	822.4	826.6	863.0	863.0	743.8
Real Property Disposition Revolving Fund					
Sales of real property	14.6	17.9	20.4	20.4	18.4
	837.0	844.5	883.4	883.4	762.2
	1,243.5	1,276.9	1,143.5	1,372.3	1,251.2
Supply Operations Service					
Vote					
Major Crown Projects	18.4	17.1	9.7	8.8	8.8
Acquisitions	17.8	19.7	12.3	17.8	17.8
Canadian General Standards Board	2.3	2.2	2.5	2.1	2.1
Seized Property Management	5.3	5.2	3.7	5.1	5.1
Others	0.3	-	-	0.1	0.1
	44.0	44.2	28.3	33.9	33.9
Optional Services Revolving Fund					
Traffic and vaccine	79.8	82.8	94.7	94.7	75.2
Crown assets distribution	2.8	4.7	5.6	5.6	4.8
Communication procurement	-	-	2.9	2.9	2.2
Locally shared support services	6.8	7.2	7.2	7.2	6.9
Software brokerage / benchmarking	6.8	4.5	8.7	8.7	8.5
	96.3	99.1	119.1	119.1	97.6
	140.3	143.3	147.4	153.1	131.5
Receiver General					
Payments services	23.3	19.8	18.6	21.3	21.3
Pension fund	1.3	1.1	-	0.8	0.8
	24.5	20.9	18.6	22.1	22.1
Public Service Compensation					
Compensation services	3.6	3.5	32.2	2.0	2.0
Personnel application	0.1	-	-	-	-
Pension fund	36.3	38.2	-	40.8	40.8
	40.0	41.8	32.2	42.8	42.8



Financial Table 4: Revenues (cont.)

(in millions of dollars)

PROGRAM Business Line Service Line	Actual 2001-02	Actual 2002-03	2003-04		
			Planned Revenues	Total Authorities	Actual
GOVERNMENT SERVICES					
Respendable Revenues					
Telecommunications and Informatics Common Services (TICS)					
Vote					
Telecommunications revenue	36.0	42.5	28.4	50.5	50.5
TICS Revolving Fund					
Telecommunications revenue	131.9	115.6	113.6	113.6	125.7
	167.9	158.1	142.1	164.1	176.2
Consulting and Audit Canada					
Consulting and audit services	116.3	119.5	99.5	99.5	129.2
Translation Bureau					
Revolving Fund					
Translation services	164.8	193.8	185.3	185.3	194.5
Interpretation services	3.5	4.0	3.3	3.3	3.1
Terminology services	0.9	0.8	0.6	0.6	0.9
	169.3	198.5	189.2	189.2	198.5
Operational Support					
IM/IT – Departmental Operations					
IM/IT services	76.7	72.2	64.7	85.0	85.0
Internal recoveries and others	2.4	2.4	-	1.6	1.6
	79.1	74.7	64.7	86.6	86.6
Corporate Management					
Ministerial regional offices	2.4	5.1	2.3	2.4	2.4
Shared services	-	-	2.5	3.0	3.0
Internal recoveries and others	42.5	54.3	29.9	54.2	54.2
	44.9	59.4	34.7	59.6	59.6
	124.0	134.1	99.4	146.2	146.2
Total Respendable Revenues	2,025.8	2,093.0	1,871.9	2,189.3	2,097.7
Non-Respendable Revenues					
Docks	6.0	-	6.1	3.9	3.9
Miscellaneous non-tax revenues					
Seized properties	5.1	-	-	17.5	17.5
Services of a regulatory nature	0.0	5.4	-	-	-
Sales of real estate	-	0.1	-	0.0	0.0
Other non-tax revenue	27.3	30.2	22.1	29.7	29.7
Total Non-Respendable Revenues	38.5	35.6	28.2	51.1	51.1
DEPARTMENTAL TOTAL¹	2,064.3	2,128.6	1,900.1	2,240.5	2,148.8
<i>Totals may not add up due to rounding.</i>					
1	2001-02 and 2002-03 non-respendable revenue figures have been restated to reflect the public accounts.				



Financial Table 5: Statutory Payments

Table 5 identifies statutory payments made by the department.

(in millions of dollars)

PROGRAM Business Line	Actual 2001-02	Actual 2002-03	2003-04		
			Planned Spending	Total Authorities	Actual
GOVERNMENT SERVICES					
Real Property Services	9.7	8.8	2.6	41.7	41.6
Supply Operations Service	19.1	21.5	19.5	22.6	22.5
Receiver General	4.0	4.3	5.1	4.0	4.0
Public Service Compensation	7.1	7.9	6.7	8.2	8.2
Telecommunications and Informatics Common Services	1.4	1.5	0.8	3.2	3.2
Consulting and Audit Canada	-	-	-	-	-
Translation Bureau	-	-	-	1.6	1.6
Operational Support	28.8	39.0	33.6	33.4	33.2
Total Statutory Payments	70.1	83.0	68.2	114.7	114.4
<i>Totals may not add up due to rounding.</i>					
Includes contributions to employee benefit plans, the minister's salary and car allowance, proceeds received during the year, refunds of amounts credited to revenues in previous years, private sector collection agency fees, court awards and payments to municipalities and other taxing authorities.					



Financial Table 6: Transfer Payments

Table 6 outlines how resources are transferred to organizations.

(in millions of dollars)

PROGRAM Business Line	Actual 2001-02	Actual 2002-03	2003-04		
			Planned Spending	Total Authorities	Actual
GOVERNMENT SERVICES					
Real Property Services					
<i>GRANTS</i>					
Grants in kind to the Royal Society of Canada	0.08	0.08	0.08	0.08	0.08
Municipalities and other taxing authorities ¹	6.43	1.97	-	(0.92)	(0.92)
	6.51	2.05	0.08	(0.84)	(0.84)
<i>CONTRIBUTIONS</i>					
Canadian Standards Association	0.01	0.01	0.01	0.01	0.01
Hudson Bay Port Company	0.79	-	-	-	-
Argentia Management Authority	3.50	1.37	6.02	0.35	0.27
	4.30	1.38	6.03	0.36	0.28
Operational Support					
<i>GRANT</i>					
Downsview Park (World Youth Day)	0.28	3.17	-	-	-
Total Transfer Payments	11.08	6.60	6.11	(0.48)	(0.56)
<i>Totals may not add up due to rounding.</i>					
1	Funding for payments to municipalities and other taxing authorities was devolved to the applicable custodial departments. The figures reported represent payments not recovered by year-end from custodial clients.				

