



**CANADIAN
INTERGOVERNMENTAL
CONFERENCE SECRETARIAT**

2005-2006

PERFORMANCE REPORT

The Honourable Michael Chong
President of the Queen's Privy Council for Canada

Table of Contents

SECTION I – OVERVIEW	3
Agency Head’s Message	3
Management Representation Statement	4
Summary Information.....	5
Overall Agency Performance	6
SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME	8
Detailed Analysis of Performance	8
SECTION III – SUPPLEMENTARY INFORMATION	11
Organizational Information	11
Table 1: Comparison of Planned Spending to Actual Spending (incl. FTE)	12
Table 2: Resources by Program Activity	12
Table 3: Voted and Statutory Items	13
Table 4: Services Received Without Charge	13
Table 5: Source of Non-Respendable Revenue	14
Table 5(A): Provincial Contributions Towards CICS’ Budget	15
Table 6: Resource Requirement by Branch or Sector	16
Table 7: Unaudited Financial Statements of CICS	17
SECTION IV – OTHER ITEMS OF INTEREST	32
Conference Related Statistics	32
Conferences served by CICS (1973 to Present)	32
Conferences by level in 2005-2006	32
Conferences served by CICS – From April 1, 2005 to March 31, 2006	33
Provincial and regional breakdown by % in 2005-2006	34
Conferences served by location in 2005-2006.....	34
REFERENCES.....	35
List of Agency Reports.....	35
CICS Reports on Priorities and Planning	35
CICS Performance Reports	35
Reports to Governments	35
First Ministers’ Conferences	35
Premiers’ Conferences.....	35
CICS WEB SITE.....	36
CONTACT FOR FURTHER INFORMATION.....	36

SECTION I – OVERVIEW

Agency Head's Message

The multilateral intergovernmental conference is a key component of the Canadian federation. It is an instrument for consultation, coordination, negotiation and agreement among federal, provincial and territorial governments.

The Canadian Intergovernmental Conference Secretariat (CICS) was established pursuant to an agreement reached at the May 1973 First Ministers' Conference. It is an agency of both the federal and provincial governments that provides administrative services for the planning and conduct of senior level federal-provincial-territorial and provincial-territorial conferences held throughout Canada.

The objective of the program is to relieve client departments, in virtually all sectors of government activity, of the numerous technical and administrative tasks associated with the planning and conduct of such conferences, thereby enabling them to concentrate on the substantive issues.

In addition to the increasingly important cost efficiencies and the significant economies of scale, which governments can achieve through the utilization of CICS, the Secretariat also offers the advantages of confidentiality, continuity, neutrality and expertise in the planning and organizing of high level intergovernmental meetings in Canada.

In 2005-2006, the Secretariat provided services to 100 senior level conferences which were held in every region of the country. Included in the above are 3 meetings held at the First Ministers' and Premiers' and Territorial Leaders' level. The months of September and October were particularly intense for the agency and its staff with a total of 37 conferences served.

I wish to take this opportunity to add a word of appreciation to the agency's personnel for their high degree of professionalism, diligence and dedication.

André M. McArdle
Secretary

Management Representation Statement

I submit for tabling in Parliament, the 2005-2006 Departmental Performance Report for the Canadian Intergovernmental Conference Secretariat.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2005-2006 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat (TBS) guidance;
- It is based on the department's approved Program Activity Architecture structure as reflected in its Management Resources and Results Structure (MRRS);
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved planned spending numbers from the Treasury Board Secretariat in the Report on Plans and Priorities (RPP).

André M. McArdle
Secretary

Summary Information

Raison d'être

The Canadian Intergovernmental Conference Secretariat (CICS) was established pursuant to an agreement reached at the May 1973 First Ministers' Conference and designated a department of the federal government by an Order-in-Council dated November 29, 1973. Its one-program and one-activity mandate is to provide administrative services for the planning and conduct of First Ministers, Ministers and Deputy Ministers level federal-provincial-territorial and provincial-territorial conferences.

The CICS is an agency of both the federal and provincial governments and, as such, acts as a neutral intergovernmental body. Its budget is supported by both orders of government and its staff includes both federal and provincial public servants. The Secretary reports to all governments annually. The operations are reviewed by federal and provincial senior officials designated by their respective First Ministers. The CICS reports to Parliament through the President of the Queen's Privy Council for Canada.

Total Financial Resources for the Agency (\$ millions)

Planned Spending	Total Authorities	Actual Spending
6.3	6.2	5.4

Total Human Resources for the Agency

Planned Spending	Total Authorities	Actual Spending
31	36	31

Summary of Performance in Relationship to Departmental Strategic Outcomes (\$ millions)

Strategic Outcome / Priorities	Type	Planned Spending	Actual Spending	Expected Results and Current Status
Plan, conduct, and serve 110-120 intergovernmental conferences at the most senior levels in response to requests by governments	Ongoing	6.3	5.4 ¹	100 Senior level intergovernmental conferences were served

¹ The lower than planned spending is attributable for the most part to a lower than resourced conference activity level. This was due in part to the federal election and from the Government of Canada being formed by two subsequent minority governments which resulted in a number of conferences that were held in closer proximity to the National Capital Region.

Overall Agency Performance

The 2005-06 fiscal year was a busy and challenging one for the Canadian Intergovernmental Conference Secretariat (CICS). Requests for CICS services were received from numerous sectors of intergovernmental activities, allowing the agency to maintain its seven-year average service delivery record of supporting over one hundred senior level intergovernmental conferences per year.

