



Public Works and Government Services Canada

Performance Report

For the period ending
March 31, 2002

Canada

The Estimates Documents

Each year, the government prepares Estimates in support of its request to Parliament for authority to spend public monies. This request is formalized through the tabling of appropriation bills in Parliament.

The Estimates of the Government of Canada are structured in several parts. Beginning with an overview of total government spending in Part I, the documents become increasingly more specific. Part II outlines spending according to departments, agencies and programs and contains the proposed wording of the conditions governing spending which Parliament will be asked to approve.

The *Report on Plans and Priorities* provides additional detail on each department and its programs primarily in terms of more strategically oriented planning and results information with a focus on outcomes.

The *Departmental Performance Report* provides a focus on results-based accountability by reporting on accomplishments achieved against the performance expectations and results commitments as set out in the spring *Report on Plans and Priorities*.

The Estimates, along with the Minister of Finance's Budget, reflect the government's annual budget planning and resource allocation priorities. In combination with the subsequent reporting of financial results in the Public Accounts and of accomplishments achieved in Departmental Performance Reports, this material helps Parliament hold the government to account for the allocation and management of funds.

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Available in Canada through your local bookseller or by mail from

Canadian Government Publishing — PWGSC

Ottawa, Canada K1A 0S9

Catalogue No. BT31-4/68-2002

ISBN 0-660-62147-9



Foreword

In the spring of 2000, the President of the Treasury Board tabled in Parliament the document “Results for Canadians: A Management Framework for the Government of Canada”. This document sets a clear agenda for improving and modernising management practices in federal departments and agencies.

Four key management commitments form the basis for this vision of how the Government will deliver their services and benefits to Canadians in the new millennium. In this vision, departments and agencies recognise that they exist to serve Canadians and that a “citizen focus” shapes all activities, programs and services. This vision commits the Government of Canada to manage its business by the highest public service values. Responsible spending means spending wisely on the things that matter to Canadians. And finally, this vision sets a clear focus on results – the impact and effects of programs.

Departmental performance reports play a key role in the cycle of planning, monitoring, evaluating, and reporting of results through ministers to Parliament and citizens. Departments and agencies are encouraged to prepare their reports following certain principles. Based on these principles, an effective report provides a coherent and balanced picture of performance that is brief and to the point. It focuses on outcomes - benefits to Canadians and Canadian society - and describes the contribution the organisation has made toward those outcomes. It sets the department’s performance in context and discusses risks and challenges faced by the organisation in delivering its commitments. The report also associates performance with earlier commitments as well as achievements realised in partnership with other governmental and non-governmental organisations. Supporting the need for responsible spending, it links resources to results. Finally, the report is credible because it substantiates the performance information with appropriate methodologies and relevant data.

In performance reports, departments and agencies strive to respond to the ongoing and evolving information needs of parliamentarians and Canadians. The input of parliamentarians and other readers can do much to improve these reports over time. The reader is encouraged to assess the performance of the organisation according to the principles outlined above, and provide comments to the department or agency that will help it in the next cycle of planning and reporting.

This report is accessible electronically from the Treasury Board of Canada Secretariat Internet site:
<http://www.tbs-sct.gc.ca/rma/dpr/dpre.asp>

Comments or questions can be directed to:

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Public Works and Government Services Canada



Departmental Performance Report

For the period ending March 31, 2002

The Honourable Ralph Goodale, P.C., M.P.
Minister of Public Works and Government Services

Receiver General for Canada

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Section I — Minister's Message



I am pleased to present Public Works and Government Services Canada's (PWGSC) Performance Report for the period ending March 31, 2002.

We are in the business of providing cost-effective, high quality services to clients across Canada and around the world. We provided translation and interpretation, property and project management services. We offered everything from information technology consulting to telecommunications support. Through these, and many other services, we helped our clients to become more efficient, more focused and better able to serve the Canadian public. We also managed 60,000 contracts attributed to small- and medium-sized companies across Canada, in all sectors of the economy.

An internal audit by PWGSC found serious problems with the way the Canada Sponsorship Program was run from 1997 to 2000. While only representing a fraction of the contracts we do, we have been working diligently to address the administrative problems that were identified. We are working to ensure that Canadians can have confidence in all the work that we do.

PWGSC's five strategic priorities set the tone for this reporting period in terms of its contribution to government, service improvements, efficiency gains, promotion of e-government, and responsiveness to the needs of its employees. I am pleased to say that the department has fulfilled its obligations and commitments in all these important areas.

Looking at the results outlined in this document and looking ahead to the future, I am confident that PWGSC will continue to move from strength to strength. We will continue to be guided by a commitment to financial prudence and will strive to achieve even higher levels of client satisfaction. In doing so, we will continue to build more effective and responsive government and improve the quality of life for all Canadians.



Section II — Departmental Overview

Raison d'être

Public Works and Government Services Canada provides modern client-focused services to more than one hundred departments and agencies at the best value for taxpayers. We provide the best solutions to our clients, while respecting values of prudence, probity and transparency. We also deliver services directly to Canadians and contribute to their quality of life.

Strategic Priorities

The department set the following five strategic priorities for the reporting period:

- to enhance its contribution to Government and Canadians;
- to improve its services to meet clients' needs;
- to seek savings and pursue efficiency in all its operations;
- to promote and facilitate electronic government; and
- to build a workforce that is representative, flexible and responsive to its renewal needs.

The implementation of these priorities can be seen in the performance accomplishments of the business lines in Section III of this report.

Organization

Over the reporting period, the department managed its major activities within the **Government Services Program**, which was organized into nine business lines:

- Real Property Services
- Supply Operations Service
- Receiver General
- Public Service Compensation
- Government Telecommunications and Informatics Services
- Consulting and Audit Canada
- Translation Bureau
- Communications Coordination Services
- Operational Support



The Communications Coordination Services business line was transferred to Communication Canada in September 2001. As this business line was included in our Report on Plans and Priorities for 2001-02, we are reporting on its performance for 2001-02.

The **Crown Corporation Program** allows for payments to be made to the Old Port of Montreal Corporation Inc. and the Queens Quay West Land Corporation in accordance with their respective corporate plans and budgets that were approved by Order-in-Council and the Treasury Board. Due to changes in ministerial responsibility for these corporations that took place since January 2002, they will no longer be included in the Crown Corporation Program. However, as they were included in our Report on Plans and Priorities for 2001-02, we are reporting on the outcomes achieved during the reporting period.

The department uses a variety of organizational and financial structures in fulfilling its mandate. An organization chart, identifying senior departmental positions and reporting relationships, is included in Annex C.

Net Expenditures 2001-02			
<i>(in millions of dollars)</i>			
	Planned Spending	<i>Total Authorities</i>	Actual
GOVERNMENT SERVICES PROGRAM			
▪ Operating, Capital and Statutory Votes			
Gross Expenditures	2,544.4	3,017.0	2,912.6
Less: Respendable Revenues	433.6	685.2	684.1
Net Expenditures	2,110.8	2,331.7	2,228.5
▪ Revolving Funds Authorities			
Gross Expenditures	1,205.8	1,205.8	1,351.8
Less: Respendable Revenues	1,225.5	1,225.5	1,365.6
Net Resources (Provided) Used	(19.7)	(19.7)	(13.8)
GOVERNMENT SERVICES PROGRAM TOTAL	2,091.1	2,312.0	2,214.7
CROWN CORPORATIONS PROGRAM	4.0	15.3	15.3
DEPARTMENTAL TOTAL	2,095.1	2,327.3	2,230.0

Totals may not add up due to rounding.

The variance between planned spending and total authorities is mainly attributed to additional funding received for various Government On-Line initiatives, accommodation costs, collective agreements and improvements to information technology infrastructure. The decrease in actuals from the total authorities relates to lower operating costs due to project slippage and collective agreement funding received as well as the annual return to the Consolidated Revenue Fund of employee benefit costs related to the separately controlled allotment.



Performance Overview

Our activities throughout 2001-02 were guided by our five strategic priorities to provide quality services to federal government departments and agencies, to support the government's broad objectives, and to improve the quality of life of Canadians. The themes set out in the Speech from the Throne of January 2001 had significant implications for the department and a number of its clients who rely on PWGSC for essential support in the delivery of their programs. In addition, the events of September 11, 2001 increased the demand for the department's services. Accordingly, our operations throughout the year were focused on facilitating the achievement of the government's planned priorities, but also on responding quickly and effectively to drastic and unforeseen circumstances. On both counts, our people proved up to the challenge.

The events of September 11, 2001 underlined the growing and ever more direct linkages between global events and the domestic priorities of the government, and, in turn, between these and the activities of our department. Our responsibilities in the area of security are widespread, ranging from those associated with our large real property portfolio, to those related to our procurement function, our role in the provision of government telecommunications infrastructure, and our accountability for the integrity of critical financial and information systems. Last year, the department supported other government organizations as they strengthened their own security agendas. In particular, it provided National Defence with contracting services to obtain essential equipment related to their anti-terrorist operations overseas. We also put in place the infrastructure for the national day of mourning which saw over 100,000 Canadians converge on Parliament Hill to commemorate the victims of the September terrorist attacks.

Our activities throughout 2001-02 also reflected our commitment to meet the growing expectations of the federal government departments and agencies and the public regarding the provision of high-quality and relevant services. Technology and globalization continue to transform our operating environment, and as a result, our role is steadily evolving from that of hands-on implementers, to facilitators and enablers. We have pursued constructive partnerships with other departments, other levels of government and the private sector to ensure that we are leveraging our resources and expertise in a way that maximizes our contribution to the government. For example, our ongoing co-operation with other government departments in promoting sustainable development in government operations is helping to establish a leadership role for the federal government in this area. Our partnership with Health Canada and all provinces and territories in negotiating a \$600 million, ten-year contract for the supply of Canada's annual influenza virus vaccine requirements provides another example of the benefits of



such co-operation. This intergovernmental bulk purchasing approach provides us with the leverage to negotiate prices that are among the lowest in the western world. Many other examples of such constructive arrangements can be found.

Our support of the Speech from the Throne commitment to bring Government On-Line by 2005 has included providing the necessary technical and analytical skills to develop a secure network for financial and other transactions. This past year, we continued the development of the Secure Channel, an essential building block of e-government. The Secure Channel will ensure privacy for Canadians in their on-line interactions with government. More and more Canadians are already opting to pay taxes, receive pensions and purchase government services on-line.

For the second consecutive year, the consulting firm Accenture ranked Canada first out of 23 countries in relation to the progress that we have made with respect to e-government. As planners, builders and managers of the government's extensive Government On-Line networks, we are playing a key role in connecting Canadians with their government, with each other and with the world. For example, we make sure, through our on-line tendering processes, that all qualified bidders have fair access to the government's procurement opportunities. This year, we also continued the development of the Electronic Supply Chain, which will encompass procurement activities from initial selection of goods and services through to final settlement.

In the area of public accounts, the successful multi-year phase-in of the Financial Information Strategy represented a major achievement in which the department played a central role. This makes Canada one of a small group of countries using full accrual accounting methodology in government. This approach produces a more accurate picture of program delivery costs. Various delegations from around the world have visited PWGSC to see how we went about achieving that goal. Our success in helping the Government realize this key component of its modern comptrollership strategy was rewarded with a Gold Medal at the 2001 Government Technology Distinction Awards.

We faced intense scrutiny of the delivery of the Government of Canada's sponsorship program. The department has moved aggressively to address the administrative weaknesses that were identified in a report by the Auditor General concerning three contracts awarded in the years 1997 to 1999. In response, the department further strengthened the administration of the program and began a detailed review of the over 700 sponsorship files dating from 1997 to 2000. In addition, the Auditor General is undertaking a government-wide audit with respect to advertising and sponsorships, and the President of Treasury Board is reviewing the management framework and the governance system with respect to advertising, sponsorships and polling. We are confident that this multi-layered approach will ensure that all the issues related to the sponsorship program are fully addressed, and that such problems do not arise again.



We also recognize that we need to improve our services so that they become seamless from the clients' perspective. We believe that we need to become more visible to our clients and increase their awareness of the range of our services, expertise and capabilities. To that end, we are implementing an outreach program with clients to build closer relationships and examining options on structural and organizational changes. In addition, we are modernizing our management practices consistent with Treasury Board's Modern Comptrollership initiative.

Our People, Our Future - Our performance as a service department ultimately depends on our people. We must ensure that we can attract, retain, and develop the people and skills needed to provide the quality services to our clients. Overall, the department is projecting that 13% of the current workforce will retire over the next five years, and 36% over the next ten. This projected loss, combined with projected increases in service volumes due to government growth and change in business patterns, continues to present challenges to our workforce and our efforts to improve service delivery. We are addressing human resources challenges in a number of ways. Among other things, we have entered into partnerships with universities to respond to our requirements for an adequate supply of translators. We are also offering professional development opportunities to our staff through innovative means such as e-learning.

Likewise, last year, we continued the development of demographic profiling and mobility analysis, to enable managers to make more informed human resources planning decisions. As they can better identify vacancies and gaps for targeted professions and designated groups, managers are ensuring the ongoing renewal of our workforce and its representativeness of the Canadian population.

Conclusion

Our future success will be determined by the extent to which we can maximize our contribution to the government and Canadians, and provide seamless, quality services to our clients. A number of initiatives were launched in 2001-02 to strengthen our focus on matters of strategic importance to the department. Steps were taken to enhance our capacity in the area of policy and analysis. We began building on our significant international activities to exchange expertise with our counterparts in other countries. We revised our departmental priorities following an extensive consultation process. Two other major initiatives were launched: a Departmental Assessment, in partnership with Treasury Board Secretariat, which is a formal process of reviewing our activities and expenditures to ensure that we are making the best use of our resources; and a Task Force on Service Delivery to review the way we serve our clients, identify any impediments to quality performance, and provide options for addressing them.



These various undertakings are helping us build a vibrant and future-oriented organization. By sharpening our strategic focus, driving continuous improvement in our performance, and building a skilled and representative workforce, we will ensure that PWGSC is well positioned to maximize its contribution to the government and Canadians now and in the future.



Section III - Performance

In this section, we outline performance by business line. For each business line, we present a brief description of responsibilities and a summary of expenditures. We describe the performance context that prevailed in 2001-02 and report on the planned results that were set out in our Report on Plan and Priorities for 2001-02. A performance conclusion is provided at the end of each section.

Government Services Program

Real Property Services

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

Description

- Provides productive work environments to some 187,000 federal employees in approximately 100 departments and agencies and manages an inventory of 6 million square meters of space in about 2,500 locations throughout Canada.
- Provides real property leadership and stewardship as the custodian of federal office and common-use facilities and various engineered public works (for example bridges and dams), and national treasures such as the Parliamentary Precinct and other heritage assets across Canada.
- Provides strategic and expert advice, professional and technical services (including architecture and engineering, real estate, and asset and facilities management) to other departments and agencies. The services function also encompasses the administration, on behalf of the federal government, of Payments in Lieu of Taxes and the Real Property Disposition Revolving Fund which facilitates the disposal of properties surplus to government requirements.



Net Expenditures 2001-02			
<i>(in millions of dollars)</i>			
	Planned Spending	<i>Total Authorities</i>	Actual
FEDERAL ACCOMMODATION AND HOLDINGS SERVICE LINE			
▪ Operating, Capital and Statutory Votes			
Gross Expenditures	1,814.8	1,967.2	1,905.6
Less: Respendable Revenues	256.8	407.2	406.5
Net Expenditures	1,558.0	1,560.0	1,499.1
SERVICES SERVICE LINE			
▪ Real Property Services Revolving Fund			
Gross Expenditures	752.6	752.6	812.9
Less: Respendable Revenues	752.6	752.6	822.4
Net Resources (Provided) Used	--	--	(9.5)
▪ Real Property Disposition Revolving Fund			
Gross Expenditures	3.8	3.8	3.9
Less: Respendable Revenues	23.0	23.0	14.6
Net Resources (Provided) Used	(19.2)	(19.2)	(10.7)
BUSINESS LINE TOTAL	1,538.7	1,540.7	1,478.9

Totals may not add up due to rounding.

The variance between planned and actual spending is mainly due to project slippage caused by uncertainties in contracting and project delivery as well as the annual return to the Consolidated Revenue Fund of employee benefit costs related to the separately controlled allotment.

Performance Context

Over the performance period, we faced a number of broad challenges. Our clients' expectations for modern infrastructure are growing. Furthermore, many have expressed a preference for "single window" access to PWGSC services. This approach would allow clients to obtain space, furniture, equipment, information technology, and security, among other requirements, from a sole PWGSC point of contact. Meeting these objectives will require better use of innovative technologies, a reorientation of certain business processes, and organizational restructuring.

Another challenge that we face is that some clients are now being presented with a broader choice of delivery options (i.e., contracting with the private sector, or using PWGSC, or doing it themselves). If we are going to continue to compete effectively for



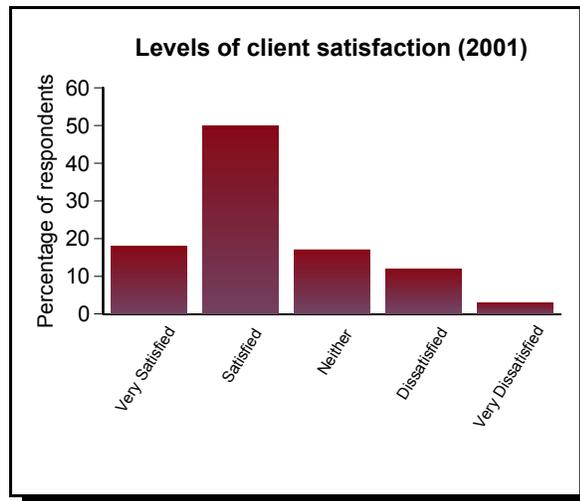
their business, we will need to continue to improve our planning and business processes to ensure timely and professional service.