Section IV – Financial Tables



Financial Table 7: Capital Projects by Business Line

Business Line	Current			Main Estimates	Planned Spending	Total Authorities	Actual
	Estimated Total Cost	Actual 2001-02	Actual 2002-03				
REAL PROPERTY SERVICES							
Atlantic Project Implementation							
St. George - GOCB - Construction	4.9	-	0.1		2.4		0.2
Bathurst - Nicholas Denys - Renovation	6.9	1.0	2.8		2.4		2.6
Argentia - Environmental Remediation	92.5	7.8	7.7		7.0		5.0
Charlottetown - Proposed GOCB Construction	44.9	0.5	1.4		3.0		2.5
Atlantic Project Closeout							
Ingonish - New GOCB	-	-	-		2.1		-
Quebec Project Definition							
Montreal - 200 René-Lévesque - Renovation	17.8	0.1	0.2		2.0		0.8
Gaspé - Expansion	4.9	-	0.1		2.0		1.3
Quebec Project Implementation							
Montreal - 740 Bel Air - Construction	55.4	1.3	4.0		20.0		6.0
Westmount - RCMP Headquarters - Major Replacement	1.9	-	0.2		1.8		1.5
St-Laurent - 3155 Côte de Liesse - Renovation	20.0	1.9	1.2		1.2		0.3
Montreal - 305 René Lévesque - Renovation	11.2	2.0	2.5		3.4		2.1
Angliers - Quinze Dam - Renovation and Repairs	2.1	0.2	0.1		2.0		1.6
Ontario Project Definition							
Sudbury Tax Centre - GOCB Renovation	16.5	-	0.4		2.8		-
Ontario Project Implementation							
Toronto - Joseph Shepard GOCB - Elevator Modernization	6.8	0.2	0.1		2.6		0.3
Toronto - Joseph Shepard GOCB - Fan Motors Replacement	1.4	-	0.1		1.2		1.1
National Capital Region (Quebec) Project Definition							
Gatineau - Portage I & II - Elevator Upgrade	6.3	-	0.3		2.0		0.2
Gatineau - Portage I & II - Refurbish Lobbies	1.6	-	0.0		1.1		0.1
National Capital Region (Ottawa) Project Definition							
Ottawa - Skyline Complex - Acquisition and Occupancy Plan	176.3	-	91.9		6.9		1.6
Ottawa - Central Heating and Cooling Plant Tunney's Pasture - Replacement	3.6	-	0.1		2.4		1.3
Ottawa - New Federal Court - New Construction	153.0	0.7	2.7		23.8		6.6
Ottawa - Portrait Gallery - Renovation	39.7	0.5	-		5.4		1.2
Ottawa - Nitrate Storage - Cellulose Nitrate Film Storage Facility - National Archives of Canada - New Construction	9.5	0.1	0.4		3.8		0.1
Ottawa - Sir John Carling - Renovation/Addition	11.9	-	1.0		0.1		0.1
Ottawa - West Memorial Building - Renovation	79.4	-	-		2.0		-
National Capital Region Project Implementation							
Gatineau - Laurier Taché Garage - Renovation	61.8	4.3	2.1		10.5		0.6
Ottawa - Lester B. Pearson - Elevator Modernization	5.0	0.1	2.7		2.2		1.7
Ottawa - 111 Sussex Drive - Renovation	14.0	-	1.7		12.9		1.0
Ottawa - Lester B. Pearson - Federal Building Initiative	6.0	2.0	0.7		0.5		0.6
Ottawa - Public Archives - Roof Replacement	1.1	-	0.1		1.2		1.0
Ottawa - RCMP HQ - Exterior Lighting	1.2	-	-		1.2		-
National Capital Region Project Closeout							
Ottawa - 111 Sussex Drive - Acquisition and Fit-up	72.2	36.1	-		3.4		-
Ottawa - Forintek Building - Renovation and Fit-up	2.5	0.3	0.7		12.5		1.3
Parliamentary Precinct Project Definition							
Ottawa - Bank Street Building - New Building	275.8	1.3	2.9		8.2		4.9
Ottawa - East Block - Senator's Office 3rd Floor	3.8	-	0.4		5.0		3.3
Ottawa - Victoria Building - Committee Rooms and Security Fit-up	9.8	-	1.2		8.3		7.9
Ottawa - Wellington Building Renovation	150.1	-	-		0.2		15.2
Parliamentary Precinct Project Implementation							
Ottawa - House of Commons - Chamber Sound System	5.6	0.1	0.1		2.4		2.4
Ottawa - La Promenade - Upgrade Electrical Systems	1.1	0.1	0.1		1.4		0.9
Ottawa - Library of Parliament (LOP) - Renovation	109.3	11.6	18.5		26.8		23.0
Ottawa - Centre Block Underground Service - Digital Assets Management System	8.9	0.3	0.3		6.1		0.8
Parliamentary Precinct Project Closeout							
Ottawa - Senate Operational Services Consolidation	4.1	-	0.7		3.1		3.2
Western Project Implementation							
Winnipeg - Canadian Grain Co. - Building Upgrade	2.9	1.0	0.8		1.1		1.0
Yellowknife - GOCB - New GOCB	28.0	2.2	1.2		1.0		1.2
Winnipeg - GOCB 269 Main St - Renovation	5.8	1.0	2.5		1.3		1.5
Regina - New GOCB - New Construction	38.0	2.3	0.3		6.5		4.5
Western Project Closeout							
Edmonton - Canada Place - Infill Portion	0.1	-	0.1		1.4		-
Pacific Project Definition							
Surrey - Tax. Data Centre - Renovation	23.9	0.8	0.2		1.3		0.9
Vancouver - Downtown Vancouver - CCRA Downtown	1.4	0.2	1.0		13.5		0.1

Section IV – Financial Tables



Business Line	Current			Main Estimates	Planned Spending	Total Authorities	Actual
	Estimated Total Cost	Actual 2001-02	Actual 2002-03				
Pacific Project Implementation							
Northwest Highway - Reconstruction	600.0	14.1	15.5		23.0		11.8
Esquimalt - Graving Dock - South Jetty Rehabilitation	4.7	-	0.7		2.4		3.6
Total Real Property Services	2,205.4	93.9	171.9		260.6		129.0
TELECOMMUNICATIONS AND INFORMATICS COMMON SERVICES							
National Capital Region							
Ottawa/Gatineau - Government On-Line - Secure Channel	354.9	68.1	96.5	114.0	114.0	114.0	113.9
Total Telecommunications and Informatics Common Services	354.9	68.1	96.5	114.0	114.0	114.0	113.9
SUPPLY OPERATIONS SERVICE							
National Capital Region							
Ottawa/Gatineau - Shared Travel Services Initiative (STSI) (NOTE)	-	-	-	-	-	7.8	3.2
Total Supply Operations Service	0.0	0.0	0.0	0.0	0.0	7.8	3.2
Total Capital Projects	2,560.3	162.0	268.4	114.0	374.6	121.8	246.1
<p>Note: The total actual expenditures for 2003-04 have been reduced by \$5,500K from the revolving fund. The amounts presented are on an annual basis; the contract with the supplier was signed in January 2004. The total authority for the STSI project is \$77,935K, as specified in the EPA.</p>							



Financial Table 8: Loans, Investments and Advances

This table explains the uses of loans, investments and advances.

PROGRAM	<i>(in millions of dollars)</i>		
	As of March 31		
	2002	2003	2004
GOVERNMENT SERVICES			
Seized Property Working Capital Account	5.5	7.6	(4.0)
OTHER			
Miscellaneous accountable imprest and standing advances ¹	20.6	20.5	20.2
Total Loans, Investments and Advances²	26.1	28.1	16.3
<i>Totals may not add up due to rounding.</i>			
Notes			
1	The miscellaneous accountable imprest and standing advances represent amounts recoverable from all federal departments and agencies by the Receiver General. The total amount authorized to be outstanding at any time is \$22 million.		
2	Further details on the above loans, investments and advances can be found in Volume 1 of the Public Accounts.		