Conference Highlights:

CICS provided its services to one hundred senior level intergovernmental conferences in 2005-2006. Of these meetings, three were held at the level of First Ministers and Territorial Leaders:

- the 2005 Western Premiers' Conference which was hosted by the Government of Alberta from May 4-6 in Lloydminster;
- the 29th Annual Conference of New England Governors and Eastern Canadian Premiers, hosted by the Government of Newfoundland and Labrador on August 28-29, 2005 in St. John's, and
- the Meeting of First Ministers and National Aboriginal Leaders, held on November 24-25, 2005 in Kelowna, British Columbia.

The Meeting of First Ministers and National Aboriginal Leaders proved to be a landmark intergovernmental meeting dedicated to Aboriginal issues. It brought together well over one thousand delegates, including First Nations, Inuit and Métis peoples of Canada; federal, provincial and territorial governments' representatives; and the media.

Number of Conferences Served:

The environment under which CICS operated in 2005-06 was particularly challenging. There was a slight decrease of activity and expenditures due to the federal elections campaign and from the Government of Canada being formed by two subsequent minority governments. These circumstances resulted in the putting on hold and/or postponement of various intergovernmental conferences as well as in the holding of multilateral, intergovernmental meetings in closer proximity to the National Capital Region. The implications for CICS was lower than planned spending as well as a 5.7% decrease in the provision of conference support services in 2005-06 as compared to 2004-05.

Despite these challenges, CICS still managed to provide services to 100 conferences in 2005-06. Of the many conferences served, 50 percent were at the Ministerial level and the remaining at the Deputy Ministerial level.

For further performance statistics on conferences, the reader is encouraged to review Section IV – Other Items of Interest – Conference Related Statistics.

Human Resource Management

Large number of public servants, both at the federal and provincial/territorial levels are expected to retire over the next decade and will need to be replaced. Competition for talent with the private sector and amongst governments is expected to intensify. As an agency of both the federal and provincial governments, drawing staff from both federal and provincial/territorial public servants, CICS will need to respond to these challenges in order to attract, retain and develop the people it needs, and to maintain a healthy and productive work place to serve the Canadian intergovernmental conference environment.

A major accomplishment of CICS in 2005-06 was to work in partnership with the Small Agency Transition Support Team of the Public Service Human Resources Management Agency of Canada in order to examine the implications for small agencies of the *Public Service Modernization Act* which came into being on December 31, 2005. This act encompasses major changes to the current legislative framework underpinning human resources management in the federal public service.

SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

Detailed Analysis of Performance

Strategic Outcome: Multilateral intergovernmental meetings of First Ministers, Ministers and Deputy Ministers are planned and conducted flawlessly.

Program Activity Name: Canadian Intergovernmental Conference Secretariat

Program Activity Description:

Provision of expert, impartial support services for the planning and conduct of First Ministers, Ministers and Deputy Ministers level federal-provincial-territorial and provincial-territorial conferences.

Total Financial Resources for the Agency (\$ millions)

Planned Spending	Total Authorities	Actual Spending
6.3	6.2	5.4

Human Resources:

Planned Spending	Total Authorities	Actual Spending
31	36	31

CICS assesses achievement of its one-program/one-activity commitments through several performance indicators:

- Number of conferences served
- Letters of appreciations and or complaints
- Number of conferences refused/Ability to meet demand of our clients
- Number of conferences served by non-conference sector personnel

Letter of Appreciation and/or Complaints:

While there are no formal performance indicators in place to gather this information, appreciation letters are often received from our clients. Of those received, we have chosen the following extracts:

“I am writing to thank you for the excellent work of the Canadian Intergovernmental Conference Secretariat with respect to the November 24-25, 2005 meeting of First Ministers and Aboriginal Leaders. The professionalism and high quality work of your organization is to be commended and the on-going support and assistance of the Canadian Intergovernmental Conference Secretariat in the holding of First Ministers’ Meetings is greatly appreciated.”

Marie E. Fortier
Deputy Minister
Intergovernmental Affairs Canada

“I want to thank you and your staff for making the August 29th meetings of New England Governors’ Conference, Inc. (NEGC) and Conference of New England Governors and Eastern Canadian Premiers (NEG/ECP) in St. John’s, Newfoundland such a success.”

Charles C. Tretter
Executive Director
New England Governors’, Inc.

“Just a few lines to inform you of our satisfaction in working with the Secretariat at our recent Ministers Meeting (March 16-17, 2006 held in Whistler, B.C.). Everything went smoothly and I am very pleased with the level of professionalism demonstrated by your staff. Once again, thank you for your help in making this meeting a success and please convey my congratulations to Team C”

Jacques Legault
A/Director, Intergovernmental Relations and
Social Dialogue
HRSDC (Labour)
Government of Canada

“I just wanted to extend my thanks for all the hard work you put in to making the June 10th meeting in Regina with the Western Ministers of Health, Justice and Public Safety, such a success. All comments I have heard are very positive. Media coverage has also been good.

You had such tight time lines to pull this meeting off, that I just want you to know we all appreciate the effort you put into it, even the last minute changes that had to be made.”

Cathie Flood
Sr. Administrative Assistant to the Deputy
Minister of Justice and Deputy
Attorney General
Government of Saskatchewan

Number of Conferences Refused/Ability to respond to the demand for CICS services

In 2005-2006, CICS was able to serve all senior level Federal-Provincial-Territorial and Provincial-Territorial meetings requested by our clients.

