



ESTIMATES

Canadian International Trade Tribunal

**2000-2001
Estimates**

Part III – Report on Plans and Priorities

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, which are tabled in the House of Commons by the President of the Treasury Board, consist of three parts:

Part I – The Government Expenditure Plan provides an overview of federal spending and summarizes both the relationship of the key elements of the Main Estimates to the Expenditure Plan (as set out in the Budget).

Part II – The Main Estimates directly support the *Appropriation Act*. The Main Estimates identify the spending authorities (votes) and amounts to be included in subsequent appropriation bills. Parliament will be asked to approve these votes to enable the government to proceed with its spending plans. Parts I and II of the Estimates are tabled concurrently on or before 1 March.

Part III – Departmental Expenditure Plans which is divided into two components:

- (1) **Reports on Plans and Priorities (RPPs)** are individual expenditure plans for each department and agency (excluding Crown corporations). These reports provide increased levels of detail on a business line basis and contain information on objectives, initiatives and planned results, including links to related resource requirements over a three-year period. The RPPs also provide details on human resource requirements, major capital projects, grants and contributions, and net program costs. They are tabled in Parliament by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*. These documents are to be tabled on or before 31 March and referred to committees, which then report back to the House of Commons pursuant to Standing Order 81(4).
- (2) **Departmental Performance Reports (DPRs)** are individual department and agency accounts of accomplishments achieved against planned performance expectations as set out in respective RPPs. These Performance Reports, which cover the most recently completed fiscal year, are tabled in Parliament in the fall by the President of the Treasury Board on behalf of the ministers who preside over the departments and agencies identified in Schedules I, I.1 and II of the *Financial Administration Act*.

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 public funds.

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Approved

Minister of Finance

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Section I: Chair's Message

I am pleased to present the Report on Plans and Priorities (RPP) of the Canadian International Trade Tribunal (the Tribunal) for fiscal year 2000-2001.

The Tribunal is a key player within Canada's trade remedies system as a result of its jurisdiction under the *North American Free Trade Agreement* (NAFTA), the *Agreement on Internal Trade* (AIT), the World Trade Organization (WTO) agreements, the *Canada-Israel Free Trade Agreement*, the *Canada-Chile Free Trade Agreement* and various other statutes.

The Tribunal has now completed the review of its procedures and internal processes in order to accommodate the imminent proclamation of the legislative amendments to the *Special Import Measures Act* (SIMA) that will confer additional responsibilities on the Tribunal. The Tribunal has also completed the review of the *Canadian International Trade Tribunal Rules*, and their implementation will coincide with the proclamation of the legislative amendments to SIMA.

Due to its diversified mandate, one of the Tribunal's continuing challenges is to efficiently manage a constantly increasing workload in order to meet the statutory deadlines without compromising the quality of its findings, determinations and recommendations. Recognizing the commitment of members and staff to the Tribunal's mandate, I am confident that the Tribunal will successfully respond to these challenges.

Pierre Gosselin
Chair

Section II: Departmental Overview

A. Mandate, Roles and Responsibilities

The Tribunal derives its authority from the *Canadian International Trade Tribunal Act* (the CITT Act), which received Royal Assent on September 13, 1988.

The Tribunal's mandate is to:

