



ESTIMATES

Canadian Grain Commission

**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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Available in Canada through your local bookseller or by mail from Canadian Government Publishing (PWGSC) Ottawa, Canada K1A 0S9

Telephone: 1-800-635-7943
Internet site: <http://publications.pwgsc.gc.ca>

Catalogue No. BT31-2/2001-III-110

ISBN 0-660-61227-5

**Canadian Grain Commission
Report on Plans and Priorities**

March 3, 2000

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Section I: Messages

Minister's Message

Welcome to the Canadian Grain Commission's *Report on Plans and Priorities*. It is, in my view, the most important document that the Canadian Grain Commission (CGC) produces, because it addresses the key issue that lies at the core of its operation: how can the CGC discharge its responsibilities to protect grain producers' interests and to ensure a consistent supply of quality grain to Canada's foreign and domestic grain customers?

The Report sets out in considerable detail how the CCG intends to use the resources it collects through cost recovery fees as well as those resources entrusted to it by Canadian taxpayers. The CGC has laid out clear targets and provided a set of performance indicators that give Canadians the information they need to assess the CGC's progress in meeting its goals.

The grain industry is a dynamic one. There are significant challenges facing the quality assurance system for Canadian grains. This Report outlines the major challenges and indicates how they will be addressed.

Today, Canada is known around the world for the quality, reliability, and safety of its grain exports. This is a key factor in permitting Canadian exporters to compete effectively in very competitive international grain markets. This competitive advantage must be nurtured to ensure that Canadian grain producers can realize the maximum value for their products.

Of course, no matter how carefully we plan, challenges will continue to confront not only Canadians but every nation. Many Canadian farmers are still facing an income crisis. Risk management is, and will continue to be, a consuming preoccupation of provincial and federal governments alike. This Report highlights how we will contribute to building a firm foundation for our industry here at home.

The Honorable Lyle Vanclief
Minister of Agriculture and Agri-Food Canada

Chief Commissioner's Message

I am pleased to present the Canadian Grain Commission's first Report on Plans and Priorities (RPP) for the fiscal year 2000/01.¹

The Canadian Grain Commission is the pivotal federal agency in Canada's system for delivering grain which is recognized internationally for its reliability, consistency, safety and quality. Our unique grain quality assurance system is operated in partnership with the entire grain industry including plant breeders, producers, the grain handling and marketing companies, as well as in cooperation with other government agencies. Together these individuals, companies and agencies have enabled Canada to maintain market share in increasingly competitive global grain markets. With a growing international emphasis on consistent quality and grain safety, Canada must sustain and increase its emphasis on quality as its grain marketing cornerstone.

The Canadian grain industry operates in a climate of constant change. This report outlines how the CGC plans to work with its partners to maintain and improve the quality assurance system in light of these changes.

Barry Senft
Chief Commissioner

¹ Prior to being scheduled under the *Financial Administration Act* in 1999, the CGC reported to Parliament under the Main Estimates documents submitted by Agriculture and Agri-Food Canada (AAFC). This change has formalized our long-standing reporting and accountability arrangements. The CGC has always functioned as a separate administrative entity from AAFC and the chief commissioner has and will continue to report directly to the minister.

Section II: Agency Overview

A. Mandate, Role and Responsibilities

Mandate

The Canadian Grain Commission (CGC) derives its authority from the *Canada Grain Act* (1912) most recently revised in 1998. The CGC's mandate as set out in this Act is to, in the interests of producers, establish and maintain standards of quality for Canadian grain and regulate grain handling in Canada, to ensure a dependable commodity for domestic and export markets. The CGC works closely with the industry in Canada to develop and implement CGC policies that meet the needs of the industry in marketing Canadian grains. The CGC assures end-use quality, thus enhancing the marketability of Canadian grain.

Mission

To be a leader in providing grain quality management and quantity assurance, dedicated to excellent and responsive service supporting producers, all sectors of the grain industry and their customers.

Vision

Excellence in grain quality assurance.