Number of Conferences Served by Non-Conference support personnel in CICS

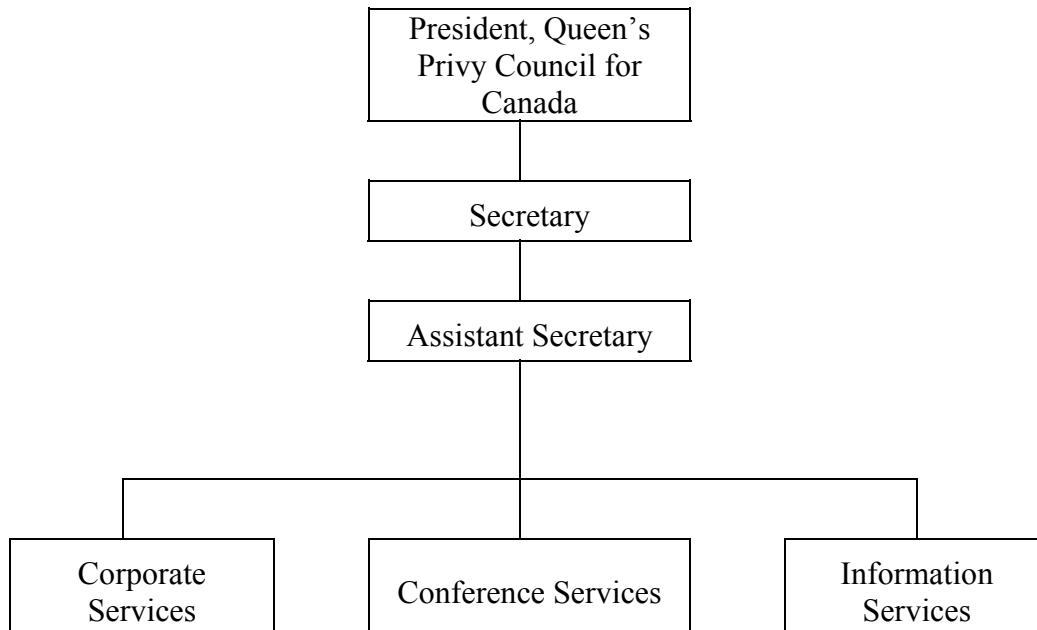
Of the 100 conferences served in 2005-2006, one was served entirely by non-conference personnel (individuals employed in other sectors of the Secretariat but also trained to serve conferences). These individuals are called upon to assist Conference Services at specific times of the year when demand for CICS services reaches a peak period.

SECTION III – SUPPLEMENTARY INFORMATION

Organizational Information

The CICS is an agency of both the federal and provincial governments and, as such, acts as a neutral intergovernmental body. Its budget is supported by both orders of government and its staff includes both federal and provincial public servants. The Secretary reports to all governments annually. The operations are reviewed by federal and provincial senior officials designated by their respective First Ministers. The CICS reports to Parliament through the President of the Queen's Privy Council for Canada.

CICS Organization Structure



CICS services include pre-conference planning and coordination; the set-up of conference site facilities; secretaryship; interpretation; the translation, printing, distribution and control of documents; media relations; security; and the provision of technical equipment and secretarial and technical assistance which includes informatics.

In addition to the above conference services which are available anywhere in Canada, a document archives is maintained by the Secretariat for the use of governments. The Secretariat has also its world wide web site containing not only pertinent information on the organization and its activities but most importantly, conference communiqués released immediately after the close of major conferences we serve.

Table 1: Comparison of Planned Spending to Actual Spending (incl. FTE)

\$ millions

	2003-2004 Actual	2004-2005 Actual	2005-2006			
			Main Estimates	Planned Spending	Total Authorities	Actual
Canadian Intergovernmental Conference Secretariat	5.3	5.6	6.3	6.3	6.2	5.4
Less: Non-Respendable revenue	1.1	1.1	1.2	1.2	1.2	1.1
Plus: Cost of services received without charge	0.5	0.5	0.5	0.5	0.5	0.5
Net cost of Agency	4.7	5.0	5.6	5.6	5.5	4.8

Full Time Equivalents	31	31	36	31	36	31
------------------------------	-----------	-----------	-----------	-----------	-----------	-----------

Table 2: Resources by Program Activity

\$ millions

2005-06				
Program Activity	Budgetary			
	Operating	Total: Gross Budgetary Expenditures	Less: Respendable Revenue	Total: Net Budgetary Expenditures
Canadian Intergovernmental Conference Secretariat				
Main Estimates	6.3	6.3	1.2	5.1
<i>Planned Spending</i>	6.3	6.3	1.2	5.1
Total Authorities	6.2	6.2	1.2	5.0
<i>Actual Spending</i>	5.4	5.4	1.1	4.3

Table 3: Voted and Statutory Items

\$ millions

		2005-2006			
Vote or Statutory Item	Canadian Intergovernmental Conference Secretariat	Main Estimates	Planned Spending	Total Authorities	Total Actuals
5	Operating expenditures	5.9	5.9	5.9	5.0
(S)	Contributions to employee benefit plans	0.4	0.4	0.3	0.3
	Total	6.3	6.3	6.2	5.3

Table 4: Services Received Without Charge

(\$ millions)	2005-2006
Accommodation provided by Public Works and Government Services Canada	0.3
Contributions covering employers' share of employees' insurance premiums and expenditures paid by Treasury Board of Canada Secretariat (excluding revolving funds). Employer's contribution to employees' insured benefits plans and associated expenditures paid by TBS	0.2
Total 2005-2006 Services received without charge	0.5

Table 5: Source of Non-Respendable Revenue

(\$ millions)	Actual 2003-04	Actual 2004-05	2005-2006			
			Main Estimates	Planned Revenue	Total Authorities	Actual
Canadian Intergovernmental Conference Secretariat						
Transfer payments from other governments (See Table 5a)	1.1	1.1	1.2	1.2	1.2	1.1
Miscellaneous Revenues	0.0	0.0	0.0	0.0	0.0	0.0
Total	1.1	1.1	1.2	1.2	1.2	1.1