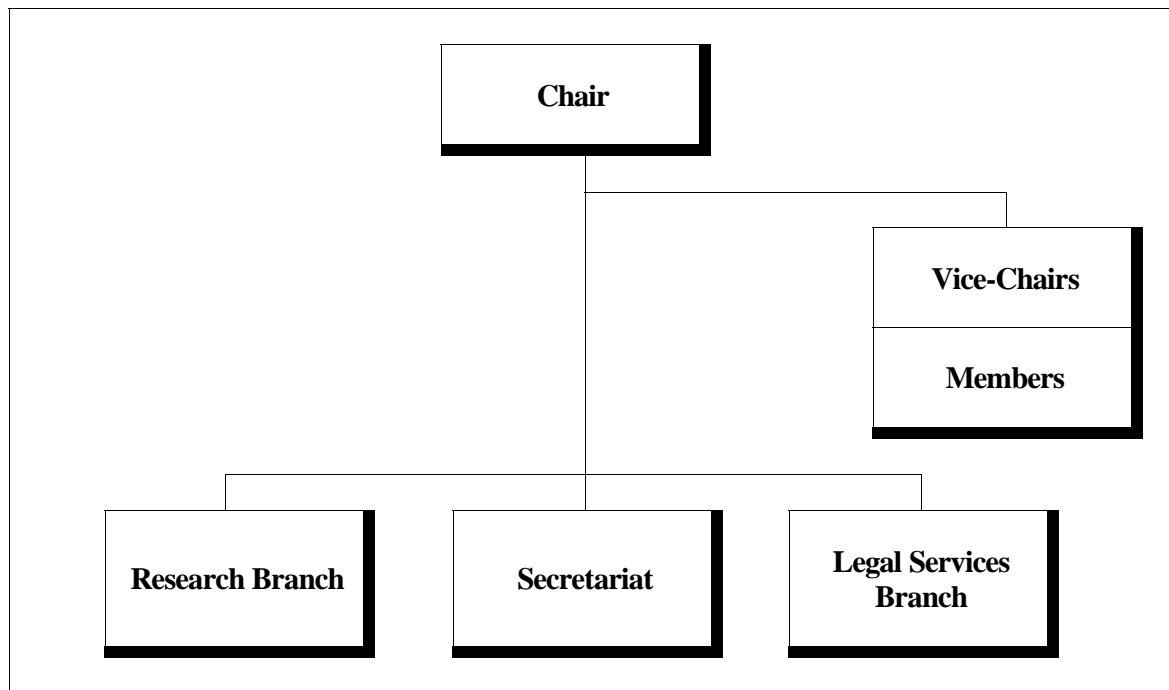
- conduct inquiries into whether dumped or subsidized imports have caused material injury or retardation or are threatening to cause material injury to a domestic industry;
- hear appeals of decisions of the Canada Customs and Revenue Agency (formerly the Department of National Revenue) made under the *Customs Act*, the *Excise Tax Act* and SIMA;
- conduct inquiries into complaints by potential suppliers concerning procurement by the federal government that is covered by NAFTA, the AIT and the *WTO Agreement on Government Procurement*;
- conduct investigations into requests from Canadian producers for tariff relief on imported textile inputs that they use in their production operations;
- conduct inquiries and provide advice on such economic, trade and tariff issues as are referred to the Tribunal by the Governor in Council or the Minister of Finance; and
- conduct safeguard inquiries into complaints by domestic producers that increased imports are causing, or threatening to cause, serious injury to domestic producers.

The Tribunal is a key player within Canada's trade remedies system. In its quasi-judicial role, the Tribunal protects Canadian producers from two important forms of unfair competition originating in foreign countries: injurious dumping and subsidizing. The Tribunal also acts as a court of easy access for appeals from decisions of the Canada Customs and Revenue Agency on customs and excise matters and for complaints regarding designated government procurement.

In its advisory role, the Tribunal assists the government through its fact-finding inquiries and public hearings, in the resolution of complex economic and trade issues. The Tribunal is guided in these matters by the mandate it receives from the Governor in Council. Through its textile reference, the Tribunal assists the government in determining the levels of tariffs that will ensure that economic gains for Canada are maximised in an industry that faces changing market demands.

With the emergence of a freer and more open trading system, Canada must increasingly rely on a fair and efficient trade remedies system. Through its various jurisdictions, the Tribunal contributes to the maintenance of a healthy Canadian economy and to fair trading relations with Canada's trading partners.

Organization Structure



B. Departmental / Program Objective

In an economically and legally sound manner, to conduct investigations and inquiries and to make findings and, as directed, recommendations on matters affecting Canada's commerce and international trade, and to decide on taxpayers' appeals from government customs and excise tax assessments and determinations.

C. External Factors Influencing the Department

The economic climate is a key external factor affecting the work of the Tribunal. It is a responsive institution reacting entirely to external demand. It may not refuse any reference from the Governor in Council or the Minister of Finance or turn away any individual, organization or firm that meets the minimum conditions for access. Downturns in the domestic and global economies usually lead to a deterioration of markets and to increased competition for the remaining businesses. At such times, domestic producers become increasingly sensitive to competition from imports and increasingly likely to seek protection against unfair trade practices. This generally leads to a larger number of inquiries in response to dumping and subsidizing complaints. The Canadian industry is also sensitive to trade petitions and actions brought in the United States where there is a risk of trade diversion from the United States to Canada. Moreover, as Canadian trade liberalizes and U.S. tariffs decrease, the Tribunal's procedures become increasingly important to Canadian businesses as one of the only remaining bulwarks against unfair trade.