Financial Table 8.1: Real Property Services Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		
			Planned Spending	Total Authorities	Actual
Revenues	159.2	154.7	175.1	175.1	157.0
Expenses	160.3	157.6	175.1	175.1	167.2
Surplus (Deficit)¹	(1.1)	(2.9)	-	-	(10.2)

This table refers to the fund's operating profit and loss, not to the cash requirements for this fiscal year. The operating profit or loss that the fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statements of Authority Provided and Reconciliation of Unused Authority

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		
			Planned Spending	Total Authorities	Actual
Operating Activities					
(Surplus) Deficit	1.1	2.9	-	-	10.2
Less items not requiring use of funds:					
Provision for employee termination benefits	4.0	(0.3)	-	-	3.7
Subtotal	(2.9)	3.2	-	-	6.5
Other items not requiring use of funds	(6.6)	3.4	-	-	6.0
Net financial resources (provided by) used in operating activities	(9.5)	6.6	-	-	12.5
Recovery of net drawdown authority used ²	-	(6.6)	-	-	(12.5)
Investing Activities					
Capital assets					
Disposals/adjustments	-	-	-	-	-
Net financial resources (provided by) used in investing activities	-	-	-	-	-
Authority (provided) used during the year	(9.5)	-	-	-	(0.0)
Net authority (provided by) used at the start of the year	97.7	-	-	-	-
Write-off of authority used ³	(88.2)	-	-	-	-
Net authority (provided by) used at the end of the year	-	-	-	-	(0.0)
Authority limit	450.0	150.0	150.0	150.0	150.0
Reduction in authority limit ³	(300.0)	-	-	-	-
Revised authority limit	150.0	150.0	150.0	150.0	150.0
Unused authority carried forward	150.0	150.0	150.0	150.0	150.0
Totals may not add up due to rounding.					
1	Recoverable disbursements on behalf of clients are not included in revenues and expenses (2001-02: \$663 million; 2002-03: \$681.6 million; 2003-04: \$592.9 million).				
2	The revolving fund receives funding by way of a separate vote, to cover the net drawdown authority used in support of activities serving broader government objectives. The amount received was \$6.6 million in 2002-03 and \$12.5 million in 2003-04.				
3	Effective March 31, 2002, the authority limit was reduced from \$450 million to \$150 million. Furthermore, the write-off of the authority used as of March 31, 2002, was approved up to \$97.7 million.				



Financial Table 8.2: Real Property Disposition Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		Actual
			Planned Spending	Total Authorities	
Revenues	15.7	14.6	20.4	20.4	15.9
Expenses	3.2	3.3	3.8	3.8	2.6
Surplus (Deficit)	12.5	11.2	16.6	16.6	13.3

This table refers to the fund's operating profit and loss, not to the cash requirements for this fiscal year. The operating profit or loss that the fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statements of Authority Provided and Reconciliation of Unused Authority

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		Actual
			Planned Spending	Total Authorities	
Operating Activities					
(Surplus) Deficit	(12.5)	(11.2)	(16.6)	(16.6)	(13.3)
Other items not requiring use of funds	1.8	(1.0)	-	-	(1.6)
Authority (provided) used during the year	(10.7)	(12.3)	(16.6)	(16.6)	(14.9)
Payment to the Consolidated Revenue Fund	12.5	11.2	16.6	16.6	13.3
Net authority (provided by) used at the start of the year	(1.7)	0.1	-	(0.9)	(0.9)
Net authority (provided by) used at the end of the year	0.1	(0.9)	-	(0.9)	(2.5)
Authority limit	5.0	5.0	5.0	5.0	5.0
Unused authority carried forward	4.9	5.9	5.0	5.9	7.5
<i>Totals may not add up due to rounding.</i>					



Financial Table 8.3: Optional Services Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		Actual
			Planned Spending	Total Authorities	
Revenues	108.3	100.2	119.1	119.1	98.9
Expenses	114.5	99.6	119.1	119.1	95.5
Surplus (Deficit)	(6.2)	0.6	-	-	3.4

This table refers to the fund's operating profit and loss, not to the cash requirements for this fiscal year. The operating profit or loss that the fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statements of Authority Provided and Reconciliation of Unused Authority

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		Actual
			Planned Spending	Total Authorities	
Operating Activities					
(Surplus) Deficit	6.2	(0.6)	-	-	(3.4)
Less items not requiring use of funds:					
Amortization	0.1	-	0.1	0.1	0.4
Provision for employee termination benefits	0.2	-	-	-	0.2
Subtotal	5.9	(0.6)	(0.1)	(0.1)	(4.0)
Other items not requiring use of funds	-	0.9	-	-	(1.1)
Payments on and change in other assets and liabilities	(3.0)	-	-	-	-
Net financial resources (provided by) used in operating activities	2.9	0.3	(0.1)	(0.1)	(5.0)
Investing Activities					
Capital assets					
Net acquisitions	4.4	0.8	-	-	-
Net financial resources (provided by) used in investing activities	4.4	0.8	-	-	-
Authority (provided) used during the year	7.3	1.1	(0.1)	(0.1)	(5.0)
Net authority (provided by) used at the start of the year	19.0	3.6	(0.1)	4.7	4.7
Write-off of authority used ¹	(22.7)	-	-	-	-
Adjustment to the net authority used at the start of the year ²	-	-	-	(4.6)	-
Net authority (provided by) used at the end of the year	3.6	4.7	(0.2)	(0.0)	(0.3)
Authority limit	200.0	35.0	35.0	35.0	35.0
Reduction in authority limit ¹	(165.0)	-	-	-	-
Revised authority limit	35.0	35.0	35.0	35.0	35.0
Unused authority carried forward	31.4	30.3	35.2	35.0	35.3
<i>Totals may not add up due to rounding.</i>					
1	Effective March 31, 2002, the authority limit was reduced from \$200 million to \$35 million. The write-off of the authority used as of March 31, 2002 was approved up to \$22.7 million.				
2	An adjustment to the net authority used at the beginning of the year is required to reinstate \$4.6 million of actual authority used in previous fiscal years.				



Financial Table 8.4: Telecommunications and Informatics Common Services Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		Actual
			Planned Spending	Total Authorities	
Revenues	131.8	115.5	113.6	113.6	127.0
Expenses	129.9	114.7	113.6	113.6	122.3
Surplus (Deficit)	1.9	0.7	-	-	4.7

This table refers to the fund's operating profit and loss, not to the cash requirements for this fiscal year. The operating profit or loss that the fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statements of Authority Provided and Reconciliation of Unused Authority

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		Actual
			Planned Spending	Total Authorities	
Operating Activities					
(Surplus) Deficit	(1.9)	(0.7)	-	-	(4.7)
Less items not requiring use of funds:					
Amortization	0.2	0.2	0.2	0.2	0.2
Provision for employee termination benefits	0.3	0.1	-	-	0.4
Subtotal	(2.4)	(1.0)	(0.2)	(0.2)	(5.4)
Other items not requiring use of funds	0.1	(0.4)	0.1	0.1	0.1
Net financial resources (provided by) used in operating activities	(2.3)	(1.4)	(0.1)	(0.1)	(5.3)
Investing Activities					
Capital assets					
Net acquisitions	0.1	0.4	0.1	0.1	0.2
Net financial resources (provided by) used in investing activities	0.1	0.4	0.1	0.1	0.2
Authority (provided) used during the year	(2.2)	(1.0)	-	-	(5.1)
Net authority (provided by) used at the start of the year	(13.6)	(15.8)	(15.8)	(16.8)	(16.8)
Net authority (provided by) used at the end of the year	(15.8)	(16.8)	(15.8)	(16.8)	(21.9)
Authority limit	45.0	20.0	20.0	20.0	20.0
Reduction in authority limit ¹	(25.0)	-	-	-	-
Revised authority limit	20.0	20.0	20.0	20.0	20.0
Unused authority carried forward	35.8	36.8	35.8	36.8	41.9

Totals may not add up due to rounding.