Table 5(A): Provincial Contributions Towards CICS' Budget

Financial Table - Provincial Contributions Towards CICS' Budget (000's)									
Population Census 2001		2005 - 2006							2006 - 2007
		Main estimates			Contribution payment received				To be subtracted from next billing
	%	Co-shared ² Amount	Less: Budget Lapse 2004-2005	Projected Contribution	Co-shared ² Amount	Less: Budget Lapse 2004-2005	Total Billed	Actual ³ Contribution	Budget ⁴ Lapse 2005-2006
Total Budget/Expenditures		6,316.0	(701.7)	5,405.9	5,395.1	(701.7)	4,693.4		(920.9)
Less: Federal Share ¹		3,703.0	(639.8)	2,854.8	2,971.1	(639.8)	2,331.3		(731.9)
Total Provincial Share		2,613.0	(61.9)	2,551.1	2,424.0	(61.9)	2,362.1		(189.0)
Newfoundland and Labrador	1.7	44.4	0.0	44.4	44.4	0.0	44.4	44.4	(3.2)
Nova Scotia	3.0	78.4	(9.7)	68.7	78.4	(9.7)	68.7	68.7	(5.7)
New Brunswick	2.4	62.7	(7.8)	54.9	62.7	(7.8)	54.9	54.9	(4.5)
Prince Edward Island	0.5	13.1	(1.6)	11.5	13.1	(1.6)	11.5	11.5	(1.0)
Quebec	24.2	632.3	0.0	632.3	632.3	0.0	632.3	131.3	0.0
Ontario	38.2	998.2	0.0	998.2	998.2	0.0	998.2	355.6	0.0
Manitoba	3.7	96.7	0.0	96.7	96.7	0.0	96.7	30.0	0.0
Saskatchewan	3.3	86.2	(10.7)	75.5	86.2	(10.7)	75.5	75.5	(6.4)
Alberta	9.9	258.7	(32.1)	226.6	258.7	(32.1)	226.6	226.6	(18.7)
British Columbia	13.1	342.3	0.0	342.3	342.3	0.0	342.3	95.0	0.0
Total	100.0	2,613.0	(61.9)	2,551.1	2,613.0	(61.9)	2,551.1	1,093.5	(39.5)

Notes:

¹ Federal share includes 50% of operational budget/expenditure plus, employee benefit plans for federal employees, translation costs, tenant services, capital and revenue shortfalls resulting from the non-payment or partial payment by the provinces of their respective share.

² Provincial contributions are per capita, based on the 2001 population census.

³ Revenue shortfalls resulting from the non-payment or partial payment by the provinces are automatically absorbed by the federal government.

⁴ Budget lapse is the result of difference between amount invoiced and share based on actual 2005-2006 expenditures.

Table 6: Resource Requirement by Branch or Sector

\$ millions

Canadian Intergovernmental Conference Secretariat	Main Estimates	Total Planned Spending	Total Authorities	Actual
Executive Branch	0.3	0.3	0.3	0.3
Conference Services	4.5	4.5	4.5	3.7
Information Services	0.9	0.9	0.9	0.8
Corporate Services	0.6	0.6	0.6	0.6
Total	6.3	6.3	6.3	5.4

Table 7: Unaudited Financial Statements of CICS

Unaudited Financial Statements of



**CANADIAN INTERGOVERNMENTAL
CONFERENCE SECRETARIAT**

Year ended March 31, 2006

Canadian Intergovernmental Conference Secretariat (CICS) Management Responsibility for Financial Statements

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2006 and all information contained in this report rests with CICS management. These financial statements have been prepared by management in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Management is responsible for the integrity and objectivity of the information in these financial statements. Some of the information in the financial statements is based on management's best estimates and judgment and gives due consideration to materiality. To fulfil its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the department's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the Departmental Performance Report is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, within Parliamentary authorities, and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate division of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the agency.

The financial statements of the agency have not been audited.

André M. McArdle, Secretary
Ottawa, Canada
September 11, 2006

Ronald L. Richer
Director, Corporate Services and
Senior Financial Officer
Ottawa, Canada
September 11, 2006

CANADIAN INTERGOVERNMENTAL CONFERENCE SECRETARIAT
Statement of Operations (unaudited)

For the Year ended March 31

	2006	2005
Expenses		
Salaries and employee benefits	\$2,573,839	\$2,656,273
Transportation and communication	1,179,779	1,049,275
Rentals	928,842	910,586
Professional and special services	797,740	799,687
Amortization of tangible capital assets	154,846	149,630
Utilities, materials and supplies	98,632	166,200
Repairs and upkeep	92,787	102,928
Information	37,748	143,470
Loss (Gain) on disposal of tangible fixed assets	-	1,724
Total Expenses	\$5,864,213	\$5,979,773
Revenue		
Provincial contributions	\$1,093,500	\$1,111,400
Miscellaneous revenue	348	695
Total	\$1,093,848	\$1,112,095
Net Cost of Operations	\$4,770,365	\$4,867,678

The accompanying notes form an integral part of these financial statements.

Statement of Financial Position (unaudited)

At March 31

	2006	2005
Assets		
Financial Assets		
Accounts receivable and advances (Note 4)	\$111,821	\$142,522
Non-Financial Assets		
Tangible capital assets (Note 5)	286,625	278,284
Total	\$398,446	\$420,806
Liabilities		
Accounts Payable and accrued liabilities (Note 6)	\$527,829	\$468,311
Vacation and compensatory leave	86,798	86,416
Employee severance benefits (Note 7)	270,006	274,690
Total Liabilities	\$884,633	\$829,417
Equity of Canada	(\$486,187)	(\$408,611)
Total	\$398,446	\$420,806

The accompanying notes form an integral part of these financial statements.