The unexpected events of September 11, 2001 and their aftermath had a profound effect on the provision of physical security for government facilities and the people working or visiting them. For example, we must now conduct threat and risk assessments that include the location and security of certain functions such as air handling systems and mail facilities. Furthermore, several client departments that have national security roles have new and urgent requirements for additional infrastructure. These new demands, as well as those generated from new government initiatives related to the environment, First Nations and aboriginal communities, and urban infrastructure, are testing our already stretched resources.

Performance Reporting

Planned Result 1: Increased client satisfaction and partnerships

- Client satisfaction with the services we are offering is rising (the rating increased from 3.2 last year to 3.7 this year on a scale of 5). In fact, 68% of respondents were satisfied or very satisfied with our service, while only 15% were dissatisfied or very dissatisfied. Clients indicated that they were particularly happy to see that access to service providers was improving. Yet, there is still room for improvement in the timeliness of service delivery.
- In 2001-02, we strengthened our relationships with our clients and improved the ways in which we share information with them. Some examples of mutually beneficial partnerships include:
 - signing a major custody transfer agreement with the Royal Canadian Mounted Police transferring approximately 184,000 rentable square meters of assets to PWGSC in ten sites across Canada;
 - developing, with Health Canada, a long-term accommodation plan for the National Capital Area (NCA) and a long-term capital plan for laboratories in the

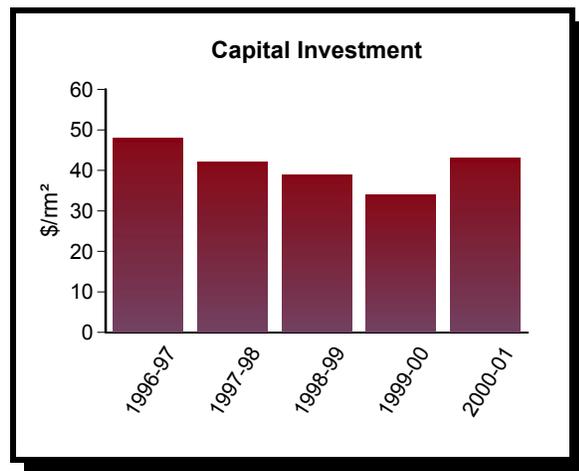




- NCA, as well as elaborating a plan with the First Nations and Inuit Health Branch to support their capital requests for nursing stations across the country;
- signing an agreement with Human Resources Development Canada allowing them to draw on our support and expertise for the evaluation of project proposals aimed at addressing homelessness.
 - We also entered into rewarding partnerships and co-operative working relationships with the provinces, territories and the private sector. These activities ranged from obtaining preliminary project approval for the replacement of the existing Government of Canada building in Charlottetown to working with domestic and international partners to facilitate knowledge sharing in the real property community. A technology transfer task force has been established, for example, in conjunction with Canadian universities and private sector representatives to promote closer collaboration of research results and to assist with the transfer of technologies to the construction industry.

Planned Result 2: Value for clients and government through the real property program and services

- We have been proactive in acquiring office space to meet the steadily increasing needs of the federal government. The demand for new office space is particularly acute in the National Capital Area. We have attempted to address this through the acquisition of the former Ottawa City Hall and Royal Bank Building, as well as by signing leases that will result in the construction of two new federal buildings in the City of Gatineau.
- We are reinvesting in our assets to ensure that our clients are in buildings that are safe, in good condition, and provide good working environments. After several years of steady decline due to financial pressures, our capital investment rate has improved. The latest numbers show that the rate rebounded to \$43 per m^2 in 2000-01 after reaching a low of \$34 per m^2 the previous year.





- We are helping to ensure that the Parliament Buildings are preserved as a national treasure for future generations. In May 2001, the Parliamentary Buildings Advisory Council reviewed our 25-year plan for the preservation, renovation and modernization of the Parliamentary Buildings, and subsequently recommended to the Minister of Public Works and Government Services Canada to proceed. In addition, we launched an ambitious three-year program to conserve, rehabilitate, and upgrade Canada's 125-year-old Library of Parliament as part of the first phase in the implementation of our long-term plan. Further information related to Parliament Hill preservation projects is available on the Internet at <http://www.parliamenthill.gc.ca>.
- We undertook several projects for a number of clients that have resulted in more flexible and supportive workplaces. For example, we have improved the Veteran's Affairs' Dominion Building in Charlottetown by maximizing natural light and incorporating such innovations as mobile furniture and flexible work spaces.
- Through the Payments in Lieu of Taxes (PILT) program the Government of Canada distributed more than \$396 million to some 2,000 municipalities. The PILT program contributes to the well-being of all Canadians through the support of municipal infrastructure and services.
- As builders and caretakers of buildings for the Government of Canada, we are concerned about the environment. As a result, we increased the energy efficiency of our facilities, decreased the use of non-renewable resources, and reduced emissions of greenhouse gases. This resulted in \$6.5 million in annual energy savings for Canadians. As an example of our successful approach, the new Burnaby-Fraser Tax Services Office, constructed in British Columbia for Canada Customs and Revenue Agency, earned a string of awards for innovation in energy management and energy efficiency. More information on our sustainable development accomplishments can be found in the PWGSC Sustainable Development Performance Report available on the Internet at: <http://www.pwgsc.gc.ca/sd-env/text/performance-report-e.html>.
- We provided logistical and technical support to the Summit of the Americas in Quebec City, the G-20, International Monetary Fund and World Bank conferences in Ottawa, the fourth Games of the Francophonie in the National Capital Area, and for the memorial on Parliament Hill attended by 100,000 people on the national day of mourning for the victims of the September 11 terrorist attacks.

Planned Result 3: Improved financial performance in line with value for money for taxpayers

- We managed our diverse inventory to meet the needs of stakeholders and optimized our investment for Canadians. The return on investment, determined by comparing



net operating income of assets by their market value, remained within the range of 5% to 8% and corresponds to industry standards.

- Rental cost per person has increased by only 1.6% since 1998-99 and costs per rentable square metre rose by less than 5% during the same timeframe, both well below the rate of inflation.
- The lapse in the operating authorities declined from 3.9% to 1.0% of the total, which is well within established targets. For the capital authorities, the lapse increased from 1.7% to 2.2%, but still is within reasonable parameters.

Planned Result 4: A revitalized workforce

- We have recruited aggressively to build our capacity, however, we still face human resources challenges. Forty-eight percent of our current workforce will be eligible for retirement within the next 10 years. Furthermore, 77% of our indeterminate workforce are over the age of forty, the largest concentration of whom are in the 50 to 54 age range (19% of all indeterminate employees).
- We encouraged our people to learn and develop their skills. This past year, there was an increase in both the percentage of learning plans completed and the average training days per employee. For example, the number of National Capital Area employees with three or more days of training rose to 54%, a jump of 4.4% over last year. At the same time, 41% of employees submitted learning plans, a jump of 60%.
- As of March 31, 2002, 83.5% of the incumbents of our 1,230 bilingual positions met the language requirements, an increase of 13% over the previous year.
- We believe that our employees should have manageable workloads. However, an internal survey showed that 73% of our staff have taken work home on evenings and weekends, which is partly a result of increased business. Addressing this issue has become a key priority.

Performance Conclusion

It is clear that our clients believe we are moving in the right direction. We have improved the levels of overall service satisfaction and are developing ever-closer relationships with our clients. They, in turn, are providing us with the opportunity to expand both the type and scope of services that we can offer them. We have been able to manage effectively our assets to meet the growing demand for office space and we are continuing to improve our financial management processes.

Yet, our success means that we have capacity challenges ahead of us. There is a growing need to provide integrated and innovative accommodation solutions in a timely manner.



To that end, we have begun a series of initiatives to improve service delivery timeliness and to augment our capacity. These service delivery requirements are tempered with the need to reinvest in and renew our current assets. Furthermore, we must mount a considerable effort to continue to recruit, develop, and retain our professional workforce. In response to this issue, we will introduce a human resources strategy in the coming year. Finally, we are strengthening our performance measurement framework to ensure that we are better positioned to link strategy, action, and outcomes.



Supply Operations Service

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

Description

- Acquires goods and services on behalf of the federal government.
- Manages the supply process by assisting clients with requirements definition, bid solicitation and evaluation, contract negotiation and administration.
- Manages all procurement-related aspects of major projects (over \$100 million).
- Provides specialized services to client departments such as marine inspection and technical services, industrial security and personal security screening services, management of seized property, controlled goods, travel management, standards for and certification of products and services, as well as registration of quality (ISO 9000) and environmental (ISO 14001) management systems.
- Provides disposal services for client departments.

Net Expenditures 2001-02			
<i>(in millions of dollars)</i>			
	Planned Spending	<i>Total Authorities</i>	Actual
▪ Operating Vote			
Gross Expenditures	129.8	179.6	174.3
Less: Respendable Revenues	21.4	44.5	44.0
Net Expenditures	108.3	135.2	130.3
▪ Optional Services Revolving Fund			
Gross Expenditures	78.3	78.3	100.9
Less: Respendable Revenues	78.4	78.4	96.3
Net Resources (Provided) Used	(0.1)	(0.1)	4.6
BUSINESS LINE TOTAL	108.2	135.0	134.9

Totals may not add up due to rounding.

The variance between planned and actual spending is due to additional funding received for the Electronic Supply Chain initiative and collective agreements.



Performance Context

In 2001-02, we awarded over 60,000 contractual documents representing a total value of \$10.4 billion. When dealing with public funds it is essential that effective and efficient mechanisms are in place to ensure prudence and transparency. That is why we have developed and refined policies and procedures which maintain a clear focus on integrity and on the openness of operations. Of course, the sheer volume of our contracting activity has placed significant demands on our resources.

It should be noted that we had anticipated that our low-dollar value transactions would decrease this year due to our decision to promote increased delegation to client departments. Such a decrease would have allowed us to concentrate additional resources towards more complex procurements. This reduction did not materialize and we have had to change our plans accordingly.

We saw an increased demand from our clients and suppliers for more and more sophisticated technological solutions. Likewise, employees looked for faster means of delivering services to clients. Seeking to address these challenges, we took on the leadership of the Electronic Supply Chain initiative. The electronic supply chain will allow government employees to make more informed buying decisions by comparing available products and services to determine the best match (products or services) for their requirements. The result will be a transparent and consistent process which is capable of generating significant cost savings for the government.

Performance Reporting

Planned Result 1: Efficient and effective end-to-end electronic procurement and purchasing of goods and services

- We worked in collaboration with a wide variety of clients and other partners to define and guide the business and technical requirements of the Electronic Supply Chain initiative. Consultations were also held with industry representatives regarding the Government of Canada Marketplace - an initiative to enable electronic procurement and payment for low-value commodities.
- We enhanced e-purchasing to both highlight aboriginal content in standing offers and to enable clients to monitor and track purchases of “green” products. E-purchasing continues to provide valuable lessons learned in support of development and implementation of the Government of Canada Marketplace.



- We continued to enhance the Automated Buyer Environment to ensure that our 1,400 procurement staff have access to the tools they need to provide effective, open and transparent procurement services to client departments. Enhancements resulted in lower document costs for suppliers by improving our capacity to produce electronic solicitation documents.

Planned Result 2: Increased access for clients to consulting services, support and solutions for their Government On-Line initiatives

- In August 2001, we created a Government On-Line (GOL) Procurement Office responsible for establishing supply arrangements for GOL-contracted resources. This Office provided advice to client departments and agencies on the procurement process and contracted consulting services required to assist them in implementing their GOL initiatives. A total of 320 companies have been awarded supply arrangements, which represents a total business volume of \$136 million. As well, Aboriginal companies have been awarded supply arrangements under the set-aside Procurement Strategy for Aboriginal Business.
- We continued to manage electronic sites specific to software acquisitions, temporary help services, informatics professional services and computer acquisitions, to enable client departments to quickly gather practical information and assist them in acquiring the goods and services they need.

Planned Result 3: Efficient low-dollar value procurement

- E-purchasing, now in use by several hundred users in 22 departments, is providing a more efficient means for acquiring low dollar value, high volume products.
- We have awarded standing offers to various software vendors for the acquisition of commercial software. To reduce the administrative burden of processing such a high volume of documents, we offered clients the choice of accepting delegated procurement authority. This delegation of authority enables them to buy commercial software for up to \$40,000 and related software services for up to \$100,000. Thirty-one clients have accepted the delegated authority. Efforts are ongoing to communicate to client departments the advantages of accepting the delegated authority.

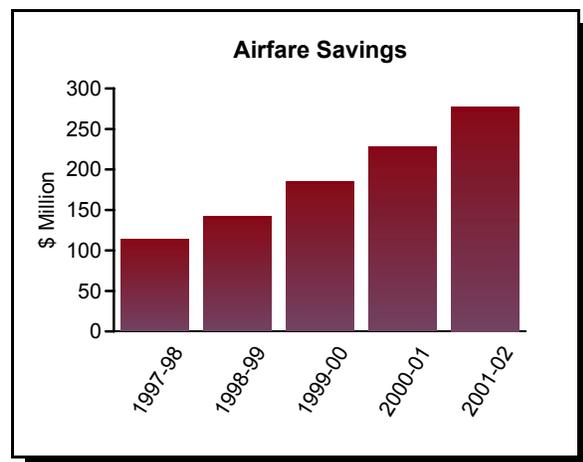


Other Result: Enhanced professional capacity through employee development and recruitment

- We developed a plan to help address our pressing staff recruitment and retention needs. The activities outlined in the plan are at various stages of implementation and address a variety of priority issues such as increasing diversity and respecting official languages policies.
- We continued to revitalize our workforce through our external university recruitment campaign. Between June 2001 and June 2002, we recruited 91 officers. About 30% of these recruits were from designated groups for employment.
- In 2001-02, 87% of employees had learning plans submitted and 80% of employees were trained. The average number of training days increased from 5.2 days in 2000-01 to 6.5 days in 2001-02, and the average participant cost increased from \$625 to \$1,005 for the same time periods.
- To strengthen our core cadre of senior project procurement managers, we have initiated a professional development program entitled PM^{Plus}.

Other Result: Efficient supply and disposal services

- In support of the government's response to the events of September 11, 2001 and with the extraordinary effort of contracting staff, we put in place contracts to meet the special operational requirements of departments. At fiscal year-end, 284 contracts had been put in place, with aggregate value of \$213 million. In cases of extreme urgency, contracts were awarded in well under 24 hours.
- We were able to help the government realize \$277 million in airfare savings through our Airlines Program. These airfare savings result from comparing the price of the ticket purchased by government travellers with the regular full economy airfare. Government travellers obtain these lower airfares in large part due to PWGSC-negotiated airfares with Air Canada and other airlines.





- We have worked with our provincial colleagues to give them access to PWGSC's Hotel & Car Rental Directory, thereby giving their employees the same preferred rates enjoyed by federal government employees. It is already available to the Governments of Alberta, New Brunswick, Yukon Territory, Northwest Territories, Nunavut Territory and Ontario for hotels, and the latter three for car rental.
- In partnership with Health Canada and all provinces and territories, we negotiated a \$600 million, ten-year contract for the supply of Canada's annual influenza virus vaccine requirements. The prices negotiated are among the lowest in the western world and are an excellent example of obtaining "value for money" for the public.
- We posted draft Request for Proposal components and other key procurement documents for the acquisition of the basic helicopter and integrated mission systems on the Maritime Helicopter Project Web site for industry comments (http://www.dnd.ca/admmat/mhp/home_e.html). Documents included the latest version of the pre-qualification letter and a draft of the basic vehicle requirements specification.
- We participated actively in multilateral (World Trade Organization, Agreement on Government Procurement), regional (North American Free Trade Agreement, Free Trade Area of the Americas) and bilateral (Singapore, Central America, Chile) trade fora. We helped develop negotiating strategies and contributed directly and actively in the negotiations and the follow-on actions.
- We revised our disposal processes and organization in response to a new Treasury Board policy on surplus assets disposal introduced in 2000. Recurring costs have stabilized at a level 40% lower than those of 1998-99. In accordance with policy, the level of involvement of the private sector in disposals has increased, particularly for higher value assets, while we continued to dispose of most lower value assets ourselves. In 2001-02, we handled \$16.6 million sales transactions.
- In May 2001, the Standards Council of Canada (SCC) conducted an in-depth review of PWGSC's Canadian General Standards Board (CGSB) certification programs. The Council concluded that the CGSB's programs conform 100% to its norms. This perfect score is only the second one to have been given to any certification body in recent memory. This is good news for those companies that have their products certified by the CGSB and for federal government departments that use the CGSB programs as a basis for selecting and purchasing certified products.

Performance Conclusion

In summary, we have faced many internal and external pressures which are providing the impetus to examine various aspects of our services over the coming year. At the same



time, we have continued to carry out our mandate and provide valued procurement and procurement-related common services to departments. We have also succeeded in advancing a series of positive initiatives.

We will continue to respond to the challenges being placed on our resources by constantly re-evaluating our services. As a first step, in February 2002, we proceeded with a strategic reorientation of our business line. This reorientation is intended to put us in a better position to provide strategic end-to-end procurement services to departments and enhance our business with departments and suppliers.