1 Effective March 31, 2002, the authority limit was reduced from \$45 million to \$20 million.



Financial Table 8.5: Consulting and Audit Canada Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		
			Planned Spending	Total Authorities	Actual
Revenues	116.8	119.1	99.5	99.5	130.0
Expenses	115.5	119.3	98.9	99.1	126.0
Surplus (Deficit)	1.3	(0.2)	0.6	0.4	4.0

This table refers to the fund's operating profit and loss, not to the cash requirements for this fiscal year. The operating profit or loss that the fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statements of Authority Provided and Reconciliation of Unused Authority

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		
			Planned Spending	Total Authorities	Actual
Operating Activities					
(Surplus) Deficit	(1.3)	0.2	(0.6)	(0.4)	(4.0)
Less items not requiring use of funds:					
Amortization	-	0.1	0.1	0.1	0.2
Provision for employee termination benefits	0.4	0.6	0.3	0.3	0.3
Subtotal	(1.7)	(0.6)	(1.0)	(0.8)	(4.5)
Other items not requiring use of funds	0.1	(0.4)	(0.2)	(0.2)	0.4
Net financial resources (provided by) used in operating activities	(1.6)	(1.0)	(1.2)	(1.0)	(4.1)
Investing Activities					
Capital assets					
Net acquisitions	0.2	0.6	0.1	0.1	0.3
Net financial resources (provided by) used in investing activities	0.2	0.6	0.1	0.1	0.3
Authority (provided) used during the year	(1.4)	(0.3)	(1.1)	(0.9)	(3.8)
Reimbursement of employee termination benefits	(0.3)	(0.2)	-	(0.2)	(0.2)
Net authority (provided by) used at the start of the year	0.7	(1.0)	(2.1)	(1.5)	(1.5)
Net authority (provided by) used at the end of the year	(1.0)	(1.5)	(3.2)	(2.6)	(5.5)
Authority limit	25.1	20.0	20.0	20.0	20.0
Reduction in authority limit ¹	(5.1)	-	-	-	-
Revised authority limit	20.0	20.0	20.0	20.0	20.0
Unused authority carried forward	21.0	21.5	23.2	22.6	25.5
<i>Totals may not add up due to rounding.</i>					
1	Effective March 31, 2002, the authority limit was reduced from \$25.1 million to \$20 million.				



Financial Table 8.6: Translation Bureau Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		Actual
			Planned Spending	Total Authorities	
Revenues	169.3	198.6	189.2	189.2	226.9
Expenses	170.8	197.9	198.0	237.5	226.5
Surplus (Deficit)	(1.5)	0.6	(8.8)	(48.3)	0.4

This table refers to the fund's operating profit and loss, not to the cash requirements for this fiscal year. The operating profit or loss that the fund will realize is calculated through accrual accounting. Therefore, some cash expenditures in the estimates do not affect the operating balance, and other items that must be considered when calculating the profit or loss do not require a direct cash outlay. The two can be reconciled as follows:

Statements of Authority Provided and Reconciliation of Unused Authority

(in millions of dollars)

	Actual 2001-02	Actual 2002-03	2003-04		Actual
			Planned Spending	Total Authorities	
Operating Activities					
(Surplus) Deficit	1.5	(0.6)	8.8	48.3	(0.4)
Less items not requiring use of funds:					
Amortization	0.2	0.9	0.9	0.9	1.2
Provision for employee termination benefits	1.9	1.5	1.9	1.9	2.2
Collective bargaining TR pay equity	-	-	-	-	(28.3)
Subtotal	(0.6)	(3.0)	6.0	45.5	24.5
Other items not requiring use of funds	(0.3)	(0.5)	(3.0)	(3.0)	0.4
Net financial resources (provided by) used in operating activities	(0.9)	(3.5)	3.0	42.5	24.9
Investing Activities					
Capital assets					
Net acquisitions	3.6	1.5	0.3	0.3	5.7
Net financial resources (provided by) used in investing activities	3.6	1.5	0.3	0.3	5.7
Authority (provided) used during the year	2.7	(2.0)	3.3	42.8	30.6
Reimbursement of employee termination benefits	(0.5)	(0.6)	-	(1.2)	(1.2)
Contingencies recovery in relation to the collective bargaining agreement	-	-	-	(28.3)	(28.3)
Net authority (provided by) used at the start of the year	(18.8)	(16.6)	(12.7)	(19.2)	(19.2)
Net authority (provided by) used at the end of the year	(16.6)	(19.2)	(9.4)	(5.9)	(18.2)
Authority limit	75.0	10.0	10.0	10.0	10.0
Reduction in authority limit ¹	(65.0)	-	-	-	-
Revised authority limit	10.0	10.0	10.0	10.0	10.0
Unused authority carried forward	26.6	29.2	19.4	15.9	28.2
<i>Totals may not add up due to rounding.</i>					
1	Effective March 31, 2002, the authority limit was reduced from \$75 million to \$10 million.				


Financial Table 8.7: Defence Production Revolving Fund

Parliament authorized a total drawdown of \$100 million for the Defence Production Revolving Fund. There are currently no activities in this revolving fund.

Financial Table 9: Contingent Liabilities

PROGRAM	<i>(in millions of dollars)</i>		
	As of March 31		
	2002	2003	2004
Total Claims Outstanding (Litigations)	359.2	363.9	198.3
Notes:			
1	These contingent amounts arise from approximately 130 cases of pending litigation related to contract disputes, damages to property and personal injuries.		
2	While these cases are at various stages of litigation, it is not the policy of the department to comment on their expected outcomes. They must, however, be recognized as potential liabilities against the Crown and are therefore presented for information purposes.		



1. Federal Judicial Building

The new federal court building, also known as the Federal Judicial Building, will be built on the northeast corner of Wellington and Lyon Streets, Ottawa. It will be known as the Pierre Elliott Trudeau Judicial Building, officially named by then-Prime Minister Jean Chrétien in December 2003. The building will provide approximately 24,000 square metres to accommodate the Ottawa operations of the Federal Court of Appeal, the Federal Court, the Court Martial Appeal Court of Canada, the Tax Court of Canada, and the newly created Courts Administration Service. It will also provide 350 underground parking spaces, 190 of which are for parliamentarians and their staff (please see Parliamentary Precinct Projects below). The total cost of the project is not to exceed \$151 million (\$140 million for the building and \$11 million for the parking for parliamentarians).