Statement of Equity of Canada (unaudited)

For the Year Ended March 31

	2006	2005
Equity of Canada, beginning of year	(\$408,611)	(\$434,337)
Net cost of operations	(4,770,365)	(4,867,678)
Current year appropriations used (Note 3b)	5,395,129	5,584,290
Revenue not available for spending	(1,093,848)	(1,112,095)
Change in net position in the Consolidated Revenue Fund (Note 3c)	(92,165)	(56,881)
Services provided without charge by other government departments (Note 8)	483,673	478,090
Equity of Canada, end of year	(\$486,187)	(\$408,611)

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows (unaudited)

For the year ended March 31

	2006	2005
Operating activities		
Net Cost of Operations	\$4,770,365	\$4,867,678
Non-cash items:		
Amortization of tangible capital assets	(154,846)	(149,940)
(Loss) Gain on Disposal of tangible capital assets	-	(1,724)
Services provided without charge by other government departments	(483,673)	(478,090)
Variations in statement of Financial Position		
Decrease (increase) in Accounts Payable and accrued liabilities	(59,518)	(172,768)
Increase (decrease) in accounts receivables and advances	(30,701)	119,669
Vacation Pay and Compensatory Leave	(382)	(10,463)
Employee severance Benefits	4,684	101,062
Cash Used by Operating Transactions	\$4,045,929	\$4,275,424
Capital investment activities		
Acquisition of Capital Assets	163,187	139,890
Financing activities		
Net Cash Provided by Government of Canada	\$4,209,116	\$4,415,314

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

1. Authority and objectives

The Canadian Intergovernmental Conference Secretariat (the Secretariat) was designated a department within the Government of Canada in November 1973, by an Order-in-Council. The Secretariat is an agency of the Federal and Provincial governments. The Secretariat is named in Section II of the Financial Administration Act and reports to Parliament through the President of the Queen's Privy Council for Canada.

The mandate of the Canadian Intergovernmental Conference Secretariat is to excel in the planning, conduct and serving of senior intergovernmental conferences. The objective of the program is to relieve client departments, in virtually all sectors of government activity, of the numerous technical and administrative tasks associated with the planning and conduct of such conferences, thereby enabling them to concentrate on the substantive issues. The Secretariat not only provides services to the federal-provincial-territorial meetings, but as well to provincial-territorial conferences.

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting policies are as follows:

(a) Parliamentary appropriations – the Agency is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the agency do not parallel financial Canadian reporting according to generally accepted accounting principles since appropriations are primarily based on cash flow requirements. Consequently, items recognized in the statement of operations and the statement of financial position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.

(b) Net Cash Provided by Government – The agency operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the department is deposited to the CRF and all cash disbursements made by the

Notes to the Financial Statements

department are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

(c) Change in net position in the Consolidated Revenue Fund is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non-responsible revenue recorded by the agency. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

(d) Revenues:

Revenue relating to the provincial support of the operations of the Secretariat is recognized in the period in which the funds are received.

Other revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues.

(e) Expenses – Expenses are recorded on the accrual basis:

Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.

Services provided without charge by other government departments for accommodation, the employer's contribution to the health and dental insurance plans are recorded as operating expenses at their estimated cost.

(f) Employee future benefits

- i. Pension benefits: Eligible employees participate in the Public Service Superannuation Pension Plan, a multiemployer plan administered by the Government of Canada. The department's contributions to the Plan are charged to expenses in the year incurred and represent the total departmental obligation to the Plan. Current legislation does not require the department to make contributions for any actuarial deficiencies of the Plan.
- ii. Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

Notes to the Financial Statements

(g) Accounts and loans receivables -- are stated at amounts expected to be ultimately realized; a provision is made for receivables where recovery is considered uncertain.

(h) Tangible capital assets – All tangible capital assets having an initial cost of \$2,000 or more are recorded at their acquisition cost. The Agency does not capitalize intangibles, works of arts and historical treasures that have cultural, aesthetic or historical value, assets located on Indian reserves and museum collections.

Amortization of tangible capital assets is done on a straight-line basis over the estimated useful life of the asset as follows:

Furniture, furnishings and office equipment **5** years

Informatics hardware **3** years

(i) Contingent Liabilities - Contingent liabilities are potential liabilities which may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of the loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements.

j) Measurement uncertainty —The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

3. Parliamentary Appropriations

The Agency receives most of its funding through annual Parliamentary appropriations. Items recognized in the statement of operations and the statement of financial position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, the Agency has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

(a) Reconciliation of net cost of operations to current year appropriations used:

	2006	2005
Net cost of operations	\$4,770,365	\$4,867,678

Adjustments for items affecting net costs of operations but not affecting appropriations:

Add (Less): Services provided without charge by OGD	(483,673)	(478,090)
Amortization of tangible capital assets	(154,846)	(149,940)
Revenue not available for spending	1,093,848	1,112,095
(Loss) gain on disposal of tangible capital assets	-	(1,724)
Vacation pay and compensatory leave	(382)	(10,463)
Employee Severance Benefits	4,684	101,062
Other	1,946	3,782
Sub-Total	\$5,231,942	\$5,444,400

Adjustments for items not affecting net cost of operations but affecting appropriations:

Add (Less): Acquisitions of tangible capital assets	163,187	139,890
Current year appropriation used	\$5,395,129	\$5,584,290

(b) Appropriations provided and used

	Appropriations Provided	
	2006	2005
Vote 5 - Operating expenditures	\$5,893,000	\$5,902,000
Statutory amounts	354,731	384,035
Less: Lapsed appropriations: Operating	852,602	701,745
Current year appropriation used	\$5,395,129	\$5,584,290

(c) Reconciliation of net cash provided by Government to current year appropriations used	2006	2005
Net cash provided by Government	\$4,209,116	\$4,415,314
Revenue not available for spending	1,093,848	1,112,095
Change in net position in the Consolidated Revenue Fund		
Increase (decrease) in accounts receivable and advances	\$30,701	\$120,469
Increase (decrease) in accounts payable and accrued liabilities	59,518	(172,768)
Other adjustments	<u>1,946</u>	<u>109,180</u>
Sub-Total	<u>\$92,165</u>	<u>\$56,881</u>
Current year appropriations used	<u>\$5,395,129</u>	<u>\$5,584,290</u>