We are also actively involved in the Procurement Reform Initiative which is progressing on three key fronts: strengthening the policy framework, renewing human resources, and modernizing the procurement and acquisition process. Ultimately, its goal is to promote excellence in delivering programs and services to Canadians.



Receiver General

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

Description

- Manages the operations of the federal treasury, and supports the provision of funds to Canadians, including issuing Receiver General payments for major government programs.
- Administers the receipt, transfer, holding, disbursement, reconciliation and monitoring of public money.
- Maintains and reports on the Accounts of Canada, prepares the Public Accounts and produces financial statements.

Net Expenditures 2001-02			
	<i>(in millions of dollars)</i>		
	Planned Spending	Total Authorities	Actual
▪ Operating Vote			
Gross Expenditures	119.6	123.4	115.3
Less: Respendable Revenues	21.2	24.2	24.5
BUSINESS LINE TOTAL	98.4	99.2	90.8

Totals may not add up due to rounding.

The variance between planned and actual spending is due to increased revenues and lower operating costs for payment services (personnel and banking fees).

Performance Context

We strive to offer the highest quality, accurate, timely and accessible services to everyone who does business with the Government of Canada.

2001-02 is the first year that all government departments and agencies used the Consolidated Revenue Fund under the Financial Information Strategy (FIS). This represents the implementation of full accrual accounting in 95 organizations over a period of 3 years. As a result of the FIS implementation, there have been dramatic changes in financial management, including the modernization of accounting policies, massive re-engineering of systems, and a significant shift in the understanding and use of financial information.



In addition, we continued to pay close attention to the security of our payment instruments, conducting a review of cheque security features, implementing a new communication program for financial institutions and developing a similar program for small businesses, and participating in relevant professional organizations. Regular internal and external audits are used extensively to ensure the integrity and security of system and services and to ensure that information privacy is respected.

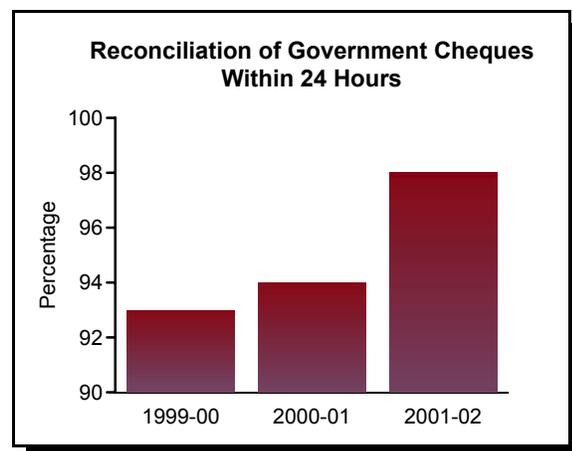
Performance Reporting

Planned Result 1: Cost-effective maintenance of the Accounts of Canada and production of the government's financial statements. Full implementation of the Financial Information Strategy in over 100 departments and agencies

- The Public Accounts were tabled in Parliament on September 27, 2001, the earliest tabling in thirty years.
- The timely completion of the Financial Information Strategy involved developing and implementing a new Receiver General central systems infrastructure, building interfaces to financial systems used by 95 departments, and providing training on a variety of subjects to employees of all those departments. This project was completed on time and on budget.

Planned Result 2: Safe, secure systems and infrastructure for making payments

- We met our objective of reconciling Government of Canada payments within 24 hours. This ensured that the central information systems on payment history remained up to date and that the associated public funds were managed as effectively as possible.
- In addition to the work done to maintain the integrity of the Receiver General cheque, a major overhaul of the Receiver General cheque production services was undertaken to improve the quality, accuracy, and timeliness of service. Some new equipment was





installed, other equipment was upgraded, procedures were standardized, and quality assurance was strengthened. The result was a 70% decrease in the number of cheques impacted by payment production errors and a decrease in the value of payments affected from \$1.3 million in 2000-01 to \$0.2 million in 2001-02.

- The renewal of our ISO 9002 quality certification for document management services enabled us to take further steps to develop a new client base interested in taking advantage of our experience and equipment for the processing of large volumes of documents.
- We set up a direct telephone service for financial institutions that want to confirm the validity of a government cheque before cashing it. The number of calls per month to the service has increased steadily since it was established (from 89 calls in May 2001 to 615 calls in March 2002). This service also helped apprehend two people at the actual time that they were committing fraud at the counter of a financial institution.

Planned Result 3: Harmonized program delivery at the federal, provincial and territorial levels by assisting departments engaged in joint delivery arrangements

- We work closely with other levels of government to provide blended federal-provincial payments to increase convenience for the public and decrease costs. In 2001-02, we issued cheques for two special provincial tax rebate programs, one for Alberta (2.2 million cheques) and one for British Columbia (1.1 million cheques).
- To expand our global knowledge and exchange best practices, we participated in several international conferences and hosted a banking colloquium which, for the first time, had speakers from the Quebec, Ontario and United Kingdom governments. In addition, we hosted delegations of several other governments including China, Cuba, Brazil, Russia, and Malaysia.

Other Result: A skilled and knowledgeable workforce

- Because of the specialized expertise required to support the Receiver General, recruitment and retention of knowledgeable employees is essential. While turnover, particularly among financial officers, was high, we participated actively in the Financial Officer Recruitment and Development (FORD) program and the Administrative Services External Recruitment program, both targeted to visible minorities. In 2001-02, 91% of FORD recruits were members of visible minority groups.



- We have a good representation of designated groups for employment equity among our financial officers. While the labour force availability is 0.4% for Aboriginal People, 6.9% for visible minorities and 3.1% for persons with disabilities, our representation rates are respectively 1.8%, 12.6% and 4.9%.
- Financial officers were encouraged and supported as they pursued the required qualifications to maintain and increase their knowledge in relevant fields. A number of employees participated in industry-specific conferences. We also offered a one-day course for all employees on values and behaviours in the workplace and provided orientation sessions for new employees.

Performance Conclusion

While we successfully implemented the Financial Information Strategy, considerable effort will continue to be required as departments move forward in the implementation of complex accounting revisions. Over the year, we reduced our payment production errors and undertook a major overhaul of the Receiver General cheque production service to improve the quality, accuracy and timeliness of services. Our new telephone service for financial institutions has met with huge success. At the same time, we are working with other levels of government to provide blended federal-provincial payments.

We will continue our efforts, successful to date, to maintain a knowledgeable and skilled workforce that is representative of the public it serves. At the same time, work will begin on developing a strategy to cope with the high rate of turnover. Without increasing funding it will be difficult to continue to provide timely and secure services in the face of growing demands and costs.



Public Service Compensation

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

Description

- Administers payroll, pension and health/disability insurance processes for public employees and pensioners.
- Provides pension services to National Defence and the Royal Canadian Mounted Police pension plan members.

Net Expenditures 2001-02			
		<i>(in millions of dollars)</i>	
	Planned Spending	Total Authorities	Actual
▪ Operating Vote			
Gross Expenditures	57.5	70.5	70.3
Less: Respendable Revenues	29.6	40.0	40.0
BUSINESS LINE TOTAL	27.9	30.6	30.3

Totals may not add up due to rounding.

Performance Context

We provide cost-effective, accurate, and timely common services in the areas of payroll, benefits and pension plan administration.

Our client base has become broader and now includes not only compensation specialists in departments and agencies but also pensioners, employees and managers. Client expectations have also increased due in part to the government's public service reform and Government On-Line initiatives, and will increase further as a result of the government-wide human resources reform.

Technology continues to be a critical factor in carrying out our mandate. Today's compensation technology was developed more than two decades ago and as a result no longer has the required capability to maintain the expected high levels of client service. There is a clear need to upgrade these systems to deliver modern features such as pensioner, employee and manager access to information as well as to make full use of the potential for Web transactions.

We are addressing the need to provide more modern and responsive services through the implementation of our Modernization of Compensation Service and Systems project.



Performance Reporting

Planned Result 1: Implementation of the compensation provisions of pension plans of the federal government

- We improved service to our clients in various ways, including:
 - the implementation of a web-based pension calculator for use by employees;
 - the distribution of 231,500 employee benefits statements to pension plan participants as a precursor to the provision of this information via the Internet; this was the first time that statements have been issued to all public service employees;
 - improvements to call centre operations and the use of messaging technology;
 - development of system interfaces for crown corporations to automate the reporting of pension data; and
 - creation of a superannuation Web site for pensioners with easily accessible information and points of contact.
- We initiated changes to our pension services financial framework to ensure that remittances of employer and employee contributions to the Pension Investment Board are based on sound accounting processes.
- Canada Post is establishing its own pension plan and fund. An interim transfer of \$4.3 billion was made throughout 2001-02 in accordance with an established schedule. The balance of the fund assets will be transferred in 2002-03, following completion of a final valuation audit.

Planned Result 2: Implementation of compensation provisions of pay and benefits legislation, policies and collective agreements of the federal government

- We successfully processed collective agreement provisions in accordance with the time frames established by Treasury Board and separate employers for each of the 60 collective agreements.
- Enhancements to the pay system were introduced to allow client departments to process multiple pay transactions quickly and with less data entry effort. This initiative helped to alleviate the shortage of compensation specialists by reducing their workload related to specific transactions by more than 80%, resulting in improved client service.
- We were a leader in using e-learning to provide continuous training to compensation specialists in client departments and agencies.



Planned Result 3: Maintain capacity of the compensation systems

- We continued to maintain or enhance our systems capacity through ongoing system changes in response to client requirements. Only one major disruption to the payroll process occurred and it was resolved with no impact on the payment of salaries. Average systems response time was between 0.1 and 0.2 seconds, considerably better than the industry standard of 0.6 seconds. However, while today's system performance is satisfactory, it is at risk in the future. The technology is old, expensive to maintain and relies on the knowledge of employees who will be retiring in the near future. This, coupled with the fact that the system is incapable of providing clients with the features and flexibility that they require, increases our risk of not being able to retain or increase our client base.
- To address challenges associated with aging technology and increasing client demands, we are working on a modernization project to renew business processes, systems and working tools. In 2001-02 we conducted an extensive consultation process including an in-depth survey of client satisfaction and strategic direction, and site visits with industry leaders.

Other Result: A revitalized workforce

- We initiated a post-secondary recruitment program focused on visible minority groups to attract young people. New employees are provided with a 16-month structured training and development assignment under the direction of experienced coaches and mentors.
- We initiated a review of our organizational structure and an update of our work descriptions to reflect the current nature of the work. The new descriptions allow for more flexibility in work allocation and allow employees to attain broader experience.

Performance Conclusion

Our clients are diverse, consisting of 1,700 compensation advisors in departments and agencies, some 280,000 government employees, over 330,000 pensioners and more than 1 million insurance accounts - all with varying requirements and service expectations. In 2001-02, we successfully processed 12 million payments to employees and pensioners in a timely and reliable manner. We also initiated several service improvements in the past fiscal year that delivered short-term benefits to clients and will help us to realize significant improvements in service delivery in the future.



However, our service delivery capacity is at risk. Increased client service expectations, workforce renewal challenges, funding limitations, aging technology and the need for more modern business processes have increased the pressure on us to meet clients' requirements. While carrying out our mandate, we have managed these risks through many initiatives, but much more must be done to ensure that we retain our client base and continue to meet departments' requirements in a reliable and effective manner.



Government Telecommunications and Informatics Services

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

Description

- Provides information management and technology services, upon request, to all federal departments and agencies.
- Acts as a key delivery agent of the Government of Canada's information management, information technology and telecommunications systems, in alignment with the common electronic infrastructure model developed in partnership with federal departments.
- Provides leadership in supporting government-wide initiatives such as the development of common telecommunications and informatics infrastructure and renewal of information management and technology professionals.
- Offers the following types of services to departments and agencies: strategic advisory services, common infrastructure management services, telecommunications services, network and computer operational services, applications development and management services, and professional training and education services.

Net Expenditures 2001-02			
	<i>(in millions of dollars)</i>		
	Planned Spending	Total Authorities	Actual
▪ Operating Vote			
Gross Expenditures	37.0	122.2	110.0
Less: Respendable Revenues	20.1	42.9	36.0
Net Expenditures	16.9	79.3	73.9
▪ Government Telecommunications and Informatics Services Revolving Fund			
Gross Expenditures	105.1	105.1	129.8
Less: Respendable Revenues	105.1	105.1	131.9
Net Resources (Provided) Used	--	--	(2.2)
BUSINESS LINE TOTAL	16.9	79.3	71.8

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.



Performance Context

The increasing use of new digital technology in business processes is raising the expectations of Canadians for more secure, reliable, faster, easier and cheaper service delivery. Citizens and businesses now expect the same high level of technology-enabled service from government that they receive elsewhere. They expect secure and reliable service around the clock, through a variety of service channels, when, where and how they want it. To address these expectations, the Government has embarked on a number of initiatives and commitments aimed at providing 24-hour electronic access to government information and services for all Canadians.

Our goal is to be a respected partner providing a full range of effective and efficient information management and technology solutions to client departments and agencies, primarily through collaborative business relationships. Our clients are our key partners in connecting people and technology, and, with their contribution, we are playing a major role in realizing the government's vision for e-government.

We faced several key challenges this year. Some larger departments, for example, began establishing their own telecommunications service arrangements. This represented the risk of potential reductions in volume discounts that would not provide best value for taxpayers. We mitigated this risk by increasing the value of services on small- to medium-sized departments and agencies. We also faced concerns over the reliability and security of systems. We confronted this challenge effectively while keeping pace with increasing client expectations, diverse information technology requirements, and rapidly evolving technologies. Finally, since the skills and expertise of our employees are crucial to providing the effective and efficient services our clients expect, we pursued recruitment and training efforts.

Performance Reporting

Planned Result 1: PWGSC services transformed to on-line delivery, and support provided to other departments in the delivery of their services

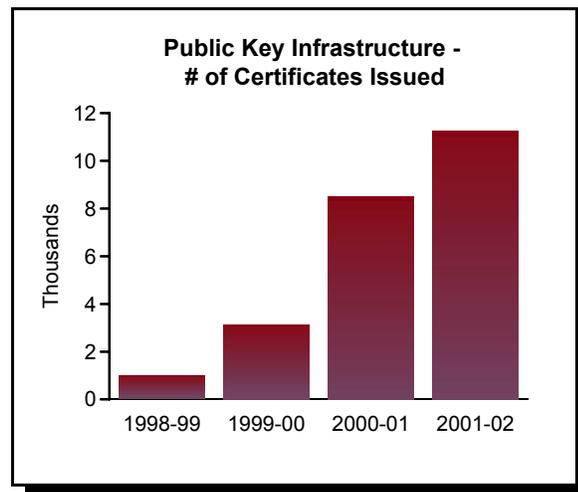
- For performance information on this result, refer to the Government On-Line section in Annex A - Consolidated Reporting.



Planned Result 2: A sustainable electronic infrastructure that supports renewed government service delivery

- The Common Secure Infrastructure initiative will establish a secure channel for electronic service delivery. Over 2001-02, the Secure Channel contract was awarded to a private sector consortium that developed two successful prototypes on schedule and on budget.

- The Public Key Infrastructure (PKI) service provides departments with a certification authority that allows them to engage in secure electronic transactions, thus enabling e-commerce and electronic service delivery. This year, we issued 2,753 certificates for a total of 11,250 certificates (across 52 departments and agencies), representing an increase of 33% over the last year.



- The Directory Services project (FINDS) advanced significantly during the past year. This project is designed to integrate directories of government PKI certificates, personnel and services, and to make this information accessible via the Internet. Phases 1 and 2 of the system were implemented on time and slightly under budget in 2001-02.
- PWGSC's Knowledge Institute provided college and university accredited courses in information management and technology to 32 federal departments and agencies. These courses allow employees in departments and agencies to maintain and improve their skills to enable them to develop the Government's electronic infrastructure.
- Preparatory work was begun to set up on-line training as a lower-cost alternative to classroom training. Eleven departments and agencies have indicated strong interest in participating with us in this project.

Planned Result 3: Cost-effective and improved telecommunications services for government

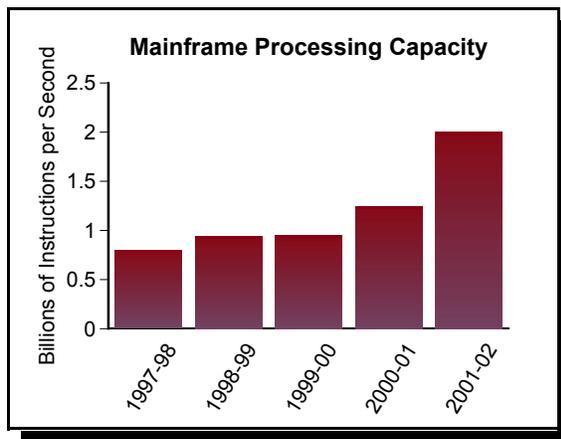
- We achieved a 5% increase in revenues compared to the previous year as a result of our focus on small and medium departments, and delays in the transition of larger departments to their own networks. Additional revenues enabled us to provide a \$2.5 million rebate to client departments.