There is a variance (decrease) of \$17.13 million in expenditures between the 2003-04 year-end actual expenditures (\$6.65 million) and what had been planned for fiscal year 2003-04 (\$23.77 million). The variance of planned to actual can be explained as follows:

- Delays in finalizing the design and changes in the contracting strategy pushed back the original plan (from April 2002) to undertake construction as early as November 2003, resulting in a variance between the initial plan (as presented in the 2003-04 RPP) and the year-end actuals. PWGSC is finalizing the design under the new contracting strategy.
- The project budget, for cash-flow purposes, in the 2003-04 RPP was \$140 million, whereas the actual expenditures were referenced to a project budget of \$151 million, which includes \$11 million for parking from another project: the Parliamentary Precinct's Long-Term Vision and Plan (LTVP).
- The project was frozen under the major capital project review and, as of March 31, 2004, the project remains frozen.

2. Parliamentary Precinct Projects

The Long-Term Vision and Plan for the Parliamentary Precinct, approved in 2001, is a detailed blueprint that provides direction for the renewal of Canada's seat of government. During the 25-year implementation period, an extensive preservation program will restore the magnificent appearance of the buildings, while bringing them up to modern standards by renovating their electrical, mechanical and safety systems and providing more functional offices and committee rooms in existing buildings. At the same time, approximately 28,000 m² of new construction will be undertaken in the Precinct to meet the space requirements identified by the Senate, House of Commons and Library of Parliament that cannot be met in existing facilities.

The Plan will unfold as a series of 15 major projects implemented in five phases over a period of approximately 25 years. The first project, the renovation of the Library of Parliament, is already under way. It is described in more detail below. Two other projects, the Bank Street Building (new construction) and the Wellington Building (renovation), are in the planning stage. These projects are also described in more detail below.

Phase I projects (2001-02 to 2008-09) and status are as follows:

Major Crown Projects

- Library of Parliament – Implementation
- Bank Street Building – Project definition
- Wellington Building renovation – Project definition

Related Capital Projects

- Site Infrastructure – Project definition
- Victoria Building – Project definition
- East Block Masonry – Project definition
- Federal Judicial Building Parking – Project definition



- Site Development (being implemented as a series of separate projects) – Planning / Project definition / Implementation
- La Promenade Building – Project definition

The phasing of the LTVP is under revision because of the delay in the Bank Street Building / Site Infrastructure approval and the West Block health and safety issues.

As part of ongoing assessments of the Parliamentary Precinct buildings, the structural integrity of the West Block's South-East Tower was examined leading to further engineering studies to be available in the 2004-05 fiscal year.

The duration of Phase I is extended to 2010 from 2007 because of the delay in the Bank Street Building / Site Infrastructure approval.

LTVP updates will include the status of the resolution of site issues (parking, circulation and security), including the planning of swing space, and the planning definition of the La Promenade Building project.

2.1 Library of Parliament

The project scope includes the rehabilitation of the main library building on Parliament Hill, fit-up of swing space locations, and building components and connectivity for all locations. The project is the first in the 2001 Long-Term Vision and Plan for the Parliamentary Precinct, although the project has been under way since 1995. The objective is to renew the main library building for at least another 50 years so that it may continue as a functioning library and significant tourist destination. The work involves full rehabilitation, from the weathervane to the foundation, including excavation for three new basement levels. The current cost estimate is \$109.3 million.

The swing space locations are completed and operational. The swing space projects were completed on budget. The main library construction started in March 2002. The forecast

total cost for all aspects of the project remains at \$109.3 million.

There is a variance (decrease) of \$3.7 million in expenditures between the 2003-04 year-end actual expenditures and what had been planned for fiscal year 2003-04. Progress on the main library construction has been slower than the main contractor originally forecast owing to many unusual site conditions. The peak of construction activity is now not expected to occur until 2004-05. Forecasts for future years have been increased to reflect the reduced expenditures in 2003-04.

The target for completion remains the same, in time to permit the Library to move back in summer 2005.

2.2 New Bank Street Building

The purpose of this project is to construct a new Parliamentary Precinct building of about 20,500 square metres, to include 39 offices for Senators, 12 modern committee rooms for the House of Commons, and support spaces, plus an additional 10,000 square metres for a 300-car underground parking garage. This building was identified as a priority in the Long-Term Vision and Plan for the Parliamentary Precinct. It will allow parliamentary functions to be located within the Parliamentary Precinct while other parliamentary buildings badly in need of renovations are vacated. The current cost estimate is \$275.8 million, and the planned start of construction is 2006. This project was put on hold in December 2003 while the government conducted an expenditure review.

There is a variance (decrease) of \$3.3 million in expenditures from those planned for 2003-04 (\$8.2 million) to the actuals for 2003-04 (\$4.9 million). This decrease was due to a lengthy delay in obtaining approval to award a contract for architectural services because of the government expenditure review announced in December 2003. This approval has not yet been received.



The current cost estimate is \$275.8 million (current dollars). This is an increase of \$78 million from \$197.9 million (constant 2001 dollars). The increase breaks down as follows:

- \$32.7 million conversion from constant to current dollars.
- \$45.3 million for improved estimates, program changes and inclusion of additional risk factors.

The project was frozen under the major capital project review and as of March 31, 2004, the project remains frozen. Owing to delays in implementation, cost estimates will need to be revised.

2.3 Wellington Building Renovation

The Wellington Building is located at 180 Wellington Street, across from Parliament Hill. It is a six-storey structure built in 1925 by Metropolitan Life Insurance Company. The House of Commons has been the major tenant since the Crown purchased the building in 1973. Renovations are required for health and safety reasons, to replace obsolete building systems and to meet building code requirements. The planned start of construction is July 2007, with completion in January 2010. The building will be completely vacated during the renovations. The current cost estimate is \$177.5 million (current dollars).

The total cost estimate and 2003-04 planned expenditures reported in the 2003-04 RPP were incorrect because the swing-space cost for 181 Queen Street should have been included with the Wellington Building Major Crown Project, in accordance with the TB-approved submission.

The total cost estimate should have been \$150.1 million (constant dollars) instead of the \$125.8 million reported, a variance of \$24.3 million directly attributable to the swing space.

The planned expenditures of \$0.2 million also did not include the \$14.0 million costs

attributable to the swing space at 181 Queen Street. The correct planned expenditures should have been \$14.2 million. The actual expenditures at March 31, 2004, were \$15.2 million, a variance of \$1.0 million. This variance is due to the faster than predicted progress of fit-up work.

The current cost estimate is \$177.5 million (current dollars). This is an increase of \$27.4 million over the \$150.1 million estimate (2001 constant dollars). The increase breaks down as follows:

- \$23.6 million conversion from constant to current dollars.
- \$3.8 million allowance to cover potential risk associated with projects in the Parliamentary Precinct (e.g. disruptions, delays and increased security).

3. Secure Channel Project

The Secure Channel (SC) is the centrepiece of Canada's common infrastructure and supports the Government On-Line (GOL) initiative by providing citizens and businesses with secure, private, high-speed access to the federal government's on-line services and information. It provides network services for all federal departments. The Secure Channel's enhanced security and privacy services include, but are not limited to, access, authentication, confidentiality, authorization, connectivity, intercommunication, data integrity, non-repudiation, brokering, Public Key Infrastructure (PKI) and basic Privilege Management Infrastructure (PMI) services.