The CITT Act contains broad provisions under which the government or the Minister of Finance may ask the Tribunal to conduct an inquiry on any economic, trade, tariff or commercial matter. In an inquiry, the Tribunal acts in an advisory capacity, with powers to conduct research, receive

submissions and representations, find facts, hold public hearings and report, with recommendations as required, to the government or the Minister of Finance. As stated earlier, the Tribunal is a responsive institution reacting entirely to external demand. When seized with a reference from the government or the Minister of Finance, the Tribunal must adjust its activities and resources accordingly in order to be in a position to lay out its inquiry within the prescribed time frame.

The legislative agenda of government influences the Tribunal's business line. The imminent proclamation of legislative amendments to SIMA and the CITT Act will affect the Tribunal's business line. Amendments to SIMA will confer additional responsibilities on the Tribunal in the areas of the preliminary determination of injury, the carrying out of interim reviews and expiry reviews of the Tribunal's findings and the question of public interest. The Tribunal's business line is, therefore, being influenced by external factors. The challenge for the Tribunal is to successfully adjust its procedures and processes so that it can fulfil, in a fully satisfactory manner, additional responsibility conferred on it by the government.

Canadian trade policies also have an impact on the Tribunal's business line. As a result of the *Canada-Israel Free Trade Agreement* and the *Canada-Chile Free Trade Agreement*, the CITT Act had to be amended in the area of safeguards.

Greater awareness by potential suppliers of the Tribunal's jurisdiction relating to bid challenges under NAFTA and the AIT explains, in part, the steady increase, year after year, in the number of complaints filed with the Tribunal. Here again, the Tribunal does not control the influx of complaints, but it must find ways of meeting statutory deadlines with a fixed number of full-time equivalents.

D. Departmental Planned Spending**Table 2.1: Departmental Planned Spending**

(\$ thousands)	Forecast Spending 1999-2000	Planned Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003
Budgetary Main Estimates (gross)	8,486	8,607	8,607	8,607
Less: Respendable revenue	-	-	-	-
Total Main Estimates	8,486	8,607	8,607	8,607
Adjustments **	327	-	-	-
Net Planned Spending	8,813*	8,607	8,607	8,607
Less : Non-respendable revenue	-	-	-	-
Plus : cost of services received without charge	1,944	1,944	1,944	1,944
Net cost of program	10,757	10,551	10,551	10,551
Full-time equivalents	86	94	94	94

* Reflects the best forecast of total net planned spending to the end of the fiscal year.

** Adjustments are to accommodate approvals obtained since the Annual Reference Level Update (ARLU) exercise and to include Budget initiatives.

Section III: Plans, Results and Resources

CANADIAN INTERNATIONAL TRADE TRIBUNAL

A. Net Planned Spending and Full-Time Equivalents (FTE)

Table 3.1: Net Planned Spending (\$ thousands) and Full-Time Equivalents (FTE)

Forecast Spending 1999-2000	Planned Spending 2000-2001	Planned Spending 2001-2002	Planned Spending 2002-2003
8,813	8,607	8,607	8,607
86	94	94	94

B. Business Line Objective

The objective of the Tribunal's business line is to provide a fair and efficient trade remedies system to the Canadian public, the private business sector and commercial interests, and to offer the government, through the Tribunal's fact-finding inquiries and standing reference, the best advice available so that it can formulate strategies aimed at making Canadian producers more competitive in the global trade environment.