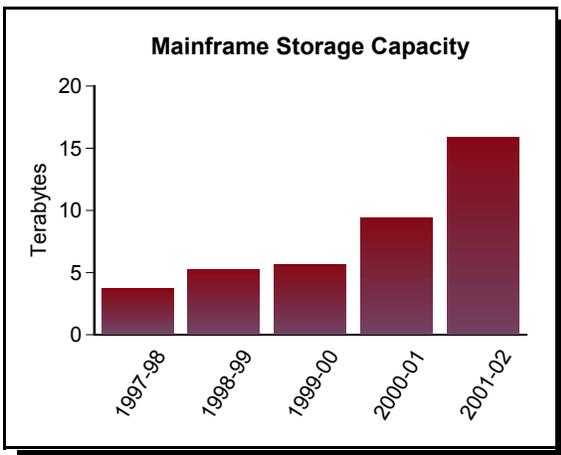
- We signed a total of 41 agreements with departments, covering all new major telecommunications services.

Planned Result 4: Efficient information management and technology services for the other departments

- We provided services to 47 departments and agencies in accordance with over 200 service level agreements. This is an increase of 12 new clients over the previous year, indicating that clients find our service the best solution for supporting their programs and service delivery.



- Capacity for both mainframe processing and storage continued to grow on an annual basis, as new client workloads migrated to the PWGSC infrastructure. In addition, recent international developments have generated increased client demand for disaster recovery services. We continued to manage capacity and ensured sufficient infrastructure and support, as evidenced by a 62% increase in Central Processing Unit processing capacity and a 68% increase in storage capacity. Equipment was also procured to address increasing demands.



- During the reporting period, we provided consistent, reliable mainframe performance and support to government clients, stakeholders, and programs. We exceeded the negotiated target system availability of 98% including all scheduled and unscheduled maintenance downtime, achieving an actual performance of 99.1%.

Other Result: Skilled, knowledgeable, productive and motivated workforce

- We are faced with the longer-term issue of impending retirements. The estimated potential cumulative loss of executives is 42.6% by 2007. About 70% of our



workforce is in the Computer Systems classification, which is regarded as a major 'feeder' group to the executive level. Recruitment efforts resulted in an 8% increase of new indeterminate employees.

- Targets to ensure a representative workforce were met and sometimes exceeded for technicians, but fell short in the executive ranks due to a shortage of candidates. With respect to visible minority representation, our concerted efforts allowed us to achieve the 2001-02 recruitment target of one in every five new employees.
- An average of \$1,241.34 per trained employee was expended, which exceeded the minimum departmental target of \$1,000 per employee. The average number of training days for these employees was 6.6 days. In 2001-02, we increased moderately in both the number of employees trained (up 3% over last year) and the number of employees who submitted learning plans (up 1.4% over last year).

Performance Conclusion

On balance, we made good progress over the last year against our planned results and have generally met our performance expectations in providing quality services to clients. We increased the number of clients using our infrastructure, indicating our success in providing business solutions that meet departments' needs. We also maintained high service levels while providing services to more clients and managing greater capacity and workloads.

Over 2001-02, we had success in delivering Government On-Line projects on time and on schedule in partnership with Treasury Board Secretariat and a private sector consortium. In addition, we continued to roll-out a significant number of Public Key Infrastructure certificates and supported the electronic directory project. All these efforts permit Canadians to access their government electronically.

To ensure we have the skilled and knowledgeable workforce needed to deliver high-quality service to our clients, we were relatively successful this year in attracting new recruits to address impending demographics issues. At the same time, we addressed employment equity issues, and focused on training, including preparing for e-learning.

Despite our successes, we feel that there are still some additional performance measures that need to be put in place to adequately assess our service. A key future priority will be to develop more appropriate accuracy and timeliness service standards against which to measure the achievement of results.



Consulting and Audit Canada

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

Description

- Provides, on an optional and fee-for-service basis, consulting and audit services to federal government departments and agencies across Canada and upon request, to foreign governments and international organizations.
- Helps clients provide better service to the public by improving public sector management, operations and administration while meeting the priorities and needs of government.
- Focuses on excellence in client service, sharing of public sector expertise, and areas of particular relevance to the federal government.
- Adapts services to meet the needs of public service managers and the priorities of government.
- Provides services in partnership with the private sector via subcontracting.

Net Expenditures 2001-02			
		<i>(in millions of dollars)</i>	
	Planned Spending	Total Authorities	Actual
▪ Consulting and Audit Canada Revolving Fund			
Gross Expenditures	92.9	92.9	115.0
Less: Respendable Revenues	94.0	94.0	116.3
BUSINESS LINE TOTAL	(1.1)	(1.1)	(1.4)

Totals may not add up due to rounding.

The bracketed figures indicate a positive cash surplus.

Performance Context

The evolving role of government, with its growing emphasis on collaboration and facilitation, its sharper focus on citizens and results and its increasing use of information technology, has profound consequences for public management.



Consulting and Audit Canada is well positioned to help public managers address the challenges of a changing policy environment. We have a sound knowledge of government operations, and management issues in both the public and private sectors.

Many countries are reforming and restructuring their public sectors and our government has committed to offering international assistance in this area. We have earned a solid reputation internationally by providing high-quality consulting and audit services that have facilitated the transfer of our public sector expertise to more than 40 countries.

Performance Reporting

Planned Result 1: Services that contribute to the improvement of public sector management and operations in Canada and abroad

- To improve public sector management and operations we maintain a high level of involvement in public policy issues such as shared systems support, sustainable development, as well as participating in workshops and meetings with leading Canadian and international experts.
- We have provided sustained support to client departments implementing the Financial Information Strategy, developed evaluation methods and rationale for Canada Business Service Centres and for International Development Contributions to Multilateral Programs, and evaluated the Environmental Farm Management Program.
- We have completed projects on integrated justice information, integrated proceeds of crime evaluation, identification and examination of issues related to the provision of employment insurance services, values and ethics, work-life balance and linking resources to results.
- We have an ongoing involvement with Treasury Board Secretariat and client departments on policy reviews in support of the new Treasury Board Special Revenue Spending Authorities policy with respect to revolving funds.
- We met both our client satisfaction and repeat business targets. See planned result 3 for details.

Planned Result 2: Sharing of knowledge and expertise

- In providing our services domestically and internationally, we partner with small and medium-sized businesses (SMEs) between 50% and 60% of the time. In 2001-02, 66% of our business was partnered with SMEs.



- During 2001-02, our consultants and auditors transferred and shared knowledge across federal departments and agencies by delivering or supporting 18 government-wide projects. For example, we provided support in the implementation of the Financial Information Strategy. We managed the Airline Assistance Program which compensated air carriers for the grounding of commercial flight activity as a result of the September 11 attacks. We offered our expertise to the Office of Critical Infrastructure Protection and Emergency Preparedness.
- We also launched our Extranet site to transfer and share knowledge across government and with our employees. This is the first of a two-year implementation plan.

Planned Result 3: High quality, professional assurance, accounting, audit and consulting services

- During 2001-02, our client satisfaction rate was 87% (against a target of 85%) with 93% (against a target of 80%) of clients indicating that they would use our services again. Our overall business volume increased by 3%.
- We develop new products and services as required by client departments and to reflect the evolving priorities of government. In 2001-02 we expanded our international services in line with the overall government agenda. We managed claim programs on behalf of other departments and agencies to reimburse, for example, airline companies for supplementary cost related to security checks of passengers and luggage and external policing surveillance in the proximity of airports as a result of the September 11 events. We also offered information technology security consulting services.

Planned Result 4: Treasury Board targets for Revolving Funds are met

- We met all Treasury Board targets for revolving funds (i.e., generated a net profit or surplus and a net cash contribution).
- For 2001-02 we generated a positive cash contribution of \$3.6 million as compared to our planned contribution of \$1.1 million and a net profit or surplus of \$1.3 million versus our planned surplus of \$0.6 million.

Planned Result 5: A rejuvenated workforce

- We initiated or implemented a number of initiatives to attract, retain and promote employees and improve our workplace environment. These included a workplace wellness survey that confirmed that we are well positioned to provide a healthy and



productive environment; a professional development framework with five learning programs; an appointment-to-level process; and a career plan framework which includes performance accords and mentoring and advancement plans.

- Ninety-six percent of all employees received training during the year as compared to our target of 80%. The average number of training days per employee was 11.9, compared to 9.8 days in 2000-01. Not all employees requested training as many are approaching retirement.
- During 2001-02, we met all employment equity requirements, with the exception of the number of women in the scientific and professional category. However, the majority (56%) of all new recruits for the year were women.

Performance Conclusion

Our employees made a leading contribution to the improvement of public sector management and operations in Canada and abroad. We are proud to say that we met or exceeded all planned results for the year and our special operating agency did so while remaining financially self-sustaining. We managed the growth of our organization while meeting client expectations, balancing the interests of stakeholders and meeting the Treasury Board financial targets for revolving funds. We have also taken the necessary steps to rejuvenate our workforce and to create the type of positive workplace environment identified by our employees through our workplace wellness survey.



Translation Bureau

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

Description

- Provides translation, interpretation and terminology products and services for the Parliament of Canada, the courts and federal departments and agencies in both official languages, and in other languages, as required.
- Provides, upon request, these products and services for other governments in Canada and for international organizations.
- Standardizes terminology in the federal government.
- Balances the costs of operating the Bureau from a combined income made of cost recovery funds and funds provided by Treasury Board.

Net Expenditures 2001-02			
<i>(in millions of dollars)</i>			
	Planned Spending	Total Authorities	Actual
▪ Operating Vote			
Gross Expenditures	42.3	47.5	47.5
Less: Respendable Revenues	--	--	--
Net Expenditures	42.3	47.5	47.5
▪ Translation Bureau Revolving Fund			
Gross Expenditures	158.9	158.9	171.9
Less: Respendable Revenues	158.9	158.9	169.3
Net Resources (Provided) Used	--	0.0	2.7
BUSINESS LINE TOTAL	42.3	47.5	50.1

Totals may not add up due to rounding.

The variance between planned and actual spending is due to La Relève, collective agreement funding and the approved utilization of unused authorities of the Translation Bureau Revolving Fund.

Performance Context

Through our role of providing a secure supply of translators and interpreters and ensuring terminology standardization, we are recognized as the government's support to its policy priority related to official languages. Thus, the translation activity meets high quality,



security and confidentiality standards that are important to the efficient functioning of government.

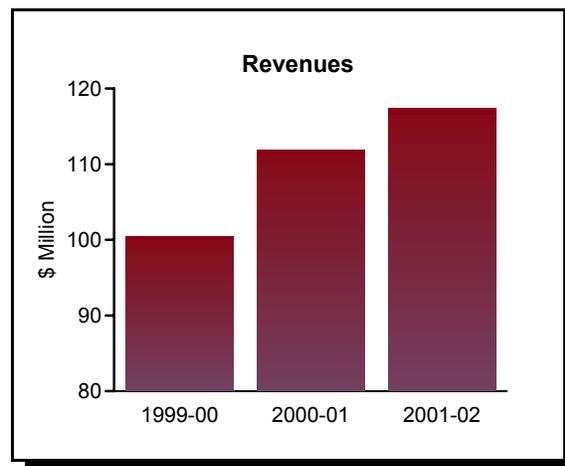
Our current challenges are both increasingly numerous and complex. In addition to a steadily rising demand for services in French and English, Canada's changing demography is creating a higher demand for services in other languages. This increase can also be attributed to the growing use of the Internet as a way to inform and serve the Canadian public. We have to review our service delivery methods to meet changing client needs and shorter deadlines while at the same time maintaining a high level of quality.

Providing the government with a secure supply of translators and interpreters is one of our top challenges, particularly given that our workforce is aging and that the number of language professionals graduating in Canada is far lower than the demand. Our multilingual resources, which provide services in more than 100 languages and dialects, will also soon be struggling to keep up with the growing communication needs of an increasingly multicultural society. To address this situation, we are building on the strong partnerships we have established with Canadian universities with regard to training and student work terms at the Bureau. These measures benefit us and the entire Canadian translation industry.

Performance Reporting

Planned Result 1: Cost-effective and quality services in support of the government's statutory obligations regarding official languages

- The steady increase in our business volume that we have seen since 1996-97 continued in 2001-02, and our revenues increased by 5% over the previous year. We believe that this trend will continue in future years.
- With growing demand for our services, it is critical that we become more productive. We are using a variety of technological tools to accomplish this. Furthermore, in 1998, we were the first within the public service to implement a productivity incentive plan for our translators, which has been renewed until March 31, 2003. A similar plan was also implemented for language professionals





serving Parliament. Carrying out these various measures resulted in a steady year-to-year increase in productivity (7.6% in 1999-00 and 4.6% in 2000-01). However, there was a slight decrease in 2001-02 (1.5% over the previous year) following the hiring of inexperienced recruits. This trend should continue since a minimum of three years is needed before new recruits become fully trained.

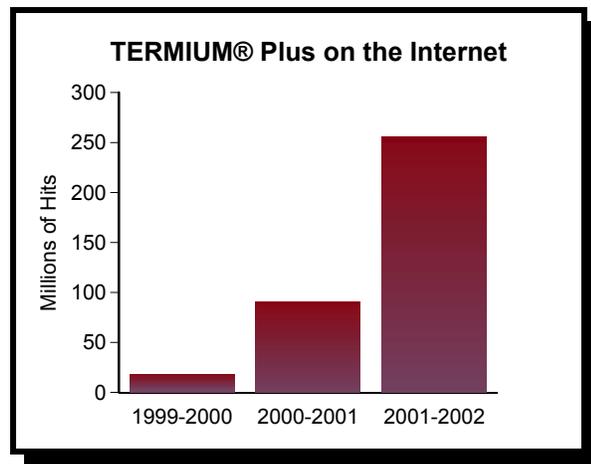
- We implemented a new client satisfaction and loyalty assessment program, which will survey federal translation services clients on an annual basis. In the first survey that we conducted in 2001-02, 86% of clients responded that they were satisfied or very satisfied with our services. We also set up another an ongoing client satisfaction assessment system, which invites clients, when they receive their translated texts, to fill out a short questionnaire on our Web site.
- We are continuing to develop a system designed to better enable us to provide our clients with electronic services. We rolled out the first module of this system; it includes an electronic form that our clients use to send us their translation requests on-line. Once all of the modules are in place, this system will enable us to handle service requests electronically, from the time they are filled out to the time we receive payment for them.
- To meet new client needs, we created the Localization and Multimedia Unit, which gives departments access to experts who can provide a full range of services to help make sure that the transposition of their Web site into the other official language or into a foreign language respects the particular cultural and linguistic features of that language, and thereby ensures more effective communications.
- We played a leading role, through the interpretation and translation services we provided, at various events including the Summit of the Americas in Quebec City, the Team Canada mission to Russia and the preparatory sessions for the G-8 summit.
- We were a key partner in the Procedural Information Systems Management (PRISM) project, which is the cornerstone of Parliament on-line. This project is designed to renew the technological infrastructure of the House of Commons and the Senate in order to enable them to provide parliamentary clients and Canadians with state-of-the-art means of consulting parliamentary information such as Hansard and the results of committee work.



Planned Result 2: Standard, accessible official languages terminology

- In conjunction with partners both here and abroad, we continued enhancing TERMIUM[®], the main tool for disseminating terminology within the government. Out of the 60,000 new records added, nearly half were in Spanish and Portuguese, illustrating the increasing use of these languages in government communications.

- The utilization of TERMIUM[®] continued to increase, as evidenced by the number of hits on the Internet (a 390% increase between 1999-00 and 2000-01, and a 184% increase between 2000-01 and 2001-02).



- We launched a project that will combine all of our terminology databases, and those of other federal organizations, into one central application. TERMIUM[®] V will provide users with compartments to which they can directly add records and whose content will be integrated immediately into the main database. This is a key project in our efforts to standardize terminology within the federal government.

Planned Result 3: Secure supply of translators and interpreters to meet the demand for services

- In 2001-02 we made a \$4.1 million investment in La Relève. We recruited 140 language professionals and enrolled them in a learning program to facilitate their integration into the workplace. We provided them with the training and coaching they need to hone their skills and reach their expected working level within three years. Six students also took part in our interpreter trainee program, which enables new graduates to practice their profession.
- To better prepare the next generation of language professionals for new market needs, we established a partnership with a Canadian university to create a localization certificate program (“localization” consists of adapting software and Web sites to the users’ cultural reality). We also continued promoting career opportunities in translation, interpretation and terminology to younger people. Through these measures, we hope not only to help increase the number of new graduates in language



disciplines, but also to ensure that they acquire the new technolinguistic skills required.

- We continued to develop technological translation tools such as the Central Archiving System to increase the productivity of our language professionals. However, we invested less than expected in this area as the bulk of our budget was focused on meeting other more pressing concerns related to the recruitment and training of new recruits.

Planned Result 4: Financial objectives met

- We managed our financial resources effectively and met our financial objective in 2001-02. We broke even on an operating basis and drew on our accumulated surplus to make major investments in recruitment, techno-linguistic tools and accommodation. The rate at which our investment strategy is implemented over the next few years will depend on our ability to generate new revenues and continue to draw on the unused authorities.

Other Result: A skilled management team

- Because of the growing need to prepare the next generation of managers, we continued implementing our Opting for Management program, which offers development opportunities to employees aspiring to be managers. We also launched the Manager Development Program for current managers who would like to improve their skills.

Performance Conclusion

The performance measures in place to assess our capacity to respond to client needs, the quality of our services, the productivity of our translators and our financial performance indicate that we made, overall, significant progress toward our planned results.