The Secure Channel Project has been led by PWGSC since the transfer of responsibilities from the Treasury Board Secretariat (TBS), and its ongoing development is being effected in partnership with many GoC departments and the TBS. The Secure Channel is in full production, with key departmental applications now using its authentication and brokering services.



The project is progressing on schedule and within approved budgets. As originally conceived and approved at its inception in 1999, the Secure Channel was to be centrally funded and managed common infrastructure, mandatory in application, with new funding from the fiscal framework. Long-term sustainable funding options are being developed in consultation with departments. The project has received initial Effective Project Approval (EPA) funding until the end of September 2004. The Secure Channel initial EPA provides the following:

- Project authority until the end of September 2004.
- The current cost estimate up to the end of the implementation phase (September 2004) of \$354.9 million.
- Authority to recover an incremental cost of \$32.5 million up to the end of September 2004.

4. Shared Travel Services Initiative (STSI) (formerly under TBS)

The goal of the Shared Travel Services Initiative (STSI) is to improve the travel experience for employees by giving them better tools to make travel arrangements, manage the travel process and reduce government travel costs. The STSI is a Government of Canada initiative, led jointly by Public Works and Government Services Canada and the TBS.

Known as Travel AcXess Voyage, the suite of new travel services that have been introduced to modernize travel services includes the following:

- Travel agency services
- Government of Canada travel card services
- On-line self-service booking tool
- E-travel services including an automated travel expense management tool

Four travel service components are to be addressed by the initiative:

- Utilizing modern technology for booking and e-ticketing.
- Enhancing the services surrounding the use of government travel cards.
- Automating the travel expense process.
- Re-engineering government travel policies and procedures.

The project management plan was approved in August 13, 2004. Travel card and travel agency services were implemented on schedule on April 1, 2004.

On-line booking and travel services were to have been rolled out at the same time as the travel card and travel agency services (April 1, 2004). However, technological issues with the functionality of on-line booking and travel services operating within the government secure network have delayed the implementation to the fall of 2004.

The pre-trip planning and on-line expense management services pilot phase originally scheduled to commence in late July is now expected to start in the late fall of 2004. This delay was occasioned by the delays noted above related to the implementation of on-line booking and travel services.

5. Government On-Line (GOL)

The Government On-Line initiative was announced in the 1999 Speech from the Throne. The Government of Canada made a commitment to be known around the world as the government most connected to its citizens and to meet the needs and expectations of its citizens by providing its most commonly used services on-line by 2005.

Responsibility for the overall management of the GOL initiative was transferred from the Treasury Board Secretariat (TBS) to PWGSC on December 12, 2003. Therefore both departments' results are presented here.

The following three results correspond to TBS's 2003-04 RPP.



Achieving Government On-Line by 2005

The annual GOL progress report, which provides details on the “on-line” progress of 130 of the federal government’s most commonly used services, was tabled in Parliament in March 2004. The report is available on-line at http://www.ged-gol.gc.ca/rpt2004/rpt00_e.asp.

Fifteen more services achieved their GOL 2005 target by reaching their full on-line maturity levels, bringing the total to 45 services out of 130 (about 35% of the most commonly used federal services). Progress is being made toward meeting the 2005 GOL targets for the remaining 85 services.

The main federal Web site, www.canada.gc.ca, was redesigned to include gateways for Canadians, businesses and non-Canadians. These contain various Web sites and integrated portals that target specific audiences or popular topics. For example, on-line information about international development assistance projects, First Nations communities, Canadian culture and national policing initiatives was enhanced.

Departments and agencies continued to develop the functionality of their services by deepening their on-line information and improving their transactional capability. Examples include the following:

- The Canada Business Service Centres (CBSCs) are a joint federal-provincial initiative. They provide single points of access to government programs, services and regulations relating to businesses. More information is available at the Industry Canada information site: <http://connect.ic.gc.ca/en/690-e.asp>.
- Provinces and territories can now search federal databases through secure electronic interfaces to enforce child support payments where authorized by law.
- Businesses in the Atlantic region can use the electronic transfer of funds to repay development loans.

- Canadian exporters and importers of controlled goods can exchange data electronically with the Government of Canada, apply on-line for permits and check the status of these permits.
- Canadians who submit on-line requests for statements of contributions to the Canada Pension Plan receive them within 10 days. Sent by mail, the same request takes about one month to process and return.

Front-line staff were trained to raise public awareness of GOL services and encourage their use. This helped increase the number of clients completing transactions on-line. Visits to the Canadians Gateway increased by 21%, to the Business Gateway by 7% and to the Non-Canadians Gateway by 63%.

For more information on GOL, please visit http://www.ged-gol.gc.ca/index_e.asp.

Common Secure Infrastructure (CSI)

The primary product of the Common Secure Infrastructure is the Secure Channel, which is a core infrastructure component supporting GOL applications. It provides citizens and businesses with secure, private, high-speed access to all federal government on-line services.

Organizational Readiness – Building Public Service Capacity

This initiative seeks to build the public service capacity to deliver technology-related change agendas such as GOL, shared services, service improvement and other change initiatives.

As part of the machinery of government changes in December 2003, PWGSC became responsible for this function, previously a responsibility of the Treasury Board Secretariat.

More information regarding organizational readiness is available at http://www.solutions.gc.ca/oro-bgc/index_e.asp.



PWGSC – Government On-Line

In addition to government-wide GOL activities, PWGSC has its own departmental GOL activities. The following are highlights of the department's progress during 2003-04:

- The **Contracts History database** was developed to provide information on contracts issued by PWGSC. This made such information more readily available to users and reduced the number of inquiries to the department's Access to Information Office about contracting information.
- Through the **Pay System Web (PSW)**, PWGSC can display statements of earnings (pay stubs), provide a gross to net regular pay estimate calculator (G2N) and allow employees to change certain voluntary deductions. The G2N Web application provides an estimate for various scenarios that would have an impact on the employee's net regular pay. The PSW also provides links to financial institutions with on-line banking services and a link to the Web version of inserts and handouts occasionally included with statements of earnings. This application will eventually reduce the need to print biweekly pay stubs. The voluntary deductions Web application allows employees to start, amend or stop certain voluntary deductions from their pay accounts without the need for third party intervention. These Web applications were implemented in pilot mode in March 2004 for a select group of 90 employees. National rollout will occur when the security facilities required to protect users' privacy (public key infrastructure or PKI) are in place.
- The **Government of Canada Marketplace (GoCM)** will provide authorized government users with access to an electronic purchasing system based on GoC-approved catalogues and standing offers, where they can browse, search, compare and order commonly used products and services. The GoCM contract was awarded in January 2004. It is anticipated that a

submission will be made to the Treasury Board in the fall of 2004 for ongoing operations and maintenance.

- The Web Content Management initiative will develop a shared software solution that will streamline business processes and ensure that on-line information is kept current and that Web content creation, publication and disposition are performed in a consistent manner. A contract was awarded for the development of the solution and design work commenced.
- The GOL Procurement Office fulfilled its role by providing information about procurement options available to meet clients' GOL needs. It also continued to make available a procurement vehicle based on the supply arrangement method of procurement that provided access to a wide spectrum of GOL services and solutions.