Responsibilities

The Honourable Lyle Vanclief, Minister of Agriculture and Agri-Food Canada is the minister responsible for the CGC.

The CGC is headed by a chief commissioner, an assistant chief commissioner and a commissioner who are all appointed by the Governor in Council. The chief commissioner reports to the Minister.

The chief operating officer reports to the chief commissioner and is responsible for the CGC's business line: a grain quality assurance system that enhances grain marketing in the interest of producers.

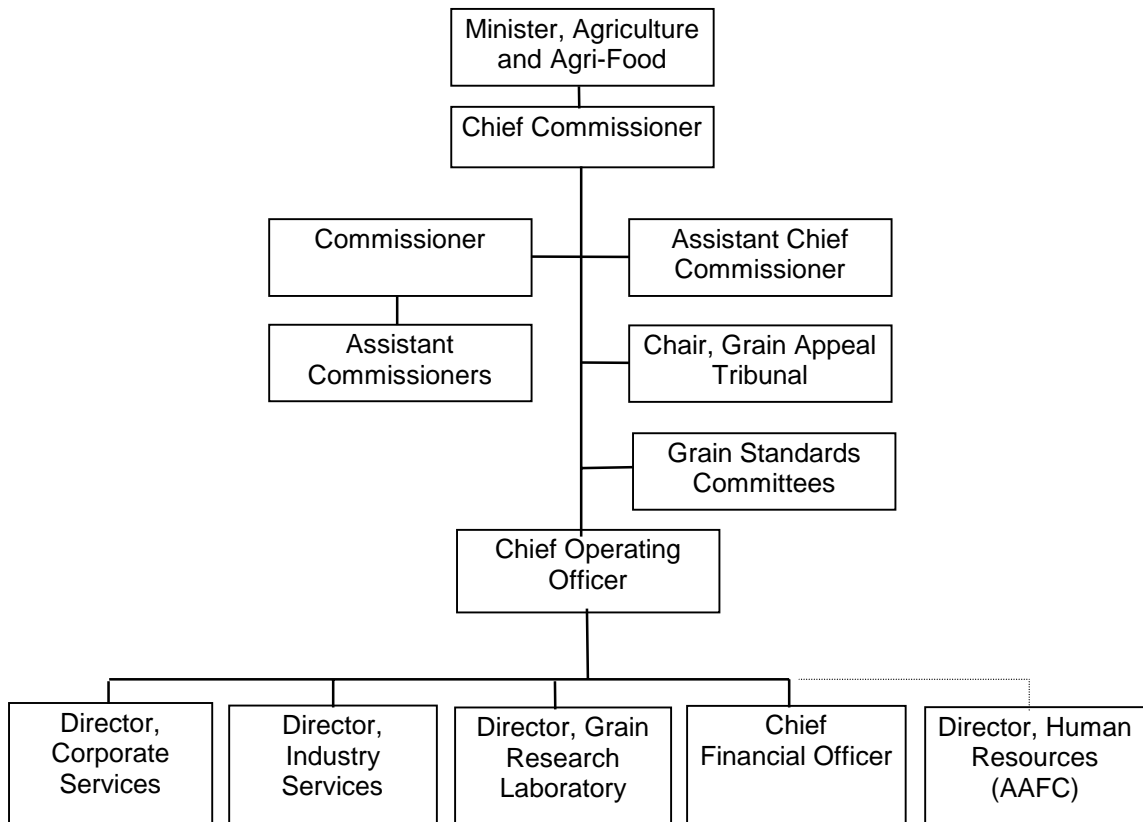
The chief operating officer co-ordinates the activities of the CGC's operating divisions: Industry Services, Corporate Services and the Grain Research Laboratory. The Director of Human Resources works in Agriculture and Agri-Food Canada (AAFC), but has a functional reporting relationship with the Chief Operating Officer. The Chief Financial Officer also reports to the Chief Operating Officer.

In addition, there are up to six assistant commissioners for the main grain producing areas of Canada, also appointed by the Governor in Council. The assistant commissioners are responsible for dealing with producer and grain industry complaints and inquiries, and for publicizing the activities of the CGC at the farm level.