Over the next year, we plan to continue to improve our services, technological systems and tools and the ways in which we manage our people, including improving our work environment. Much of our effort will be based on what we have learned from our capacity assessment of modern management practices and our most recent client satisfaction survey. The pace at which we implement our strategy will depend largely on our ability to generate new revenues.



Communications Coordination Services

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

Description

- Provides advertising and public opinion research and media monitoring co-ordination, value-added communications-procurement services and Crown copyright administration.
- Provides public access services such as the *Canada Gazette*, the Depository Services Program, Canadian Government Publishing, the 1 800 O-Canada service, the Canada Site and Publiservice.

Net Expenditures 2001-02			
	<i>(in millions of dollars)</i>		
	Planned Spending	<i>Total Authorities</i>	Actual
▪ Operating Vote			
Gross Expenditures	76.0	94.7	91.9
Less: Respendable Revenues	1.1	9.1	9.1
Net Expenditures	74.9	85.6	82.8
▪ Optional Services Revolving Fund			
Gross Expenditures	14.2	14.2	17.5
Less: Respendable Revenues	13.5	13.5	14.8
Net Resources (Provided) Used	0.7	0.7	2.7
BUSINESS LINE TOTAL	75.6	86.3	85.5

Totals may not add up due to rounding.

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

Performance Context

On September 1, 2001, the Government of Canada created a new organization called Communication Canada by amalgamating the former Communications Coordination Services business line from PWGSC and the former Canada Information Office. Since PWGSC was responsible for this business line until March 31, 2002, we are reporting on its performance for 2001-02 within this report.

The Government of Canada has made a commitment to become “the most connected country in the world” and plans are underway to make the most commonly used



government information and services available on-line by 2005. The Government On-Line initiative has a tremendous impact on how we build a sense of inclusiveness among all Canadians and how they engage in what the Government of Canada has to offer. New electronic technologies are particularly useful in communicating with those who live in rural and remote locations. That being said, to ensure that Canadians continue to have access to all government services, we must also maintain and improve traditional lines of communication such as call centres, publications and in-person service.

The September 11 tragedy has reinforced the importance of communications and the relevance of our expertise in communication co-ordination services. During the crisis we took a leadership role in ensuring that Canadians and government employees had access to timely and accurate information. The Canada Site team worked with key government departments to pull together all pertinent terrorism-related information and the 1 800 O-Canada call centre established emergency working relations with the Privy Council Office, the Department of Foreign Affairs and International Trade and Canada Customs and Revenue Agency to refer callers to the right source of information.

Performance Reporting

Planned Result 1: Canadians have ready access to government information that is relevant and meets their needs

- In 2001-02, Canadians had ready access to government information through different means: in person, by telephone (1 800 O-Canada) or through the Internet (<http://www.canada.gc.ca>).
- In 2001-02, the 1-800 O-Canada call centre answered 9% more calls than the previous year. The average duration of a call was 3 minutes, 32 seconds (a 20 second increase over the previous year). We answered 93% of the calls within 18 seconds (compared to 87% last year).
- The 2001 Service Quality Benchmarking Report revealed that we have world-class levels of client satisfaction and loyalty. High satisfaction levels resulted in our call centre being rated first amongst government call centres and second amongst all call centres (both private and public sector). Our efforts were rewarded when 1 800 O-Canada received the Call Centre Service Excellence Award for Highest Client Satisfaction Performance in the Public Sector 2001 from Service Quality Management Inc. in December 2001.
- The Canada Site received 44 million page requests this year, a 16% increase over last year. On January 2, 2001, a redesigned Canada Site was released that organized information according to three client groups – Canadians, Canadian Business, and



Non-Canadians. Information and services are now more easily accessible and the site's upgraded search engine helps Canadians access government services more quickly and easily. The Canada Site has an on-line survey feature to allow users to make suggestions and provide feedback. This information was used to enhance the site and ensure that it remains informative, user-friendly and, most importantly, reflects the needs of Canadians.

- The Government of Canada Publications Web site (<http://publications.gc.ca>) provides a single window of access for Canadians to government documents and frequently requested forms. This information is in a format that allows users to download and print forms on their personal computers.
- Depository Services provide a subject thesaurus that facilitates the searching of government information. This year, these services indexed some 7,000 titles for improved coverage of Government of Canada program and service content. They distributed approximately 1.2 million hard copies to some 900 institutions in Canada and abroad. One hundred and forty-six thousand visitors per month accessed its specialized web site (<http://dsp-psd.communication.gc.ca/index-e.html>).
- Government departments now have easier access to proposed regulations through a direct link to the Canada Gazette Web site. This link also gives Canadians the opportunity to review proposed regulations and comment directly. In 2001-02, Canadians downloaded 2,077,500 pages from this site (http://canada.gc.ca/gazette/gazette_e.html).
- Within hours of the September 11 attacks, the Canada Site team worked with key government departments to pull together all pertinent terrorism-related information and centralized it on a U.S. Crisis page. As soon as the news of the crisis spread, our 1 800 O-Canada service responded to calls from concerned Canadians.

Planned Result 2: Communications coordination services that are responsive to clients' program requirements, and which assist client departments in contributing to the government's communication efforts

- In 2001-02, we assisted client departments with the management of the Government of Canada Advertising site (<http://publiservice.gc.ca/services/adv-pub/menu-e.html>), the renewal of access rights to 60 electronic media publications for government departments and agencies, and the organization of 9 information sessions on advertising and new-media attended by more than 360 government representatives.



- We provided support to the Government Communications Advertising Committee and to Privy Council Office in regards to the coordination and analysis of over 800 advertising plans.
- We provided government-wide communications advice on audio-visual products, multimedia and new media, expositions, conferences, and special events such as the Government's exhibit at Vancouver's "Globe 2002" international conference on sustainable development.
- We developed the government communications policy procedures and guidelines on advertising and media monitoring activities in collaboration with Treasury Board Secretariat.
- We responded to Government On-Line's requirement for a government publications site expressly targeted to the general public.
- We developed a tracking system to assist government departments in calculating the number of comments they receive following the publication of their proposed regulations in the *Canada Gazette*.

Planned Result 3: Canadians are aware of the role the Government of Canada is playing in their lives and communities

- The redesigned Canada Site has proved to be a particularly useful tool to help bring information to Canadians living in rural and remote locations.
- The Canada Sponsorship Program is an additional promotional and advertising tool for reaching Canadians. In 2001-2002, the program contributed to over 500 cultural, sport and community activities across the country, allowing Canadians to become more familiar with government programs and services. The overall management of sponsorships was improved during the reporting period through the implementation of a new selection process for communication agencies, improved documentation of files, and a better payment structure. Both the 2000 audit and action plan are available on the Internet at <http://www.communication.gc.ca/sponsorship/reports.html>.
- We published a book entitled *160 Years of the Canada Gazette* in October 2001 to mark the 160th anniversary of the *Canada Gazette*. A copy of the book was sent to approximately 4,000 secondary school libraries across Canada.

Other Result: A smooth transition for our employees

- The amalgamation with the former Canada Information Office created a new entity employing more than 500 people. In addition, more than 200 people work at



1 800 O-Canada through a private sector contractor. As a result, transactions related to staffing, classification and pay increased by over 55% in the last 6 months.

- A transition team was formed to ensure that we took full advantage of the potential synergies stemming from merging the two organizations. The team looked after the relocation of more than 200 employees in less than 3 months, implemented new a human resources system, *PeopleSoft*, to support all aspects of human resources requirements, and standardized the security access system throughout the Communication Canada premises.

Performance Conclusion

We made progress over the last year in most of our programs and increased both our level of services and client satisfaction with those services. The recent awards we have won testify to this fact.

Many of our programs are considered to be setting industry standards. For example, in 2001-2002, we used a citizen-based approach to help redesign the Canada Site. In short, we asked users what they needed and what would best serve their needs. The structures and processes we developed are now considered best practices in developing government Web sites.

Over the reporting period considerable public and parliamentary scrutiny has been placed on the Sponsorship Program. In early 2000, PWGSC initiated an internal review of the sponsorship program. As a result of an earlier audit, an action plan was implemented starting in April 2001 to substantially improve the management of that program. In March 2002, the Minister of PWGSC asked the Auditor General of Canada to review three particular contracts which have subsequently been referred to the Royal Canadian Mounted Police for investigation. The Auditor General is currently undertaking a government-wide audit with respect to advertising and sponsorships. Moreover, the President of Treasury Board is reviewing the management framework and the government system with respect to advertising, sponsorships and polling. As well, PWGSC is conducting its own internal review to assist in every possible way the ongoing work of the Auditor General and to improve contracting procedures. This multi-layered approach will ensure that no stone is left unturned in addressing potential problems with the sponsorship issue.



Operational Support

Description

- Provides support to the offices of the Minister and the Deputy Minister.
- Provides information management and technology services to PWGSC's business lines and operations, and information technology security for the department's business lines, operations and E-Platform and information management and technology common services.
- Provides corporate services on a national basis related to finance, communications, audit and ethics, human resources, material management, security, contract claims resolution, corporate policy and planning, portfolio management, the corporate secretary function and legal services.

Net Expenditures 2001-02			
<i>(in millions of dollars)</i>			
	Planning Spending	Total Authorities	Actual
INFORMATION MANAGEMENT AND TECHNOLOGY DEPARTMENTAL OPERATIONS SERVICE LINE			
▪ Operating Vote			
Gross Expenditures	160.8	244.2	254.6
Less: Respendable Revenues	50.0	70.0	79.1
Net Expenditures	110.8	174.1	175.5
CORPORATE MANAGEMENT SERVICE LINE			
▪ Operating Vote			
Gross Expenditures	106.6	167.7	143.0
Less: Respendable Revenues	33.2	47.4	44.9
Net Expenditures	73.4	120.4	98.1
BUSINESS LINE TOTAL	184.2	294.5	273.6

Totals may not add up due to rounding.

The variance between planned and actual spending is mostly attributable to funding received for improvements to information technology infrastructure, collective agreement funding, and the 2000-01 operating budget carry forward.



Performance Context

Our objective is to provide PWGSC business lines with leading-edge support services that will enable them to provide the best programs and services to Canadians. These support services include information management and technology, as well as human resources management.

To meet the objective of public reform outlined in the Speech of the Throne, we endeavoured to become an exemplary workplace that attracts, retains and develops employees. As part of this commitment, PWGSC has been striving to confront the challenge of promoting a work-life balance for employees in the face of increasing workloads. We also continued our efforts to renew our management cadre and to build a workforce that better reflects Canadian society.

Reforms in the staffing, classification and collective bargaining systems are underway to address the changing nature of work and the workforce across the public service. This, coupled with changing demographics, a competitive labour market and the move to e-government, has demanded that we adopt a flexible approach to planning and managing resources. Despite receiving funding to upgrade our infrastructure, ongoing funding to sustain operations is still required.

Performance Reporting

Planned Result 1: Ongoing information management and technology service commitments in support of PWGSC central and common service applications are met

- We operated, maintained and enhanced some 250 computer applications supporting government-wide mission critical systems for the Receiver General and the Public Service Compensation functions, as well as PWGSC's broad range of central and common service applications. We also supported the department's business lines in the Government On-Line and service modernization initiatives, designed to improve service to Canadians and other government departments.
- We provided workstation support to PWGSC employees. By implementing a remote control software tool that allows for problem resolution without having to dispatch an agent to the workstation, problems were resolved at a rate of approximately 79% (exceeding the target of 75%) of all calls. This improved problem resolution times and reduced the need for costly site service, leading to the reduction in annual workstation support costs.



- As threats to departmental and government information technology environments continue to grow, we responded by implementing an Information Protection Centre responsible for coordinating the protection, reaction and response against computer network attacks. This centre has focused on internal network monitoring, scanning for unauthorized access points, vulnerability analysis, and implementing virus detection software improvements, resulting in no significant system intrusions.
- We provided information management services such as records and documents management, directory and forms management, library services, and mail to PWGSC. Over the reporting period, a major project was launched to implement a large scale Electronic Documents & Records Information Management System in the department.

Planned Result 2: A human resources strategy that reflects public sector values

- Through extensive consultations with departmental stakeholders, our human resources strategy has evolved into a framework promoting essential values such as professionalism and the highest ethical standards. The framework consists of seven essential elements for effective human resource planning and management: a representative workforce, retention of expertise and targeted recruitment, a fair, inclusive and supportive work environment, key leadership competencies, a learning culture, change management, and union-management relationships.
- The framework integrates human resource management with the business priorities that support service to Canadians. The framework became an integral part of the departmental planning process and performance measurement indicators were modified to align with the framework.

Planned Result 3: An inclusive and representative work environment with effectively managed changes and relationships

- We incorporated into our Employment Equity Plan for 2001-2004 a visible minority strategy based on the recommendations of the Embracing Change action plan. We pursued staffing delegation that allowed us to streamline recruitment of visible minorities and persons with disabilities. PWGSC was the first large department to be found fully compliant with the requirements of the *Employment Equity Act* during an audit done by the Canadian Human Rights Commission in the fall of 2001. We reduced underrepresentation by 80% for visible minorities and 37% for women, and almost eliminated underrepresentation of Aboriginal Peoples. For its sustained contribution to achieving full representation and access to employment opportunities



for designated groups, PWGSC received the Treasury Board Employment Equity and Diversity Award for 2001.

- We continued to enhance our capacity to analyze key professional groups through demographic profiling and mobility analysis, enabling managers to make informed human resource planning decisions. As a result, PWGSC continued to renew its workforce through a number of apprenticeship and professional development programs that attract and develop talented employees. We increased new hires by 40% over the previous year, 46% of which were under the age of 35, while attrition remained stable at about 5%.

Planned Result 4: An environment that supports learning and the retention of expertise

- In 2001-02, our Minimum Training Investment policy resulted in 73.5% of employees having a learning plan (a 2.4% increase over the previous year) and 58.9% participating in three or more days of learning (a 3.9% increase over 2000-01).
- The average expenditure on learning activities for each employee was \$1,489 in 2001-02, compared with \$1,285 in the previous year. Professional/technical training represented 38% of overall learning expenditures, an increase of 5% over 2000-01.

Planned Result 5: Leaders capable of addressing the workplace challenges of the future

- To enhance our capacity to serve employees, government and the Canadian public in both official languages, we enabled executives in unilingual positions to increase their bilingual skills.
- In 2001-02, an action plan was developed to connect PWGSC managers and foster a greater sense of community. Focus groups were conducted, which resulted in the creation of a managers' working group to represent, support and promote the needs and aspirations of managers in the department.
- PWGSC also continued to play an active role in the public service-wide management development agenda. We began work to define a distinctive occupational group for middle managers to better recognize their contribution to serving Canadians.



Planned Result 6: Modernized human resource management framework

- We trained 260 facilitators nominated by management and unions in our informal conflict resolution process for classification reform, and continued our active role in assessing the impact of proposed classification reforms. We have maintained our readiness to implement these reforms in a way that will ensure uninterrupted service to client organizations and Canadians.
- PWGSC continued to provide human resource services on a cost-recovery basis to small departments and agencies, such as the Pest Management Regulatory Agency, the Canadian Tourism Commission and Elections Canada. This PWGSC service also contributed to organizational modelling initiatives that resulted in efficiencies in government-wide administrative functions, such as legal and information management services.

Performance Conclusion

Over the past year, we have maintained and in some cases improved the information management and technology services supporting the operations of the department, and the delivery of services to Canadians and other departments. We maintained the applications and infrastructure supporting key government systems consistent with service level agreements, improved our ability to deal with information technology security threats, and launched the Information Management Project aimed at preserving and better using corporate information holdings. However, there is an increasing risk that service levels may erode due to static funding coupled with increasing reliance on information technology for delivery of central and common services for government.

We want to build a workforce that is representative, flexible and responsive to the renewal needs of PWGSC. In 2001-02, we reduced underrepresentation for visible minorities and women, and almost eliminated underrepresentation of Aboriginal Peoples, but we had a continuing challenge to achieve work-life balance for our workforce. We made progress in promoting professional development and training. Our human resource management framework promises to become an increasingly important tool to help us meet our business objectives.



Crown Corporations Program

Since January 2002, both the Old Port of Montreal Corporation Inc. and the Queens Quay West Land Corporation were transferred to the Office of Infrastructure and Crown Corporations of Canada and are no longer included in the Crown Corporate Program.

Old Port of Montreal Corporation Inc.

Description

The payments issued provide funding to the Old Port of Montreal Corporation Inc. for managing, developing and maintaining the Old Port of Montreal site.

Outcomes Achieved

The Old Port of Montreal Corporation Inc. develops and maintains the Old Port of Montreal site by putting into place infrastructure, equipment and services. It operates an IMAX[®] theatre and an outdoor skating rink, and offers year-round activities for visitors including the Interactive Science Centre which opened in May 2000. Payments to the Corporation assist it in meeting its objectives. Independent sources of revenue include theatre admissions, parking, food services and sponsorships.

Queens Quay West Land Corporation

Description

The payments issued provide funding to the Queens Quay West Land Corporation which in turn provides an operating subsidy to Harbourfront Centre.

Outcomes Achieved

The Queens Quay West Land Corporation functions as a realty management and disposal company for the Harbourfront precinct in Toronto and provides an operating subsidy to Harbourfront Centre. Payments to the Corporation provide funding to honour commitments made by the federal government. Most of the original 100-acre site has been conveyed to the City of Toronto.