6. Alternative Service Delivery

PWGSC's main Alternative Service Delivery effort was in the Real Property Services business line. Planning was under way for the re-tendering of the existing property management contract and its expansion to new areas. An unprecedented iterative, transparent consultation approach was used with the industry to ensure optimal interest and competition. Industry briefings occurred as early as September 2003, followed by drafts of tender documentation posted on the password-protected Web site for industry input and two rounds of one-on-one sessions in December 2003 and March 2004. More information is available on the Treasury Board's Web site at <http://www.tbs-sct.gc.ca/asd-dmps> and on PWGSC's Web site at <http://www.pwgsc.gc.ca/afd>.

7. Procurement and Contracting

PWGSC acquires goods, services and construction on behalf of the departments and agencies of the Government of Canada.



PWGSC's framework of procurement procedures and policies fosters the cost-effective and efficient delivery of contracting services to government, while complying with legislative obligations, including those related to national and international trade agreements.

In 2003-04, approximately 60,000 contractual documents covering 15,000 goods and services commodities, for a total value of \$10 billion, were processed.

Original contracts, excluding amendments, accounted for approximately 36,000 documents valued at \$8.2 billion. Of these, 69% were awarded through competitive processes, 13% used Advance Contract Award Notices (ACANs) and 18% were non-competitive.

In addition, with the expansion of PWGSC's e-Purchasing service to include on-line ordering of vehicles, 24 orders totalling \$3 million were processed.

PWGSC exceeded its targets for Aboriginal procurements, awarding 2,199 contracts worth over \$509 million, versus \$270 million in 2002-03.

The Department of National Defence continues to be PWGSC's largest client, accounting for about 44% of business volume and 37% of contracting services. Seventy-nine percent of the documents processed for 92% of the value were contracted for PWGSC's top ten clients.

In 2003-04, several audit reports and related action plans were completed on procurement-related activities. These may be viewed at <http://www.pwgsc.gc.ca/aeb/text/toc-e.html>.

8. Sustainable Development Strategies

The PWGSC Sustainable Development Strategy (SDS) 2000 was tabled in Parliament in February 2001. SDS 2000 contained departmental commitments relating to three goals:

- Greening PWGSC operations as a custodian and provider of facilities and common-use office space to federal departments.
- Greening PWGSC services to federal departments and agencies as a common service agent .
- Greening PWGSC's internal operations

More information on SDS 2000 is available at <http://www.pwgsc.gc.ca/sd-env/text/sds-2000-toc-e.html>.

PWGSC's Sustainable Development Strategy 2003, tabled in February 2004, builds on the department's previous work in many cases.

During fiscal year 2002-03, PWGSC continued to implement the commitments made in its previous Sustainable Development Strategy. Fiscal year 2003-04 marked the final year of formal implementation for most of those commitments.

Through PWGSC's Reports on Plans and Priorities and Departmental Performance Reports, Parliament was notified of any modifications to the department's SDS 2000 commitments. Some target dates were extended to reflect the additional work required to achieve completion. For the most part, however, targets identified in the Sustainable Development Strategy remained departmental priorities as originally written.

Progress toward the targets over fiscal year 2003-04 was steady, although there were instances where targets were not met. In these cases, recovery plans are being implemented. As noted, SDS 2003 updates the commitments made in SDS 2000, so work will continue toward meeting updated targets and target dates.

Weaknesses in gathering performance data have also been identified and are being addressed. Overall, experience gained through the monitoring process has led to smarter target development, improved management processes



and enhanced results monitoring systems. PWGSC is well positioned to build on its successes as it moves ahead with the implementation of its updated Sustainable Development Strategy 2003.

Details on performance in relation to SDS 2000 commitments can be found in the PWGSC Sustainable Development Performance Report. This report is available on the Internet at <http://www.pwgsc.gc.ca/sd-env/text/performance-report-e.html>.

9. Fuel Storage Tanks

As required under the *Canadian Environmental Protection Act* (CEPA), Part IV, Registration of Storage Tank Systems for Petroleum Products and Allied Petroleum Products on Federal Lands Regulations, this report provides the information set out in Schedule II of the regulation, updated as of December 31, 2003.

Of PWGSC's 29 registered aboveground petroleum storage tanks, 14 tanks are in compliance with the Environment Canada technical guidelines for aboveground petroleum storage tanks, and 15 are not in compliance. Of the 67 registered underground petroleum storage tanks, 34 comply with the technical guidelines for underground petroleum storage tanks, and 33 are not in compliance.

The 14 tanks located at the former Canadian Forces station in Moosonee, Ontario are on PWGSC-owned land. The Department of Justice is working to ascertain details of the ownership of these tanks. Until a decision is reached, PWGSC has included them as part of the tank inventory on which it reports.

Seven of the 33 underground storage tanks that are currently not in compliance with the technical guidelines are monitored and risk-managed with the concurrence of Environment Canada. Since the end of the reporting period (December 31, 2003), two tanks have been upgraded and are now compliant with the technical guidelines.

An increased percentage of PWGSC's registered fuel storage tanks is shown to be non-compliant with the technical guidelines primarily because of a concerted effort to assess the tanks and report on their status. To date, the reassessment has determined that 24 tanks previously thought to be in compliance were non-compliant. Specific action plans are being developed to bring all PWGSC-owned fuel storage tanks into compliance with the technical guidelines.



PWGSC is committed to improving its reporting to Parliament through its formal Estimates documents (e.g., Report on Plans and Priorities, Departmental Performance Reports), on-line websites and direct responses to inquiries. For the reporting year 2003-04, PWGSC had two core areas where significant information was provided to Parliament:

1. Sponsorship, Advertising and Public Opinion Research; and
2. Real Property.

1. Sponsorship, Advertising and Public Opinion Research

For the reporting year 2003-04, Communication Canada was responsible for the sponsorship, advertising and public opinion research programs. PWGSC continued to support Communication Canada via its acquisition services. It should be noted, however, that PWGSC did manage these programs prior to the formation of Communication Canada. Further information is available in the Communication Canada Departmental Performance Report for 2003-04.

As highlighted earlier in this Report, PWGSC worked with Communication Canada, Treasury Board Secretariat and the Privy Council Office in preparing responses to the Standing Committee on Public Accounts (SCOPA) hearings with regard to Sponsorship, Advertising and Public Opinion Research. SCOPA reviewed the May 2002 Auditor General's report concerning three sponsorship contracts and the November 2003 Auditor General's report concerning sponsorship, advertising and public opinion research.

General information on the Sponsorship Program can be found at <http://pwgsc.gc.ca/sponsorship/sponsorship-update-e.html>.

2. Real Property

The Standing Committee on Public Accounts (SCOPA) issued a number of recommendations concerning PWGSC Real Property activities. These recommendations and PWGSC's responses are highlighted as follows:

Implement a centralized portfolio management function to improve management of the investment

All Regional Investment Strategy (RIS) updates have been completed. In addition, 13 major updates and 16 partial updates of Community-Based Investment Strategies (CBISs) have been completed.