The Western and Eastern Grain Standards Committees, made up of producer and industry representatives as well as the CGC’s technical experts, are responsible for reviewing and recommending grade standards.

The Grain Appeal Tribunal receives appeals from primary, terminal and transfer elevator operators and producer car shippers who disagree with grades assigned by CGC inspectors. The chair of the tribunal acts on behalf of the CGC, but acts independently of the CGC’s inspection staff. Other members of the tribunal are selected from the grain industry.

Canadian Grain Commission Organizational Structure



Agency Description

Headquartered in Winnipeg, the CGC has 715 full-time employees working in 21 offices throughout the country. The CGC implemented a revolving fund in 1995 and was added to Schedule I.1 of the *Financial Administration Act* in 1999, formalizing its arm's length relationship with AAFC and giving it a separate Vote in the Estimates.

Partnerships

The CGC works closely with producers, other members of the Canadian grain industry, and other government departments and agencies to deliver its programs and services, and fulfill its mandate. In addition to their representation on the Grain Standards Committees and the Grain Appeal Tribunal as described above, producers and the industry are consulted before the CGC makes major program, policy or regulatory change.

Key Partners

Areas of Cooperation

Industry Partners

- Producers
 - Grain Companies
 - Processors
 - Canadian Wheat Board
 - Universities
 - Laboratories
 - Plant Breeders
 - Canadian International Grains Institute
- setting of grain quality standards
 - operation of the grain quality assurance system
 - development and implementation of policies and regulations
 - sharing of market information
 - market development and support
 - research and technology transfer

Portfolio Departments and Agencies

- Agriculture and Agri-Food Canada
 - Canadian Food Inspection Agency
 - Canadian Dairy Commission
 - Farm Credit Corporation
 - National Farm Products Council
- sharing of knowledge
 - research
 - strategic planning
 - meeting international tolerances for toxic contaminants in grain
 - shared quality assurance program delivery

Other Government Departments

- Department of Foreign Affairs and International Trade
 - Statistics Canada
 - Canadian International Development Agency
 - Industry Canada
 - Health Canada
 - Canada Customs
 - National Research Council
 - Provincial Departments of Agriculture
- sharing of knowledge
 - facilitating international trade
 - publication of grain statistics
 - market development and support
 - inspection and certification of terminal and transfer elevator scales

Foreign

- U.S. Department of Agriculture (Grain Inspection, Packers and Stockyards Administration)
- Food Science Australia
- Bread Research Institute, Australia
- Japanese Food Agency
- shared quality assurance program delivery
- facilitating international trade
- research
- technology

B. Agency/Program Objective

A grain quality assurance system that enhances grain marketing in the interest of producers.

C. External Factors Influencing the Agency

The Canadian grain industry operates in a climate of constant change. Our quality assurance system must be able to adapt to change while continuing to provide buyers with grains, oilseeds and pulses of consistent and uniform quality. The changes expected to have the most significant impact on the how the CGC fulfills its mandate during the planning period are:

1. Pressures on Canada's visual grading system.

Canada's reputation as a supplier of grain of consistent quality is the product of an integrated grain handling system and marketing chain that stretches from the plant breeder through to the quality assurance the CGC provides to buyers. A cornerstone of this unique Canadian system is a visually based method of identifying the end-use quality of classes of grains, oilseeds and pulses.

Wheat is particularly dependant on a visual method. Wheat varieties meeting the quality requirements of one of the seven classes of wheat must have kernels that are visually identifiable from varieties of other wheat classes in order to be registered for production in western Canada. Wheat varieties that do not meet the quality requirements of any class of wheat must be visually distinguishable from all seven in order to be registered. This 'kernel visual distinguishability' (KVD) allows grain inspectors and the grain handling industry to quickly and cheaply segregate wheat into its classes based on what it looks like.