Expenditures 2001-02			
		<i>(in millions of dollars)</i>	
	<u>Planned Spending</u>	<i>Total Authorities</i>	Actual
OLD PORT OF MONTREAL CORPORATION INC.			
▪ Payments to the Old Port of Montreal Corporation Inc.	--	11.3	11.3
QUEENS QUAY WEST LAND CORPORATION			
▪ Payments to the Queens Quay West Land Corporation	4.0	4.0	4.0
PROGRAM TOTAL	4.0	15.3	15.3

Totals may not add up due to rounding.



Annex A — Consolidated Reporting

Government On-Line (GOL)

The process of enabling the on-line delivery of government programs and services is being implemented across government in two phases:

- The first phase, which has been achieved in PWGSC, was to make information on key federal government programs and services available electronically to the public by December 31, 2000.
- The second phase is intended to provide Canadians with secure electronic access to key government services by the end of 2005.

Over the past year, we supported government-wide and departmental on-line service delivery by jointly managing the Common Secure Infrastructure initiative, as well as three centrally-funded GOL projects.

The *Common Secure Infrastructure* Project aims to establish a secure channel for service delivery on behalf of the federal community to protect the privacy of Canadians as we move to full on-line interactivity. The Secure Channel contract was awarded to a private sector consortium that developed two successful prototypes on schedule and on budget.

The *Government of Canada Marketplace*, a project of the Electronic Supply Chain Program, will enable government officials to place orders for high transaction, low dollar-value commodities electronically, in accordance with the rules and laws governing government purchasing. It will also allow suppliers to submit invoices to the government, and receive orders electronically. A key component of the project is to ensure a proper transformation of the business, to ensure that clients and suppliers are positioned to actively participate in the Government of Canada Marketplace. To that end, during our consultations, client departments clearly identified the need to leverage shared system investments and to ensure integration between departments and the Government of Canada Marketplace. The necessary endorsement has been received to move forward with four “lead” departments and their respective shared system organizations.

The *Single Window to On-line Permits and Reporting* Project surveyed various departments on their activities in the areas of on-line licensing services (e-licensing). The analysis phase of the project was completed and the resultant report made a series of recommendations in support of government e-licensing services on the Internet for both citizens and businesses.



The *Electronic Directory of Programs and Services* Project was launched jointly by Treasury Board Secretariat and PWGSC to create an electronic directory that will provide web-based access for Canadians to information on government programs and services and enable federal departments and agencies to automatically update their directory listing data. All deliverables and plans were completed on time and on budget.

Further information on our plans and progress regarding these Government On-Line projects can be found on the Internet at <http://www.pwgsc.gc.ca/gol/publicReports/index-e.html>.

Procurement and Contracting

Public Works and Government Services Canada acquires goods and services on behalf of the departments and agencies of the Government of Canada.

In 2001-02, we awarded over 60,000 contractual documents representing a total value of \$10.4 billion. Of these, 1,785 contracts valued at \$275.9 million were awarded to Aboriginal firms. This is triple the number of contracts awarded to aboriginal firms in 2000-01, and more than twice the dollar value.

Our framework of procurement procedures and policies fosters the cost-effective and efficient delivery of contracting services to government, while respecting the legislative obligations related to national and international trade agreements. Our activities are guided by five clear principles:

- accountability – PWGSC is accountable for the integrity of the entire procurement process;
- client service – every effort is made to satisfy the operational requirements of clients, while obtaining best value in each procurement;
- competition – contracts are awarded through an open, competitive process, with specific exceptions permitted by the Government Contracts Regulations;
- equal access and treatment – all suppliers are afforded equal access to procurement opportunities, and are subject to the same conditions; and
- national objectives – PWGSC implements socio-economic objectives, within the limits imposed by national and international trade agreements.

In 2001-02, several audit reports and related action plans were completed on procurement-related activities. These can be reviewed at the following Web site: <http://www.pwgsc.gc.ca/arb/text/toc-e.html>.



Matériel Management

Assets Management - The opening balances for PWGSC-owned capital assets have been established, and amortization has been calculated for periods 1 through 12 of 2001-02. This information has been entered into the Common Departmental Financial System (CDFS) and reconciled. The opening balances for 2002-03 have been established and reconciled, and amortization for period 1 of that year was calculated on June 25, 2002. An inventory of controllable assets, those assets with a value between \$1,000.00 and \$9,999.99, was conducted during 2001-02 and records for all of the assets identified have been entered in the Automated Matériel Management Information System (AMMIS) database in compliance with the requirements of the Financial Information Strategy.

Acquisition Card Management - In January 2002, the Bank of Montreal became the new service provider for acquisition cards to the federal government. Approximately 1,600 cards were cancelled from the previous bank and new cards ordered and distributed. Milton, the electronic payment system used in the department, was updated with all the new card information. Milton was expanded to the Ontario, Western and Pacific regions and training was given to all cardholders. There are now 485 cardholders using Milton as their payment system.

Fleet Management - The number of vehicles in the departmental fleet has stabilized at between 285 to 295 units. In 2001-02 we placed greater emphasis on the greening of the fleet by increasing the number of alternative transportation fuel (ATF) vehicles by 21 and promoting the use of ATFs whenever possible. There are now 72 alternative transportation fuel vehicles.

Sustainable Development

Sustainable Development is a strategic priority for PWGSC. During the past year, we made steady progress against the objectives and targets published in our second Sustainable Development Strategy, tabled in Parliament in February 2001. The Strategy contains 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; and
- greening PWGSC's internal operations.

Over the reporting period, the Environmental Management System manual was completed, and work continued towards its full implementation. Formal monitoring of the strategy implementation was initiated, with results reported to senior management twice a year. Reporting showed that, for the most part, implementation is on track. For



those commitments which require corrective action, recovery plans have been developed and are being implemented.

Three targets which were originally scheduled for completion by March 31, 2002, were not achieved as expected, and modifications to their respective target dates were extended to reflect the additional work required to achieve completion. Parliament was notified of the modified targets in the PWGSC Report on Plans and Priorities for 2002-03.

We discovered that an error had been made in the formula used to determine the amount of paper saved as a result of electronic banking and direct deposits. The original target of 22.4 million kilograms was incorrect and has been modified to read as follows: Save 2.2 million kilograms of paper annually by making Government of Canada payments and receipts electronically, thus saving cheques, envelopes and deposit slips.

More performance details can be found in a separate document, 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>.

Fuel Storage Tanks

As of December 31, 2001, the status of fuel storage tanks on federal lands under the custodianship of PWGSC was:

Calendar 2001	Tanks registered	Tanks in compliance	Tanks not in compliance	Tanks to be replaced or removed in 2002
Aboveground	12	10	2	2
Underground	58	41	17	8

We have formal approval from Environment Canada of our action plan for managing 7 of the 17 non-compliant underground tanks until they are declared surplus or their ownership is transferred. In addition, 2 of the 17 non-compliant underground tanks will be replaced in 2003. We also have 4 concrete tanks that fall outside the scope of the Technical Guidelines; however, their status will be reviewed in 2002 (i.e., considered for replacement).



Modern Comptrollership

In 2001-02, we conducted a capacity assessment that covered the seven major elements of Modern Comptrollership (strategic leadership, shared values and ethics, mature risk management, motivated people, clear accountability, integrated performance information and rigorous stewardship) and their 33 sub-elements. An action plan based on the results of this assessment will be developed by fall 2002. The results of the assessment affirmed success in many areas such as the strength of our ethics program, the quality of our internal audit function, and the strong stewardship role our employees play in government. It also indicated the need to strengthen some management practices and, in particular, it indicated the need to address management practices on a more holistic and integrated basis. Ratings on many of the 33 sub-elements were lower due to the current non-integrated fashion in which the department operates.

In addition, we developed a departmental cost management framework to improve the cost information within PWGSC. An action plan to implement this framework will be developed in 2002-03.



Annex B — Financial Performance

Financial Performance Overview

The following explains the significant changes between planned spending, total authorities and actual spending in the department for 2001-02.

	<i>(in millions of dollars)</i>
PLANNED SPENDING	\$2,095.1
Government-On line	84.4
Collective Bargaining	55.2
Accommodation Costs	46.3
Information Technology Infrastructure	35.1
Hosting the G-8 Summit	11.2
TOTAL AUTHORITIES	<u>\$2,327.3</u>
Operating Budget Lapse	(42.0)
Separately Controlled - Conversion Factor	(41.2)
Separately Controlled Lapse	(12.6)
Other Adjustments	<u>(1.5)</u>
ACTUAL SPENDING	<u><u>\$2,230.0</u></u>

In 2001-02 the department managed, within its approved spending authorities, to deliver quality services and pursue efficiencies in all its operations.

The departmental operating budget lapse for 2001-02 is primarily attributable to delays encountered during the year in some activities, to deferred projects which will be completed in 2002-03, and to cost reduction and collective agreements funding.

The separately controlled lapse includes an amount of \$41 million related to the annual remittance to the Consolidated Revenue Fund of the conversion factor amount for employee benefits costs. In addition, \$12.6 million can be attributed to project slippage.

Financial Table 1: Authorities for 2001-02

(in millions of dollars)

Vote	Program	2001-02		
		Planned Spending	Total Authorities	Actual
	Government Services			
1	Operating expenditures	1,668.7	1,937.6	1,841.8
5	Capital expenditures	381.3	322.3	315.3
(S)	Minister of Public Works and Government Services - Salary and motor car allowance	0.1	0.1	0.1
(S)	Contributions to employee benefits plan	60.8	63.3	63.3
(S)	Real Property Services Revolving Fund	--	--	(9.5)
(S)	Real Property Disposition Revolving Fund	(19.2)	(19.2)	(10.7)
(S)	Optional Services Revolving Fund	0.6	0.6	7.3
(S)	Government Telecommunications and Informatics Services Revolving Fund	--	--	(2.2)
(S)	Consulting and Audit Canada Revolving Fund	(1.1)	(1.1)	(1.4)
(S)	Translation Bureau Revolving Fund	--	0.0	2.7
(S)	Grants to municipalities and other taxing authorities	--	6.4	6.4
(S)	Refunds of amounts credited to revenues in previous years	--	1.2	1.2
(S)	Spending of proceeds from the disposal of surplus Crown Assets	--	0.8	0.2
(S)	Court Awards	--	0.1	0.1
	Government Services Total	2,091.1	2,312.0	2,214.7
	Crown Corporations			
10	Payments to Queens Quay West Land Corporation	4.0	4.0	4.0
11	Payments to Old Port of Montreal Corporation Inc.	--	11.3	11.3
	Crown Corporations Total	4.0	15.3	15.3
DEPARTMENT TOTAL		2,095.1	2,327.3	2,230.0

Totals may not add up due to rounding.

(S) = Statutory

Financial Table 2: Departmental Planned versus Actual Spending by Business Line

(in millions of dollars)

PROGRAM						Less:	
Business Line	FTEs	Operating	Capital	Grants and Contributions	Total Gross Expenditures	Responsible Revenues	Total Net Expenditures
<i>Service Line</i>							
GOVERNMENT SERVICES							
Real Property Services							
<i>Federal Accommodation and Holdings</i>	2,432	1,433.3	381.3	0.3	1,814.8	256.8	1,558.0
	3,027	1,579.4	315.3	10.8	1,905.6	406.5	1,499.1
<i>Services</i>							
- Real Property Services Revolving Fund	1,183	752.6	--	--	752.6	752.6	--
	1,344	812.9	--	--	812.9	822.4	(9.5)
- Real Property Disposition Revolving Fund	--	3.8	--	--	3.8	23.0	(19.2)
	--	3.9	--	--	3.9	14.6	(10.7)
Total Real Property Services	3,615	2,189.6	381.3	0.3	2,571.2	1,032.5	1,538.7
	4,371	2,396.3	315.3	10.8	2,722.4	1,243.5	1,478.9
Supply Operations Services							
- Vote	1,610	129.8	--	--	129.8	21.4	108.3
	1,751	174.3	--	--	174.3	44.0	130.3
- Optional Services Revolving Fund	90	78.3	--	--	78.3	78.4	(0.1)
	69	100.9	--	--	100.9	96.3	4.6
Total Supply Operations Service	1,700	208.1	--	--	208.1	99.9	108.2
	1,820	275.2	--	--	275.2	140.3	134.9
Receiver General							
	618	119.6	--	--	119.6	21.2	98.4
	852	115.3	--	--	115.3	24.5	90.8
Public Service							
	856	57.5	--	--	57.5	29.6	27.9
	419	70.3	--	--	70.3	40.0	30.3
Government Telecommunications and Informatics Services (GTIS)							
-	23	37.0	--	--	37.0	20.1	16.9
	91	110.0	--	--	110.0	36.0	73.9
- GTIS Revolving Fund	167	105.1	--	--	105.1	105.1	--
	163	129.8	--	--	129.8	131.9	(2.2)
Total GTIS	190	142.1	--	--	142.1	125.2	16.9
	254	239.7	--	--	239.7	167.9	71.8
Consulting and Audit Canada							
	357	92.9	--	--	92.9	94.0	(1.1)
	354	115.0	--	--	115.0	116.3	(1.4)
Translation Bureau							
- Vote	--	42.3	--	--	42.3	--	42.3
	--	47.5	--	--	47.5	--	47.5
- Translation Bureau Revolving Fund	1,251	158.9	--	--	158.9	158.9	--
	1,517	171.9	--	--	171.9	169.3	2.7
Total Translation Bureau	1,251	201.2	--	--	201.2	158.9	42.3
	1,517	219.4	--	--	219.4	169.3	50.1

Financial Table 2: Departmental Planned versus Actual Spending by Business Line (cont'd)

PROGRAM		FTEs	Operating	Capital	Grants and Contributions	Total Gross Expenditures	Less: Responsible Revenues	Total Net Expenditures
Business Line								
<i>Service Line</i>								
Communications Coordination Services								
- Vote		105	76.0	--	--	76.0	1.1	74.9
		107	91.9	--	--	91.9	9.1	82.9
- Optional Services Revolving Fund		67	14.2	--	--	14.2	13.5	0.7
		38	17.5	--	--	17.5	14.8	2.7
Total Communications Coordination Services		172	90.2	--	--	90.2	14.6	75.6
		145	109.4	--	--	109.4	23.9	85.5
Operational Support								
<i>IM/IT - Departmental Operations</i>		1,301	160.8	--	--	160.8	50.0	110.8
		1,311	254.6	--	--	254.6	79.1	175.5
<i>Corporate Management</i>		1,432	106.6	--	--	106.6	33.2	73.4
		1,539	142.7	--	0.3	143.0	44.9	98.1
Total Operational Support		2,733	267.3	--	--	267.3	83.2	184.2
		2,850	397.3	--	0.3	397.6	124.0	273.6
TOTAL GOVERNMENT SERVICES		11,492	3,368.6	381.3	0.3	3,750.1	1,659.1	2,091.1
		12,582	3,937.8	315.3	11.1	4,264.2	2,049.7	2,214.6
CROWN CORPORATIONS								
Old Port of Montreal Corporation Inc.		--	--	--	--	--	--	--
		--	11.3	--	--	11.3	--	11.3
Queens Quay West Land Corporation		--	4.0	--	--	4.0	--	4.0
		--	4.0	--	--	4.0	--	4.0
TOTAL CROWN CORPORATIONS		--	4.0	--	--	4.0	--	4.0
		--	15.3	--	--	15.3	--	15.3
TOTAL DEPARTMENT		11,492	3,372.6	381.3	0.3	3,754.1	1,659.1	2,095.1
		<i>11,492</i>	<i>3,904.7</i>	<i>322.3</i>	<i>11.1</i>	<i>4,238.1</i>	<i>1,910.8</i>	<i>2,327.3</i>
		12,582	3,953.1	315.3	11.1	4,279.5	2,049.7	2,230.0
Elimination of Intra-Departmental Transactions--		--	(229.4)	--	--	(229.4)	(229.4)	--
		12,582	3,723.7	315.3	11.1	4,050.2	1,820.3	2,230.0
Other Revenues and Expenditures								
Non-Responsible Revenues								30.6
								<i>30.6</i>
								99.1
Cost of Services Provided by Other Departments								32.2
								<i>32.2</i>
								47.3
NET COST OF THE PROGRAM								2,096.7
								<i>2,328.9</i>
								2,178.1

Totals may not add up due to rounding.

Regular characters denote the planned spending.

Numbers in italics denote total authorities for 2001-02.

Bold numbers denote actual expenditures/revenues in 2001-02.