4. Accounts Receivable and Advances

	2006	2005
Receivables from other Federal Government departments and agencies	\$97,182	\$129,922
Receivables from external parties	2,039	-
Employee advances	12,600	12,600
Total	\$111,821	\$142,522

5. Tangible Capital Assets

Cost	Balance	Additions	Disposals	Balance March 31	
	April 1, 2005			2006	2005
Furniture, Furnishings and Office Equipment	\$200,366	\$1,457	-	\$201,823	\$200,366
Informatics Hardware	796,434	161,730	24,996	933,168	796,434
Total Cost	\$996,800	\$163,187	\$24,996	\$1,134,991	\$996,800

Accumulated Amortization	Balance	Amortization	Disposals	Balance March 31	
	April 1, 2005			2006	2005
Furniture, Furnishings and Office Equipment	\$75,080	\$34,506	-	\$109,586	\$75,080
Informatics Hardware	643,436	120,340	24,996	738,780	643,436
Total Accum. Amortization	\$718,516	\$154,846	\$24,996	\$848,366	\$718,516

Net Book Value	Balance March 31	
	2006	2005
Furniture, Furnishings and Office Equipment	\$92,237	\$125,286
Informatics Hardware	194,388	152,958
Total Net Book Value	\$286,625	\$278,284

Amortization expenses for the year ended March 31, 2006 amounted to \$154,846 (\$149,640 for 2004-2005).

6. Accounts Payable

Accounts Payable		2006	2005
	Ongoing - External Parties	\$326,978	\$200,320
	Salaries and Wages	81,575	160,133
	Other Government departments and agencies	119,276	107,858
Total		\$527,829	\$468,311

7. Employee Benefits

(a) Pension benefits: The department's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plans benefits and they are indexed to inflation.

Both the employees and the department contribute to the cost of the Plan. The 2005-06 expense amounts to \$354,731 (\$384,035 in 2004-05), which represents approximately 2.6 times the contributions by employees.

The department's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

(b) Severance benefits: The department provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

	2006	2005
Accrued benefit obligation, beginning of year	\$274,690	\$375,752
Expense for the year	5,961	(39,350)
Benefits paid during the year	<u>(10,645)</u>	<u>(61,712)</u>
Accrued benefit obligation, end of year	<u>\$270,006</u>	<u>\$274,690</u>

8. Related party transactions

The agency is related as a result of common ownership to all Government of Canada departments, agencies, and Crown corporations. The agency enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the agency received services which were obtained without charge from other Government departments as presented in part (a).

(a) Services provided without charge

During the year the agency received without charge from other government departments, accommodation and the employer's contribution to the health and dental insurance plans. These services without charge have been recongnized in the agencies's Statement of Operations as follows:

	2006	2005
Accommodation	\$314,173	\$308,690
Employer's contribution to the health and dental insurance plans	169,500	169,400
Total	\$483,673	\$478,090

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The costs of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada are not included as an expense in the department's Statement of Operations.

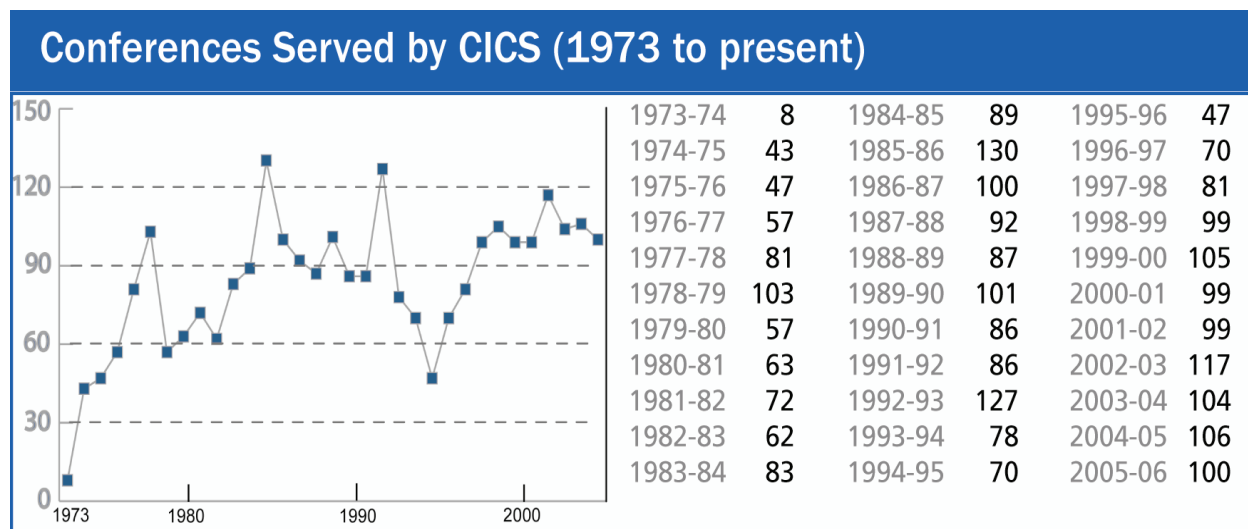
(b) Payables and receivables at year-end with related parties:

	2006	2005
Account receivables with other government departments and agencies	\$97,182	\$129,922
Accounts payable to other government departments and agencies	\$119,276	\$107,858