C. Business Line Description

Canadian International Trade Tribunal

The conduct of research and investigations, the receipt of evidence and the holding of public hearings so as to make adjudications, findings, determinations or recommendations in response to:

- inquiries under SIMA into whether or not the dumping or subsidizing found by the Canada Customs and Revenue Agency (formerly the Department of National Revenue) causes material injury to a domestic industry;
- investigations under the CITT Act of complaints, by Canadian producers of goods, of serious injury caused by imports;
- appeals from decisions made by the Minister or Commissioner, Canada Customs and Revenue Agency (formerly the Deputy Minister of National Revenue) under the *Customs Act*, the *Excise Tax Act* and SIMA, including new appeals under the *Customs Act* as a result of the Tribunal's new jurisdiction under the *North American Free Trade Agreement Implementation Act*;
- requests from domestic producers for tariff relief on imported textile inputs for production;
- complaints from potential suppliers concerning any aspect of the procurement process under NAFTA, the AIT and the *WTO Agreement on Government Procurement*;

- references under the CITT Act by the Governor in Council on any economic, trade or commercial matters, including injury to Canadian producers of goods and services, or by the Minister of Finance on any tariff-related matter; and
- issues under other acts of Parliament or related regulations including public interest considerations, reviews and requests for importer rulings under SIMA.

D. Key Results Commitments, Planned Results, Related Activities and Resources

Recognizing that the Tribunal's entire workload is externally generated and the quasi-judicial nature of its operations, the Tribunal is not in a position to identify planned results and related activities and resources, as is the case for a regular department.

However, the Tribunal has established the following key results commitments against which its performance can be assessed:

- Tribunal's decisions that are viewed as fair and impartial by domestic and international stakeholders;
- Tribunal decisions that are timely and efficient;
- Tribunal recommendations that are implemented by the government;
- Publication of the Tribunal's decisions in a timely way; and
- Enhanced and continually improving levels of service to the public through the continuous review of its procedures and processes and through the use of the latest available information technology tools.

Section IV: Financial Information

Table 4.1: Net Cost of Program for the Estimates Year

(\$ thousands)	Total
Net planned spending	8,607
<i>Plus services received without charge:</i>	
Accommodation provided by the Department of Public Works and Government Services	1,608
Contributions covering employer's share of employees' insurance premiums and expenditures paid by Treasury Board Secretariat	336
2000-2001 net cost of program	10,551

Section V: Other Information

List of Statutes and Regulations

<i>Canadian International Trade Tribunal Act</i>	R.S.C. 1985 (4th Supp.), c. 47
<i>Customs Act</i>	R.S.C. 1985 (2d Supp.), c. 1
<i>Excise Tax Act</i>	R.S.C. 1985, c. E-15
<i>Special Import Measures Act</i>	R.S.C. 1985, c. S-15
<i>Softwood Lumber Products Export Charge Act</i>	R.S.C. 1985 (3d Supp.), c. 12
<i>Energy Administration Act</i>	R.S.C. 1985, c. E-6
<i>Canadian International Trade Tribunal Regulations</i>	SOR/89-35
<i>Canadian International Trade Tribunal Rules</i>	SOR/91-499
<i>Canadian International Trade Tribunal Procurement Inquiry Regulations</i>	SOR/93-602

In addition, the following agreements impact the work of the Tribunal:

Agreement on Internal Trade
Canada-Israel Free Trade Agreement
Canada-Chile Free Trade Agreement
North American Free Trade Agreement
 World Trade Organization Agreements

References

1. Tribunal's Web site

- www.citt.gc.ca

2. Publications

Annual Reports

- 1989-90 to 1998-99

Annual Status Reports

- Textile Reference: Annual Status Report - October 1, 1994, to September 30, 1995
- Textile Reference: Annual Status Report - October 1, 1995, to September 30, 1996
- Textile Reference: Annual Status Report - October 1, 1996, to September 30, 1997
- Textile Reference: Annual Status Report - October 1, 1997, to September 30, 1998

Bulletins

Guides

- *Procurement Cost Guidelines*
- *Procurement Review Process - A Descriptive Guide*
- *Textile Reference Guide*

Pamphlets

- *Introductory Guide on the Canadian International Trade Tribunal*
- *Information on Appeals from Customs, Excise and SIMA Decisions*
- *Information on Dumping and Subsidizing Inquiries and Reviews*
- *Information on Economic, Trade and Tariff Matters*
- *Information on Import Safeguard Inquiries and Measures*
- *Information on Procurement Review*
- *Information on Textile Tariff Investigations*

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