Financial Table 3: Historical Comparison of Total Planned Spending to Actual Spending
(in millions of dollars)

PROGRAM Business Line Service Line	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
GOVERNMENT SERVICES					
Real Property Services					
<i>Federal Accommodation and Holdings Services</i>	1,183.5	1,472.6	1,558.0	1,560.0	1,499.1
Real Property Services Revolving Fund	--	(1.3)	--	--	(9.5)
Real Property Disposition Revolving Fund	(17.5)	0.3	(19.2)	(19.2)	(10.7)
	1,166.0	1,471.5	1,538.7	1,540.7	1,478.9
Supply Operations Service					
Vote	136.7	115.8	108.3	135.2	130.3
Optional Services Revolving Fund	(3.5)	2.4	(0.1)	(0.1)	4.6
	133.2	118.2	108.2	135.0	134.9
Receiver General	93.5	100.3	98.4	99.2	90.8
Public Service Compensation	57.8	28.9	27.9	30.6	30.3
Government Telecommunications and Informatics Services (GTIS)					
Vote	--	--	16.9	79.3	73.9
GTIS Revolving Fund	(2.1)	(8.8)	--	--	(2.2)
	(2.1)	(8.8)	16.9	79.3	71.8
Consulting and Audit Canada (CAC)					
CAC Revolving Fund	(3.5)	(3.1)	(1.1)	(1.1)	(1.4)
Translation Bureau					
Vote	40.3	41.5	42.3	47.5	47.5
Translation Bureau Revolving Fund	(7.2)	(7.4)	--	0.0	2.7
	33.1	34.1	42.3	47.5	50.1
Communication Coordination Services					
Vote	77.2	76.0	74.9	85.6	82.9
Optional Services Revolving Fund	1.7	1.4	0.7	0.7	2.7
	79.0	77.3	75.6	86.3	85.5
Operational Support					
<i>IM/IT - Departmental Operations</i>	176.3	162.4	110.8	174.1	175.5
<i>Corporate Management</i>	93.4	96.8	73.4	120.4	98.1
	269.7	259.2	184.2	294.5	273.6
GOVERNMENT SERVICES TOTAL	1,826.7	2,077.6	2,091.1	2,312.0	2,214.6
CROWN CORPORATIONS					
Old Port of Montreal Corporation Inc.	24.3	12.6	--	11.3	11.3
Queens Quay West Land Corporation	3.0	3.0	4.0	4.0	4.0
CROWN CORPORATIONS TOTAL	27.3	15.6	4.0	15.3	15.3
DEPARTMENT TOTAL	1,854.1	2,093.2	2,095.1	2,327.3	2,230.0

Totals may not add up due to rounding.

Financial Table 4: Revenues by Business Line
(in millions of dollars)

PROGRAM Business Line <i>Service Line</i>	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Revenues	<i>Total</i> <i>Authorities</i>	Actual
GOVERNMENT SERVICES					
Respendable Revenues					
Real Property Services					
<i>Federal Accommodation and Holdings</i>					
Rentals and Concessions	323.6	346.8	256.8	407.2	406.5
<i>Services</i>					
Real Property Services Revolving Fund					
Recoveries of Disbursements on Behalf of Clients	495.8	571.5	625.7	625.7	663.2
Fee Revenues from Real Property Related Common Services	120.0	133.1	126.9	126.9	159.2
	615.8	704.6	752.6	752.6	822.4
Real Property Disposition Revolving Fund					
Sale of Real Properties	21.6	1.5	23.0	23.0	14.6
	637.5	706.1	775.6	775.6	837.0
	961.1	1,052.9	1,032.5	1,182.8	1,243.5
Supply Operations Services					
<i>Vote</i>					
Major Crown Projects	14.2	15.9	8.7	18.4	18.4
Acquisitions	10.7	13.0	7.2	17.8	17.8
Canadian General Standards Board	2.6	2.3	2.5	2.3	2.3
Seized Property Management	--	--	3.0	5.3	5.3
Others	3.0	3.9	--	0.7	0.3
	30.6	35.0	21.4	44.5	44.0
Optional Services Revolving Fund					
Traffic	42.1	40.7	42.8	42.8	44.8
Crown Assets Distribution	12.0	4.8	8.7	8.7	2.8
Locally Shared Support Services	6.5	6.5	7.2	7.2	6.8
Software Brokerage/Benchmarking	2.0	9.6	2.7	2.7	6.8
Buy for Lease Program	--	--	7.0	7.0	--
Vaccine	9.9	24.2	10.0	10.0	35.0
	72.4	85.7	78.4	78.4	96.3
	103.0	120.7	99.8	122.9	140.3
Receiver General					
Payments Services	22.0	28.9	19.7	23.0	23.3
Pension Fund	--	1.2	1.5	1.3	1.3
	22.0	30.1	21.2	24.2	24.5
Public Service Compensation					
Compensation Services	3.4	4.6	3.0	3.6	3.6
Personnel Application	0.3	0.2	--	0.1	0.1
Pension Fund	--	30.5	26.6	36.3	36.3
	3.7	35.3	29.6	40.0	40.0

Financial Table 4: Revenues by Business Line (Cont'd)

PROGRAM Business Line	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Revenues	<i>Total</i> <i>Authorities</i>	Actual
<i>Service Line</i>					
Government Telecommunications and Informatics Services (GTIS)					
Vote					
Telecommunication Revenue	--	--	20.1	42.9	36.0
GTIS Revolving Fund					
Telecommunication Revenue	144.4	125.1	105.1	105.1	131.9
	144.4	125.1	125.2	148.0	167.9
Consulting and Audit Canada					
Consulting and Audit Services	113.4	113.1	94.0	94.0	116.3
Translation Bureau					
Revolving Fund					
Translation Services	141.0	153.2	155.1	155.1	164.8
Interpretation Services	2.8	3.0	3.2	3.2	3.5
Terminology Services	1.0	0.6	0.6	0.6	0.9
	144.7	156.9	158.9	158.9	169.3
Communications Coordination Services					
Vote					
Promotional Items & Strategic Communications	0.8	0.8	1.1	1.0	1.0
Depository Services Program	0.2	0.1	--	0.1	0.1
Customer Services and Industry Relations	4.3	0.3	--	3.1	3.1
Information Delivery Services	2.0	2.9	--	3.9	3.9
Internal Recoveries and Others	3.7	--	--	0.9	0.9
	10.9	4.2	1.1	9.1	9.1
Revolving Fund					
Canadian Government Publishing	6.0	6.9	7.6	7.6	9.6
Canada Gazette	2.4	2.1	3.1	3.1	2.7
Procurement Services, Contracting and Others	2.8	3.1	2.8	2.8	2.5
	11.1	12.1	13.5	13.5	14.8
	21.9	16.2	14.6	22.6	23.9
Operational Support					
IM/IT Departmental Operations					
IM/IT Services	77.3	77.5	47.6	67.6	76.7
Internal Recoveries and Others	--	--	2.4	2.4	2.4
	77.3	77.5	50.0	70.0	79.1
Corporate Management					
Ministerial Regional Offices	2.4	2.1	2.5	2.4	2.4
Internal Recoveries and Others	36.5	39.9	30.7	45.0	42.5
	38.9	42.1	33.2	47.4	44.9
	116.2	119.6	83.2	117.4	124.0
Total Responsible Revenues	1,630.5	1,770.0	1,659.1	1,910.8	2,049.7

Financial Table 4: Revenues by Business Line (Cont'd)

PROGRAM	Actual 1999-00	Actual 2000-01	2001-02		Actual
			Planned Revenues	Total Authorities	
<u>Non-Respendable Revenues</u>					
Rental and Concessions	--	4.9	--	--	(6.6)
Docks	3.6	5.1	4.8	4.8	6.0
Refund of Previous Year's Expenditures	5.6	10.1	--	--	9.5
Adjustment to Payables at Year-End	19.1	24.2	--	--	18.2
Good and Services Tax	4.9	--	6.7	6.7	--
Canada Post Corporation: Dividends	12.6	18.9	--	--	21.1
Canada Lands Company: Dividends	26.7	(0.2)	--	--	15.5
Proceeds from Disposal of Surplus Crown Assets	0.3	0.4	--	--	0.4
Benefits and Overhead Reimbursed	17.1	1.3	--	--	--
Miscellaneous Non-tax Revenues:					
- Donations to the Crown	0.3	0.1	--	--	0.1
- Seized Properties	17.5	10.2	--	--	5.1
- Others	0.3	44.3	19.1	19.1	29.8
Total Non-Respendable Revenues	108.0	119.3	30.6	30.6	99.1
DEPARTMENT TOTAL	1,738.5	1,889.3	1,689.7	1,941.4	2,148.8

Totals may not add up due to rounding.

Financial Table 5: Statutory Payments by Business Line

(In millions of dollars)

PROGRAM Business Line	Actual 1999-00	Actual 2000-01	Planned Spending	2001-02	
				Total Authorities	Actual
GOVERNMENT SERVICES					
Real Property Services	6.2	3.8	2.3	10.0	9.7
Supply Operations Service	17.3	18.6	16.4	19.4	19.1
Receiver General	5.0	4.9	5.3	4.0	4.0
Public Service Compensation	6.9	7.1	6.9	7.1	7.1
Government Telecommunications and Informatics Services	--	--	0.3	1.4	1.4
Communications Coordination Services	1.0	1.1	1.0	1.2	1.2
Operational Support	30.8	32.1	28.6	28.8	28.8
Total Statutory Payments	67.4	67.8	60.8	71.9	71.3

Totals may not add up due to rounding.

Note: Includes contributions to employee benefits plan (CEBP), Minister's salary and car allowance, proceeds received during the year, refunds of amounts credited to revenues in previous years, collection agency fees, Court Awards and Grants to municipalities and other taxing authorities.

Financial Table 6: Transfer Payments by Business Line

(in millions of dollars)

PROGRAM Business Line	Actual 1999-00	Actual 2000-01	Planned Spending	2001-02	
				Total Authorities	Actual
GOVERNMENT SERVICES					
Real Property Services					
GRANTS					
Grants in Kind to the Royal Society of Canada	--	0.16	0.08	0.08	0.08
World Youth Day	--	--	--	0.28	0.28
Municipalities and Other Taxing Authorities	3.42	0.91	--	6.43	6.43
	3.42	1.07	0.08	6.78	6.78
CONTRIBUTIONS					
Canadian Standards Association	0.01	0.01	0.01	0.01	0.01
Hudson Bay Port Company	2.22	0.98	0.20	0.79	0.79
Argentia Management Authority	--	--	--	3.50	3.50
	2.23	0.99	0.21	4.30	4.30
Total Transfer Payments	5.65	2.06	0.29	11.08	11.08

Totals may not add up due to rounding.

Note: Funding for payments of Grants to Municipalities and Other Taxing Authorities was devolved to the applicable custodial department. The figures reported represent payments not recovered by year-end from custodial clients.

Financial Table 7: Resource Requirements by Organization and Business Line for 2001-02

(in millions of dollars)

PROGRAM Business Line	BRANCH														Total
	Offices of the Minister and Deputy Minister	Real Property Services	Supply Operations Service	Government Operational Service	Government Telecommunications and Informatics Services	Consulting and Audit Canada	Corporate Implementation Group	Translation Bureau	Human Resources	Audit and Ethics	Communications	Ethics Development Office	Communications Coordination Services	Legal Services	
GOVERNMENT SERVICES															
Real Property Services	--	1,538.7	--	--	--	--	--	--	--	--	--	--	--	--	1,538.7
	--	1,478.9	--	--	--	--	--	--	--	--	--	--	--	--	1,478.9
Supply Operations Service	--	--	108.2	--	--	--	--	--	--	--	--	--	--	--	108.2
	--	--	134.9	--	--	--	--	--	--	--	--	--	--	--	134.9
Receiver General	--	--	--	98.4	--	--	--	--	--	--	--	--	--	--	98.4
	--	--	--	90.8	--	--	--	--	--	--	--	--	--	--	90.8
Public Service Compensation	--	--	--	27.9	--	--	--	--	--	--	--	--	--	--	27.9
	--	--	--	30.3	--	--	--	--	--	--	--	--	--	--	30.3
Government Telecommunications and Informatics Services	--	--	--	--	16.9	--	--	--	--	--	--	--	--	--	16.9
	--	--	--	--	71.8	--	--	--	--	--	--	--	--	--	71.8
Consulting and Audit Canada	--	--	--	--	--	(1.1)	--	--	--	--	--	--	--	--	(1.1)
	--	--	--	--	--	(1.4)	--	--	--	--	--	--	--	--	(1.4)
Translation Bureau	--	--	--	--	--	--	--	42.3	--	--	--	--	--	--	42.3
	--	--	--	--	--	--	--	50.1	--	--	--	--	--	--	50.1
Communications Coordination Services	--	--	--	--	--	--	--	--	--	--	--	--	75.6	--	75.6
	--	--	--	--	--	--	--	--	--	--	--	--	85.5	--	85.5
Operational Support	3.4	18.7	0.2	21.7	110.8	--	1.8	--	14.4	5.9	6.0	0.2	--	1.2	184.2
	5.0	25.6	0.9	24.6	175.2	--	2.3	--	25.0	6.0	7.3	0.6	--	1.1	273.6
TOTAL GOVERNMENT SERVICES	3.4	1,557.3	108.4	147.9	127.7	(1.1)	1.8	42.3	14.4	5.9	6.0	0.2	75.6	1.2	2,091.1
	5.0	1,504.5	135.8	145.8	246.9	(1.4)	2.3	50.1	25.0	6.0	7.3	0.6	85.5	1.1	2,214.6
CROWN CORPORATIONS															
Old Port of Montreal Corporation	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	11.3	--	--	--	--	--	--	11.3
Queens Quay West Land Corporation	--	--	--	--	--	--	--	4.0	--	--	--	--	--	--	4.0
	--	--	--	--	--	--	--	4.0	--	--	--	--	--	--	4.0
TOTAL CROWN CORPORATIONS	--	--	--	--	--	--	--	4.0	--	--	--	--	--	--	4.0
	--	--	--	--	--	--	--	15.3	--	--	--	--	--	--	15.3
TOTAL DEPARTMENT	3.4	1,557.3	108.4	147.9	127.7	(1.1)	5.8	42.3	14.4	5.9	6.0	0.2	75.6	1.2	2,095.1
	5.0	1,504.5	135.8	145.8	246.9	(1.4)	17.6	50.1	25.0	6.0	7.3	0.6	85.5	1.1	2,230.0

Totals may not add up due to rounding.

Regular characters denote the planned spending.

Bold numbers denote actual expenditures/revenues in 2001-02.

Financial Table 8: Capital Projects by Business Line
(in millions of dollars)

Business Line	Current Estimated Total	Actual 1999-00	Actual 2000-01	2001-02	
				Planned Spending	Actual
Real Property Services					
NEW BRUNSWICK					
St. George - GOCB - Construction	4.4	0.0	0.0	2.3	0.0
Bathurst - Nicholas Denys - Building Upgrade	5.9	--	--	3.4	--
Campbellton - Deck Replacement - Structural	9.5	--	--	3.5	3.4
PRINCE EDWARD ISLAND					
Charlottetown - GOCB - Construction	35.3	--	--	0.6	--
NEWFOUNDLAND					
Argentia - Environmental Remediation	70.8	12.1	13.2	12.4	7.8
QUEBEC					
Ville St-Laurent - 3155 Cote de Liesse - Renovation	21.3	6.7	7.8	3.6	1.9
Montreal - Complexe Guy Favreau - Dalle / Membrane	8.0	1.9	2.3	1.7	1.7
Montreal - 305 René Lévesque - Renovation	10.8	0.4	3.6	2.5	1.9
Rigaud - Collège des Douanes - Renovation	6.7	0.2	--	7.5	5.9
ONTARIO					
St-Catharines - GOCB - Renovations	6.0	--	--	4.3	3.8
NATIONAL CAPITAL REGION (QUEBEC)					
Hull - Laurier Taché Garage - Renovation	58.6	9.3	5.5	2.1	3.3
Hull - Centre Bisson - Windows and Masonry Rehabilitation	3.4	0.1	1.3	1.4	1.7
Hull - Portage Complex & Place du Centre - New Security System	3.7	0.3	1.2	2.0	--
Hull - Portage IV - Replacement of the Fire Alarm System	4.7	--	--	3.2	2.5
NATIONAL CAPITAL REGION (ONTARIO)					
Ottawa - Standard Lab - Renovation	9.7	5.9	2.8	6.5	0.1
Ottawa - New Federal Court - New Construction	151.0	--	--	1.4	0.9
Ottawa - Lester B. Pearson - Federal Building	5.5	0.1	1.7	2.5	2.0
Ottawa - Ottawa City Hall - Purchase	72.2	--	--	40.6	36.1
NUNAVUT					
Iqaluit - GOCB - Construction	10.9	7.9	1.6	0.9	0.2
PARLIAMENTARY PRECINCT					
Ottawa - Library of Parliament (LOP) - Renovation	109.0	3.8	9.7	19.5	11.6
Ottawa - Wellington Street Wall - Masonry and Iron Work	5.0	0.4	0.1	0.2	0.1
Ottawa - West Block - Renovation	148.0	0.0	0.0	1.0	0.0
Ottawa - Parliamentary Hill Ground - Vaux Wall	4.8	1.1	0.1	1.5	2.1
Ottawa - Campus Wide - BCC	25.0	4.1	7.3	7.5	3.7
Ottawa - West Block - Building Components & Connectivity (BCC)	30.0	--	--	0.3	--
BRITISH COLUMBIA					
Northwest Highway - Reconstruction	596.2	13.3	14.0	13.0	14.1
Surrey - Tax Data Centre - Renovation	18.5	0.2	0.1	11.8	1.0
Vancouver - 401 Burrard - Purchase	69.3	12.7	0.4	1.1	0.9
Total Capital Projects Spending	1,504.2	80.4	72.6	158.2	106.6

Totals may not add up due to rounding.

Notes:

This table includes Major Capital Projects with estimated total project costs in excess of \$1 million.

GOCB stands for "Government of Canada Building".

Financial Table 9: Loans, Investments and Advances

(in millions of dollars)

PROGRAM	As of March 31		
	2000	2001	2002
GOVERNMENT SERVICES			
Royal Canadian Mint	40.0	40.0	40.0
Seized Property Working Capital Account	3.4	1.8	5.5
Total Program	43.4	41.8	45.5
CROWN CORPORATIONS			
Queens Quay West Land Corporation	45.8	45.8	31.3
Total Program	45.8	45.8	31.3
OTHER			
Miscellaneous accountable imprest and standing advances (Note 1)	18.5	17.1	20.6
Total Loans, Investments and Advances (Note 2)	107.7	104.7	97.4

Totals may not add up due to rounding.