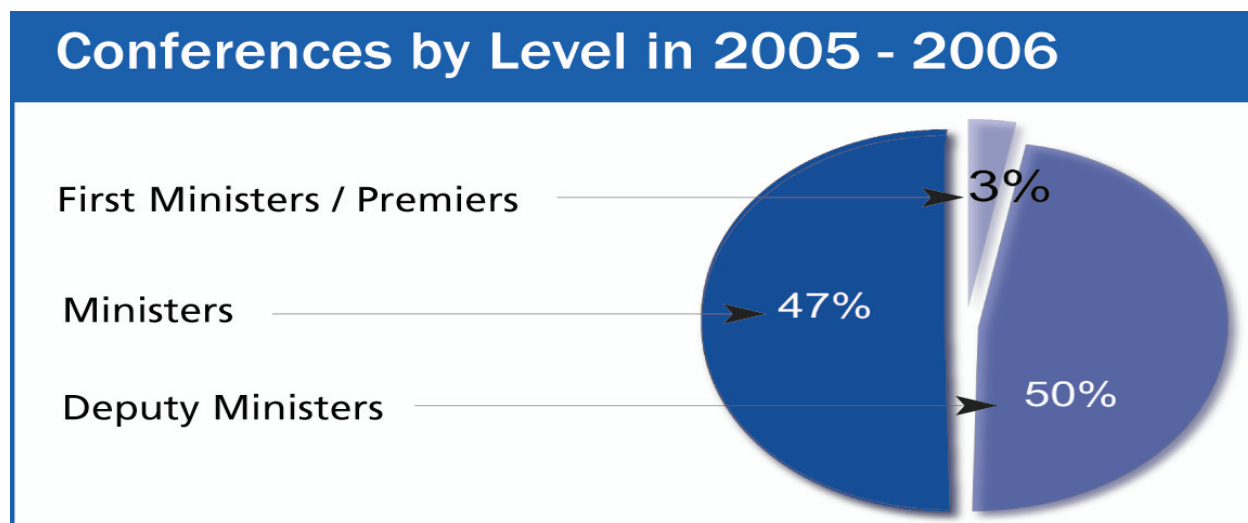
SECTION IV – OTHER ITEMS OF INTEREST

Conference Related Statistics

The number of conferences served by the Secretariat in the 2005-2006 fiscal year was 100. With this total CICS has maintained an average of over 100 conferences served for the last seven years.



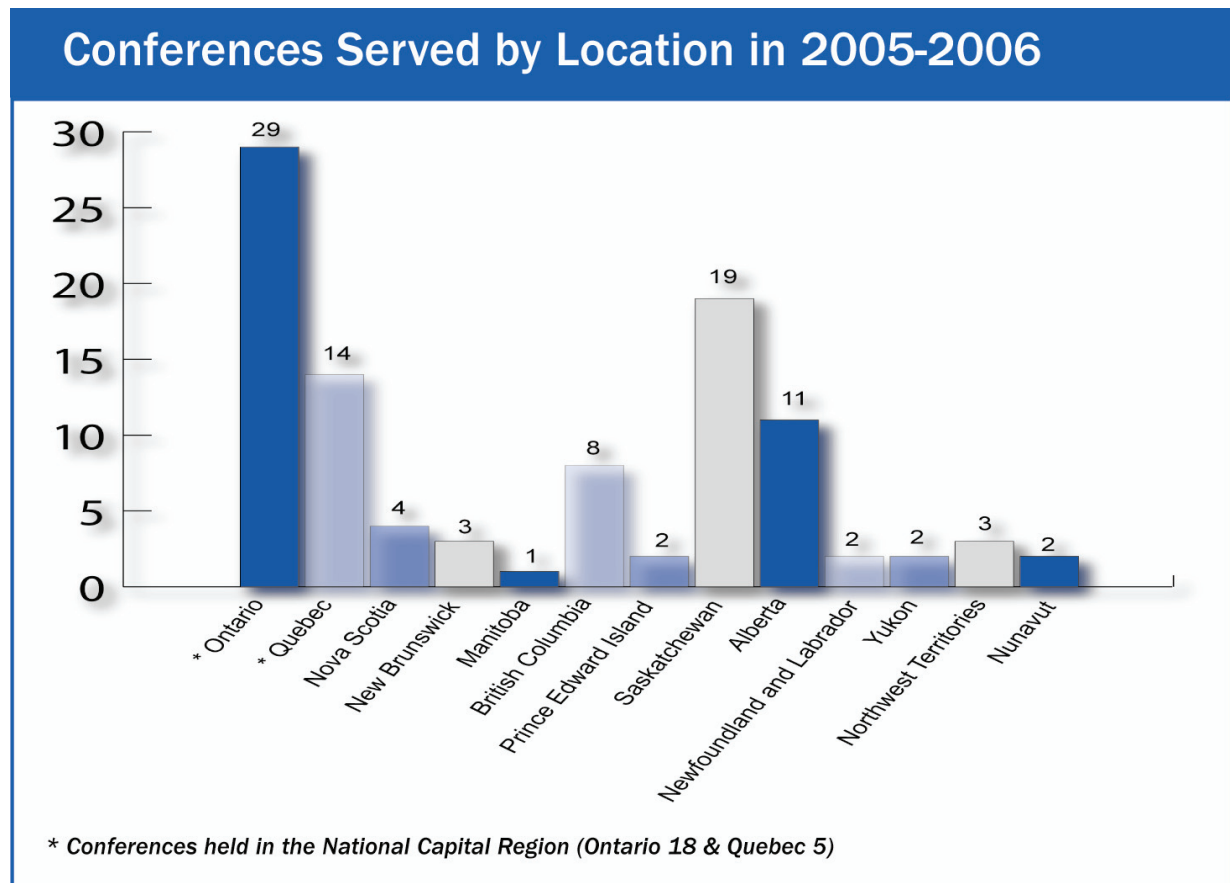
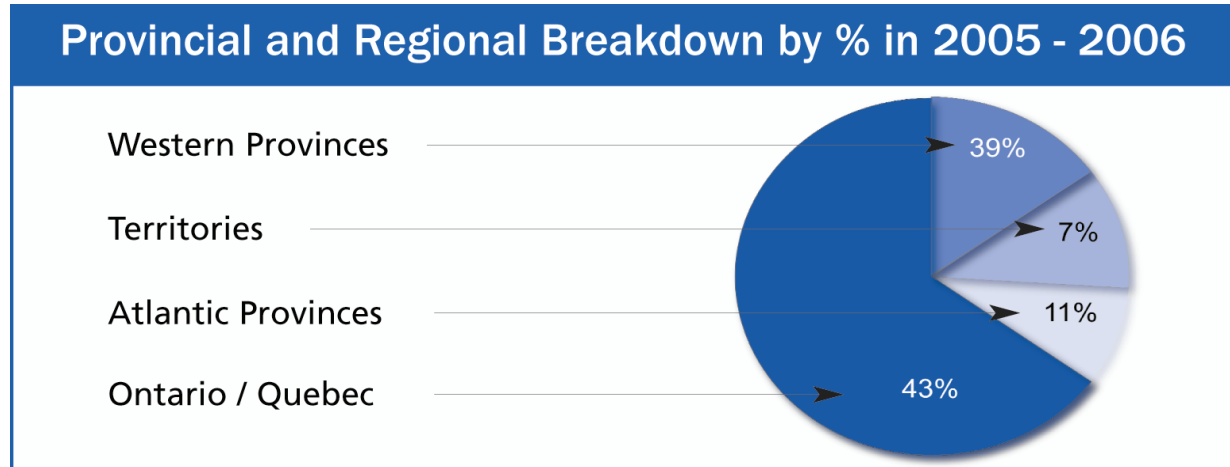
The secretariat provided services in 2005-2006 to 3 meetings (3% of total served) at the First Ministers' and Premiers' and Territorial Leaders' level. CICS also provided its support to 47 ministerial conferences (representing 47% of all meetings served in 2005-2006) and to 50 deputy ministerial conferences (50%).