The National Capital Area Accommodation Strategy and Strategic Action Plan have been completed, and a Treasury Board submission is planned for September 2004. PWGSC is reviewing its major investment frameworks and working on a strengthened Centralized Portfolio Management regime, which will be in place by April 2005. This new regime will ensure that the milestones, resources and results identified in individual investment strategies (including CBISs, RISs, and the National Investment Strategy) can be monitored, updated and reported in a centralized manner. PWGSC monitors the quality, thoroughness and completeness of its investment analysis process (including CBISs). This process consists of detailed administrative, current market and financial reviews, which are undertaken on all proposals submitted. Decisions rendered are captured, and follow-up activities are carried out and monitored.

Improve demand planning with clients to forecast and optimize the cost effectiveness of accommodation

PWGSC has finalized long-term accommodation plans, through Master Occupancy Agreements, with client departments representing 50% of the total



inventory. Additional agreements are in place that project 82% coverage by April 2005. The current long-term accommodation planning process has not yielded the results required, as the responsibility is shared with clients and PWGSC cannot impose the agreements. As well, clients have difficulty forecasting their long-term accommodation requirements. PWGSC is conducting a detailed review of all factors affecting the demand for space and is actively working to produce improved forecasting methods, tools for analysis and system modernization activities. The output from this review (expected in December 2004) will be the creation and implementation of a demand management framework by the end of FY 2004-05.

Revise investment decisions and approval processes to ensure consistent documentation of management decisions

A PWGSC/TBS working group has been established to develop initiatives designed to strengthen long-term options, and meetings have been held. A systematic process is being developed (implementation March 31, 2005) to ensure that ample time is available to consider all options when leases are due to expire. A pilot project in the Atlantic Region is under way (completion fall 2004) to improve market analysis and data integrity.

Strengthen the financial information, policies and practices to support project delivery

PWGSC has implemented a cost management framework to address consistency of financial data and access to financial information. PWGSC has also commissioned a study comparing the cost of providing services to HRSDC (Human Resources and Skills Development Canada) with the revenues received under the user pay pilot project. This is intended to test more disciplined financial practices.

A comprehensive activity-based costing/pricing study is under way. Linkages have been

improved between internal financial systems; departmental procedures have been revised; and training has been delivered nationally. PWGSC will strengthen financial controls by implementing an expenditure commitment regime during 2004-05 (to prevent projects from exceeding approved budgets) and is also reviewing its management information systems.

Continue to implement a performance management framework incorporating outcomes and performance measurements for the business line

Response to Parliament has been included in the department's Report on Plans and Priorities for 2004-05, showing planned activities linked to the recommendations of the Auditor General and SCOPA. Planning statements and goals are clearly linked to outcomes and results. This provides a report on progress made in the past year against those recommendations, with outcomes and results clearly linked to planning statements and goals. A review of reporting in other jurisdictions is being conducted to identify best practices.

Complete the examination of pros and cons of User Pay in terms of effectiveness and efficiency in delivering office accommodation services

The department's research concludes that a user-pay, revenue-dependent regime is feasible and could be introduced on April 1, 2006. This could result in a congruence of goals for PWGSC and space users around controlling the cost of accommodation. The department is also studying enhancements that could be brought to the current appropriated regime and yield most of the same benefits (consumer and supplier discipline) as a user-pay regime, without requiring actual financial transactions between PWGSC and its tenants. The pros and cons of the two models are being analysed in consultation with TBS, leading to a September 2004 recommendation.



Conduct stakeholder consultation to define information requirements and then develop a cost-effective process for reporting accommodation costs fully to Parliament in collaboration with TBS

TBS is leading this initiative, as it requires the collaboration of all government departments. TBS, in conjunction with PWGSC, has begun a consultative process and has established an interdepartmental working group with stakeholder departments and agencies to identify the information needs related to accommodation services.

In support of the interdepartmental working group, PWGSC has undertaken research to assist with the identification of relevant financial and managerial information related to

accommodation services. Comparisons are being conducted with other jurisdictions, and consultations have been initiated.

A reporting template has been designed and drafted. It is proposed that the information be forwarded to the Committee following the timetable associated with each individual Departmental Performance Report (DPR), that is, in the fall of 2004 and on an annual basis after that.

For more information please see:

<http://www.parl.gc.ca/committee/CommitteePublication.aspx?SourceId=37498>

http://www.oag-bvg.gc.ca/domino/other.nsf/html/00pwgs_e.html



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General Access Lines for Government of Canada Programs and Services

Contact the Government of Canada using the means of communication that best suits your needs by selecting one of the following access channels, which are managed by PWGSC:

Web: <http://www.canada.gc.ca>

E-mail: sitecanadasite@canada.gc.ca

Telephone: 1 800 O-Canada (1 800 622-6232)
TTY/TDD 1 800 465-7735

Facsimile: (613) 941-1827

Mail: Public Works and Government Services Canada
Ottawa, Ontario K1A 0S5
ATTN: CANADA SITE



Related Information on the World Wide Web

Main PWGSC's Web Sites

Public Works and Government Services Canada

<http://www.pwgsc.gc.ca>

Business Lines

Acquisitions: <http://www.pwgsc.gc.ca/sos>

Consulting and Audit Canada: <http://www.cac.gc.ca>

Public Service Compensation: <http://www.pwgsc.gc.ca/compensation>

Real Property Services: <http://www.pwgsc.gc.ca/rps>

Receiver General: <http://www.pwgsc.gc.ca/recgen>

Telecommunications and Informatics Services: <http://www.pwgsc.gc.ca/gtis>

Translation Bureau: <http://www.translationbureau.gc.ca>

Other Related Web Sites and Pages

Access to Information Act

PWGSC's Report Card on Compliance With Response Deadlines Under the Access to Information Act: http://www.infocom.gc.ca/reports/section_display-e.asp?intSectionId=390

Alternative Service Delivery

General: <http://www.tbs-sct.gc.ca/asd-dmps>

PWGSC: <http://www.pwgsc.gc.ca/afd>

Audits, Reviews and Evaluation

Government-Wide Review: <http://www.pwgsc.gc.ca/prtf/text/index-e.html>

Internal Audits and Evaluations: <http://www.pwgsc.gc.ca/aeb/text/toc-e.html>

Sponsorship, Advertising and Public Opinion Research:
<http://pwgsc.gc.ca/sponsorship/sponsorship-update-e.html>

SCOPA's 19th report:

<http://www.parl.gc.ca/committee/CommitteePublication.aspx?SourceId=37498>

Office of the Auditor General: http://www.oag-bvg.gc.ca/domino/other.nsf/html/00pwgs_e.html

Canadian International Trade

http://www.pwgsc.gc.ca/text/factsheets/canadian_international_trade-e.html

Contracts Canada

<http://www.contractscanada.gc.ca>



Government On-Line

General site: http://www.ged-gol.gc.ca/index_e.asp

Progress of 130 of the federal government's most commonly used services: http://www.ged-gol.gc.ca/rpt2004/rpt00_e.asp

PWGSC Government On-Line (GOL) Public Report:

<http://www.pwgsc.gc.ca/gol/publicReports/index-e.html>

Organizational Readiness

General: http://www.solutions.gc.ca/oro-bgc/index_e.asp

Procurement and Contracting

<http://www.pwgsc.gc.ca/prtf/>

Sustainable Development

General: <http://www.pwgsc.gc.ca/sd-env/text/sds-2000-toc-e.html>

PWGSC's Report: <http://www.pwgsc.gc.ca/sd-env/text/performance-report-e.html>