Notes:

- (1) The miscellaneous accountable imprest and standing advances represent the amounts recoverable from all federal departments and agencies by the Receiver General. The total amount authorized to be outstanding at anytime 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 10: Real Property Services Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Revenue	120.0	133.1	126.9	126.9	159.2
Expenses	122.2	132.6	127.3	127.3	160.3
Surplus (Deficit) ^(Note 1)	(2.2)	0.5	(0.4)	(0.4)	(1.1)

This table refers to the Fund's operating profit and loss, not cash requirements for the 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:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Operating Activities					
(Surplus) Deficit	2.2	(0.5)	0.4	0.4	1.1
Less items not requiring use of funds:					
Amortization	0.3	--	0.4	0.4	
Provision for employee termination benefits	0.1	1.3	--		4.0
Sub-total	1.8	(1.8)	--	--	(2.9)
Working capital change	(2.0)	3.3	--	--	(6.6)
Net financial resources (provided) used in operating activities	(0.2)	1.5	--	--	(9.5)
Investing Activities					
Capital assets:					
Net Acquisitions	0.2	--	--	--	--
Disposals / Adjustments	--	(2.8)	--	--	--
Net financial resources (provided by) used in investing activities	0.2	(2.8)	--	--	--
Authority (provided) used during the year	0.0	(1.3)	--	--	(9.5)
Net authority (provided by) used at the start of year	80.2	99.0	99.1	99.1	97.7
Transfer of liabilities (net of assets)	18.8	--	--	--	--
Adjustment to estimated opening authority ^(Note 2)	--	--	--	(1.4)	--
Write-off of authority used ^(Note 2)	--	--	--	(97.7)	(88.2)
Net authority (provided by) used at the end of year	99.0	97.7	99.1	0.0	--
Authority limit	450.0	450.0	450.0	450.0	450.0
Reduction in authority limit ^(Note 2)	--	--	--	(300.0)	(300.0)
Revised authority limit	450.0	450.0	450.0	150.0	150.0
Unused authority carried forward	351.0	352.3	350.9	150.0	150.0

Totals may not add up due to rounding.

Notes:

- (1) Recoverable disbursements on behalf of clients are not included in Revenue and Expenses (1999-00: \$496M, 2000-01: \$572M, 2001-02: \$663M).
- (2) Effective March 31, 2002, the authority limit was reduced from \$450M to \$150M. Furthermore, the write-off of the authority used as of March 31, 2002 was approved up to \$97.7M. An adjustment of \$1.4M is required to the estimated authority at the beginning of the year to bring it in line with the maximum amount approved for write-off of \$97.7M.

Financial Table 11: Real Property Disposition Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Revenue	23.4	21.5	23.0	23.0	15.7
Expenses	3.5	6.0	3.8	3.8	3.2
Surplus (Deficit)	19.9	15.5	19.2	19.2	12.5

This table refers to the Fund's operating profit and loss, not cash requirements for the 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:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Operating Activities					
(Surplus) Deficit	(19.9)	(15.5)	(19.2)	(19.2)	(12.5)
Working capital change	2.4	0.3	--	--	1.8
Authority (provided) used during the year	(17.5)	(15.2)	(19.2)	(19.2)	(10.7)
Payment to the Consolidated Revenue Fund	19.9	15.5	19.2	19.2	12.5
Net authority (provided by) used at the start of year	(4.3)	(1.9)	(2.0)	(2.0)	(1.7)
Net authority (provided by) used at the end of year	(1.9)	(1.7)	(2.0)	(2.0)	0.1
Authority Limit	5.0	5.0	5.0	5.0	5.0
Unused authority carried forward	6.9	6.7	7.0	7.0	4.9

Totals may not add up due to rounding.

Financial Table 12: Optional Services Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Revenue	83.0	99.5	91.9	91.9	108.3
Expenses	81.6	102.0	93.3	93.3	114.5
Surplus (Deficit)	1.4	(2.5)	(1.4)	(1.4)	(6.2)

This table refers to the Fund's operating profit and loss, not cash requirements for the 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. A reconciliation follows:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Operating Activities					
(Surplus) Deficit	(1.4)	2.5	1.4	1.4	6.2
Less items not requiring use of funds:					
Amortization	0.1	0.1	0.7	0.7	0.1
Loss on disposal of capital assets	--	0.2	--	--	--
Provision for employee termination benefits	--	0.1	0.3	0.3	0.2
Sub-total	(1.5)	2.1	0.4	0.4	5.9
Working capital change	(0.5)	1.7	--	--	--
Payments on and change in other assets and liabilities	0.1	--	--	--	(3.0)
Net financial resources (provided) used in operating activities	(1.9)	3.8	0.4	0.4	2.9
Investing Activities					
Capital assets:					
Net Acquisitions	0.1	--	0.2	0.2	4.4
Net financial resources (provided by) used in investing activities	0.1	--	0.2	0.2	4.4
Authority (provided) used during the year	(1.8)	3.8	0.6	0.6	7.3
Authority to increase drawdown ^(Note 1)	--	--	--	7.1	--
Net authority (provided by) used at the start of year	17.0	15.2	15.8	15.8	19.0
Adjustment to estimated opening authority ^(Note 1)	--	--	--	3.8	--
Write-off of authority used ^(Note 1)	--	--	--	(22.7)	(22.7)
Net authority (provided by) used at the end of year	15.2	19.0	16.4	4.6	3.6
Authority Limit	200.0	200.0	200.0	200.0	200.0
Reduction in authority limit ^(Note 1)	--	--	--	(165.0)	(165.0)
Revised authority limit	200.0	200.0	200.0	35.0	35.0
Unused authority carried forward	184.8	181.0	183.6	30.4	31.4

Totals may not add up due to rounding.

Note:

- (1) Effective March 31, 2002, the authority limit was reduced from \$200M to \$35M. During the year, Treasury Board approved an increase in the annual drawdown of \$7.1M for fiscal year 2001-02. Furthermore, the write-off of the authority used as of March 31, 2002 was approved up to \$22.7M. An adjustment of \$3.8M is required to the estimated authority at the beginning of the year to bring it in line with the maximum amount approved.

Financial Table 13: Government Telecommunications and Informatics Services Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned	Total	
			Spending	Authorities	Actual
Revenue	143.5	124.4	105.1	105.1	131.8
Expenses	143.7	118.1	105.4	105.4	129.9
Surplus (Deficit)	(0.2)	6.3	(0.3)	(0.3)	1.9

This table refers to the Fund's operating profit and loss, not cash requirements for the 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:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned	Total	
			Spending	Authorities	Actual
Operating Activities					
(Surplus) Deficit	0.2	(6.3)	0.3	0.3	(1.9)
Less items not requiring use of funds:					
Amortization of capital assets	0.7	0.3	0.2	0.2	0.2
Gain on disposal of capital assets	--	(0.1)	--	--	--
Provision for employee termination benefits	--	--	0.3	0.3	0.3
Sub-total	(0.5)	(6.5)	(0.2)	(0.2)	(2.4)
Working capital change	(0.3)	(2.4)	--	--	0.1
Payments on and change in other assets and liabilities	(0.2)	--	--	--	--
Net financial resources (provided) used in operating activities	(1.0)	(8.9)	(0.2)	(0.2)	(2.3)
Investing Activities					
Capital assets:					
Net Acquisitions	0.1	0.1	0.2	0.2	0.1
Disposals/Adjustments	(1.2)	--	--	--	--
Net financial resources (provided by) used in investing activities	(1.1)	0.1	0.2	0.2	0.1
Authority (provided) used during the year	(2.1)	(8.8)	--	--	(2.2)
Return of accumulated surplus to the CRF	20.0	--	--	--	--
Net authority (provided by) used at the start of year	(22.6)	(4.7)	(4.7)	(4.7)	(13.6)
Net authority (provided by) used at the end of year	(4.7)	(13.6)	(4.7)	(4.7)	(15.8)
Authority Limit	45.0	45.0	45.0	45.0	45.0
Reduction in authority limit ^(Note 1)	--	--	--	(25.0)	(25.0)
Revised authority limit	45.0	45.0	45.0	20.0	20.0
Unused authority carried forward	49.7	58.6	49.7	24.7	35.8

Totals may not add up due to rounding.

Note (1): Effective March 31, 2002, the authority limit was reduced from \$45M to \$20M.

Financial Table 14: Consulting and Audit Canada Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Revenue	113.7	112.8	94.0	94.0	116.8
Expenses	110.8	109.5	93.4	93.4	115.5
Surplus (Deficit)	2.9	3.4	0.6	0.6	1.3

This table refers to the Fund's operating profit and loss, not cash requirements for the 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:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Operating Activities					
(Surplus) Deficit	(2.9)	(3.4)	(0.6)	(0.6)	(1.3)
Less items not requiring use of funds:					
Amortization	0.1	--	0.1	0.1	--
Provision for employee termination benefits	0.3	0.5	0.3	0.3	0.4
Sub-total	(3.3)	(3.9)	(1.0)	(1.0)	(1.7)
Working capital change	(0.2)	0.7	(0.2)	(0.2)	0.1
Net financial resources (provided) used in operating activities	(3.5)	(3.1)	(1.2)	(1.2)	(1.6)
Investing Activities					
Capital assets:					
Net Acquisitions	--	--	0.1	0.1	0.2
Net financial resources (provided by) used in investing activities	--	--	0.1	0.1	0.2
Authority (provided) used during the year	(3.5)	(3.1)	(1.1)	(1.1)	(1.4)
Reimbursement of employee termination benefits	(0.2)	(0.2)	--	(0.3)	(0.3)
Net authority (provided by) used at the start of year	7.7	4.0	2.0	2.0	0.7
Net authority (provided by) used at the end of year	4.0	0.7	0.9	0.6	(1.0)
Authority Limit	25.1	25.1	25.1	25.1	25.1
Reduction in authority limit ^(Note 1)	--	--	--	(5.1)	(5.1)
Revised authority limit	25.1	25.1	25.1	20.0	20.0
Unused authority carried forward	21.1	24.4	24.2	19.4	21.0

Totals may not add up due to rounding.

Note (1): Effective March 31, 2002, the authority limit was reduced from \$25.1M to \$20M.

Financial Table 15: Translation Bureau Revolving Fund

Statement of Operations

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Revenue	144.5	157.2	158.9	158.9	169.3
Expenses	140.2	152.1	160.4	160.4	170.8
Surplus (Deficit)	4.3	5.1	(1.5)	(1.5)	(1.5)

This table refers to the Fund's operating profit and loss, not cash requirements for the 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:

Statement of Changes in Financial Position and Projected Use of Revolving Fund Authorities

(in millions of dollars)

	Actual 1999-00	Actual 2000-01	2001-02		
			Planned Spending	Total Authorities	Actual
Operating Activities					
(Surplus) Deficit	(4.3)	(5.1)	1.5	1.5	1.5
Less items not requiring use of funds:					
Amortization of capital assets	0.1	0.1	0.2	0.2	0.2
Provision for employee termination benefits	2.0	1.8	1.5	1.5	1.9
Sub-total	(6.4)	(6.9)	(0.2)	(0.2)	(0.6)
Working capital change	(0.9)	(0.8)	(0.1)	(0.1)	(0.3)
Net financial resources (provided) used in operating activities	(7.3)	(7.7)	(0.3)	(0.3)	(0.9)
Investing Activities					
Capital assets:					
Net Acquisitions	0.1	0.3	0.3	0.3	3.6
Net financial resources (provided by) used in investing activities	0.1	0.3	0.3	0.3	3.6
Authority (provided) used during the year	(7.2)	(7.4)	0.0	0.0	2.7
Authority to increase drawdown ^(Note 1)	--	--	--	2.8	--
Reimbursement of employee termination benefits	(0.3)	(0.4)	--	(0.5)	(0.5)
Net authority (provided by) used at the start of year	(3.5)	(11.0)	(17.5)	(17.5)	(18.8)
Net authority (provided by) used at the end of year	(11.0)	(18.8)	(17.5)	(15.2)	(16.6)
Authority Limit	75.0	75.0	75.0	75.0	75.0
Reduction in authority limit ^(Note 2)	--	--	--	(65.0)	(65.0)
Revised authority limit	75.0	75.0	75.0	10.0	10.0
Unused authority carried forward	86.0	93.8	92.5	25.2	26.6

Totals may not add up due to rounding.

Notes:

- (1) Treasury Board approved an increase in the annual drawdown of \$2.8M for fiscal year 2001-02.
- (2) Effective March 31, 2002, the authority limit was reduced from \$75M to \$10M.

Financial Table 16: 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 17: Contingent Liabilities

(in millions of dollars)

	As of March 31		
	2000	2001	2002
Total Claims Outstanding	241.0	265.2	359.2

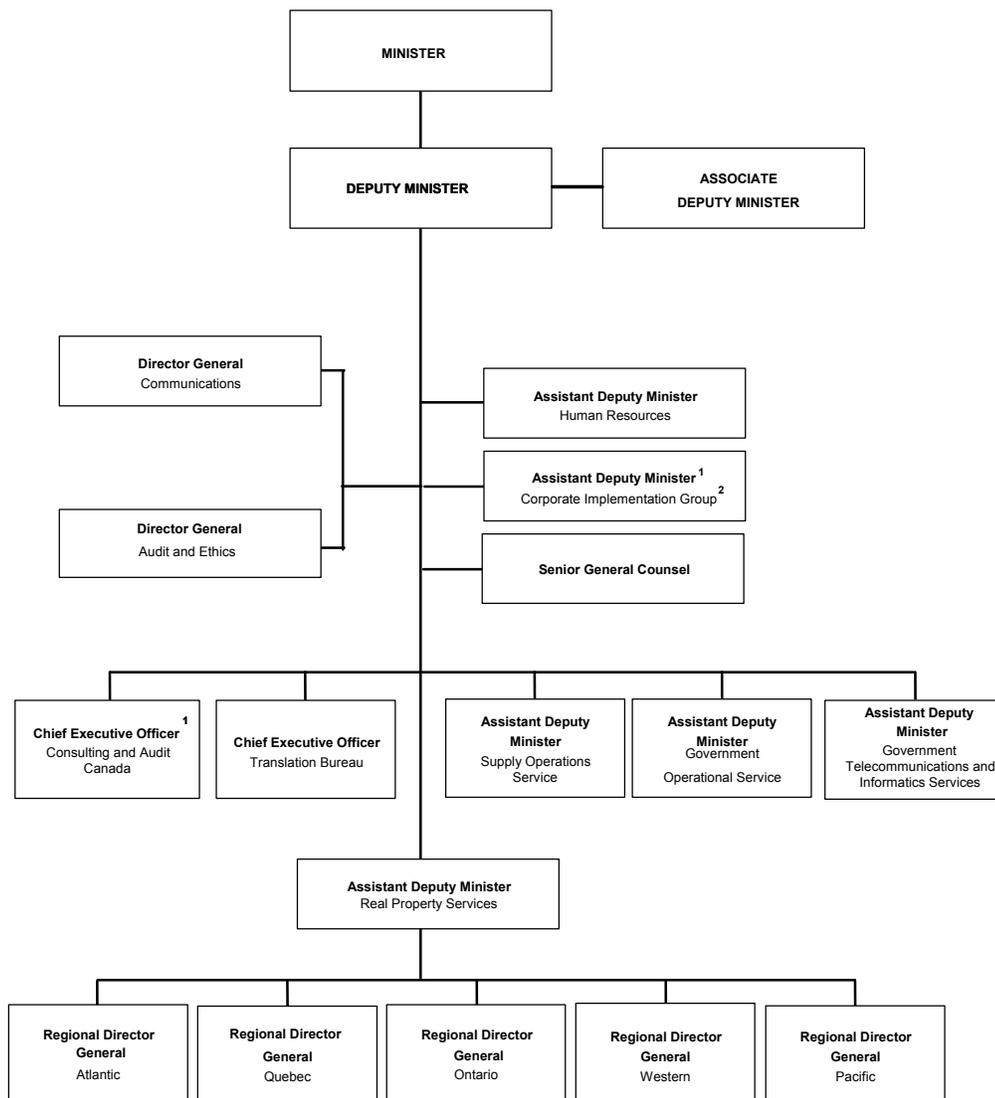
Notes:

- (1) These contingent amounts arise from approximately 100 cases of pending litigation related to contract disputes, damages to property or personal injuries.
- (2) While these cases are in 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 only.



Annex C — Other Information

PWGSC Organization Chart



¹ Incumbent occupies both positions.

² The Corporate Implementation Group was transferred to the Office of Infrastructure and Crown Corporations of Canada on February 20, 2002.



Legislation Administered and Associated Regulations

PWGSC administers all, or portions of, the following federal statutes:

Anti-Personnel Mines Convention Implementation Act

Bridges Act

Canadian Arsenals Limited Divestiture Authorization Act

Defence Production Act

Dry Docks Subsidies Act

Expropriation Act

Federal District Commission Act

Garnishment, Attachment and Pension Diversion Act

Government Property Traffic Act

Kingsmere Park Act

Payment-in-Lieu of Taxes Act

Ottawa River Act

Pension Benefits Division Act

Public Works and Government Services Act

Publication of Statutes Act

Seized Property Management Act

Surplus Crown Assets Act

Translation Bureau Act



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