As can be seen from the following table, the most active sectors in terms of number of conferences were Human Resources and Social Services including Labour which met 13 times in 2005-2006 followed closely by Justice with 12 meetings and Health meeting 9 times in 2005-2006.

Conferences Served by CICS - From April 1, 2005 to March 31, 2006									
Sector	First Ministers	F-T Ministers	F-T Deputy Ministers	FPT Ministers	FPT Deputy Ministers	Premiers	P-T Ministers	P-T Deputy Ministers	Total
Agriculture				3	1		3		7
Citizenship and Immigration				2					2
Education * (Canadian Education Statistics Council (CESC) -1) * (Joint FPT DMs' meeting on Financial Assistance to Students -1)					2*		2	2	6
Environment (includes Joint Forest, Wildlife, Endangered Species, Fisheries & Aquaculture)				3	2				5
Fisheries (includes Aquaculture)				3					3
Health (includes Ministers of Health and Ministers of Aboriginal Affairs and Leaders of National Aboriginal Organizations)				2	2		3	2	9
Heritage (includes Francophone Affairs)				2			2		4
Housing				1	1		1	1	4
Human Resources and Social Services (includes Labour, Labour Market Ministers and Labour Legislation)				3	6		1	3	13
Industry (includes Internal Trade and Tourism)				1	1				2
Intergovernmental Affairs	1				4	2			7
Justice (includes Chief Coroners and Chief Medical Examiners, Emergency Management and Western Ministers of Health, Justice and Public Safety - Responding to Crystal Meth)				1	5		2	4	12
Local Government							1	1	2
Native / Aboriginal Affairs				1					1
Natural Resources (includes Mines, Energy and Forest)				4	2				6
Northern Development				1					1
Public Works & Government Administration (includes Public Service Commissioners, Public Trustees & Guardians and Government On-Line)					3		1	1	5
Sports and Recreation				1	1		1		3
Status of Women				1	2				3
Trade (see Industry)									
Transport				1	4				5
Total	1	0	0	30	36	2	17	14	100

On a regional basis, in 2005-2006, CICS served 39 meetings in Western Canada (39% of the total), 11 meetings in Atlantic Canada (11%), 29 and 14 conferences in Ontario and Quebec respectively (which includes the National Capital Region) (43%) and 7 meetings in the territories (7%).



References

List of Agency Reports

CICS Reports on Priorities and Planning

- 2005-2006 http://www.scics.gc.ca/pubs/rpp_e05_06.pdf
- 2004-2005 http://www.scics.gc.ca/pubs/rpp_e04_05.pdf
- 2003-2004 http://www.scics.gc.ca/pubs/estimate_2003_2004_e.pdf

CICS Performance Reports

- 2004-2005 http://www.scics.gc.ca/pubs/2004e_perfor.pdf
- 2003-2004 http://www.scics.gc.ca/pubs/2003e_perfor.pdf
- 2002-2003 http://www.scics.gc.ca/pubs/2002e_perfor.pdf

Reports to Governments

- 2005-2006 http://www.scics.gc.ca/pubs/rep_gov_2005_06_e.pdf
- 2004-2005 http://www.scics.gc.ca/pubs/rep_gov_2004_05_e.pdf
- 2003-2004 http://www.scics.gc.ca/pubs/rep_gov_2003_04_e.pdf

First Ministers' Conferences

- 1906-2004 http://www.scics.gc.ca/pubs/fmp_e.pdf

Premiers' Conferences

- 1887-2002 http://www.scics.gc.ca/pubs/premiers_report_e.pdf
- Addendum http://www.scics.gc.ca/pubs/premiers_addendum2003_e.pdf

CICS website: www.scics.gc.ca

Contact for further information

Ronald L. Richer
Director, Corporate Services
Telephone: (613) 995-4444
E-mail: rricher@scics.gc.ca