Each of the seven classes of wheat have specific end-use quality characteristics. This means there is a direct link between what western Canadian wheat looks like, and how it will perform in its end use. For example, wheat varieties in the Canada Western Red Spring (CWRS) class are developed to be used in bread and noodle products, while Canada Western Soft White Spring (SWS) wheat varieties are best suited for cookies, cakes and pastries.

Buyers of Canadian wheat know how it will perform in its intended end use simply by knowing its class and grade. In this way, KVD functions in the place of testing for milling and baking performance necessary in other wheat grading systems. Our segregation method allows for the low cost, efficient movement of bulk grain through a constrained handling system.

Despite its advantages, there are pressures to move away from wheat segregation based on KVD. These pressures come from a number of sources:

- Plant breeders would prefer a segregation system that would allow for greater flexibility in breeding. The kernel type requirements of KVD restricts the ability of plant breeders to improve agronomic and quality characteristics in new varieties.
- New varieties are being developed with end-use quality characteristics that are different than the existing classes. One solution would be to establish additional classes, but it is difficult to create different kernel types.
- Non-registered, non-visually distinguishable wheat varieties are sometimes grown in Canada when these varieties are perceived to have agronomic advantages such as higher yield. If these varieties are produced in sufficient quantities and have end-use quality characteristics that are very different from the classes they resemble, they have the potential to compromise the effectiveness of the entire quality assurance system.

As these pressures on Canada's visual grading system mount, it will become increasingly important to find an alternative method to segregate grains, oilseeds and pulses into lots of like quality to meet the needs of diverse buyers. Until an affordable and rapid alternative to replace KVD is developed, we must maintain it as the primary method to segregate wheat.

2. The development of genetically enhanced (GE) grains and oilseeds.

Since 1988, there have been over 4,000 field trials of GE plants in Canada. Canada must address the marketing challenges presented by the development of GE grains and oilseeds. With increasing consumer concerns about the relative safety of GE grains and oilseeds, some countries are establishing GE labeling requirements. This means that the ability to segregate GE and non-GE varieties could become critical to maintaining Canada's international market share. Since GE varieties are not visually distinguishable from non-GE varieties, this adds to the pressures on the visual grading system and intensifies the need to find an alternative method of segregation.

3. Structural changes in the Canadian grain industry.

The structure of the Canadian grain industry is changing in a number of ways that impact the way that the CGC oversees the quality assurance system and is funded. One of the most significant structural changes was the 1995 repeal of the *Western Grain Transportation Act* which increased the grain industry's rail shipping costs to Canadian ports. This has made offshore exports less competitive and encouraged greater use of western Canadian grains within North America. As a result, average grain receipts at port terminals have dropped by about 20% since the early 1990s.

This has had serious financial implications for the CGC as most of its revenues come from fees charged for the inspection and weighing of grain as it is loaded into vessels for export. These fees not only cover the costs of these direct services, but also fund other services that support the quality assurance system such as grade standard setting, research into end-use quality, entomology services, and cargo monitoring.

Another structural change in the industry is the continuing decline in the number of smaller primary elevators and the concomitant increase in size of the new high throughput large scale elevators. Since the early 1960s, the number of primary elevators in western Canada has dropped from over 5,000 to just under 1,000. Over the same period, average storage capacity has gone from about 2,000 tonnes to 6,500 tonnes, with some facilities capable of storing 50,000 tonnes. These changes have a number of implications for the CGC including: a drop in licensing revenue; a need to change our licensing policies; a changing pattern of demand for CGC services (e.g. increasing demand for farm-gate quality evaluation); and a potential reduction in the uniformity of grain shipments.

Several large multinational corporations have entered the Canadian grain industry in recent years. The entry of these companies coupled with the increase in domestic processing and prairie livestock production, mean that grain companies are competing more aggressively for farmers' grain. From a producer's perspective, this is a positive development because it means that the handling fees they pay may decrease and that companies are providing improved and new services. The challenge for the CGC will be to ensure that the regulatory framework is adapted to these industry changes.

4. Increased consumer concerns about food safety.

Foreign buyers of Canadian grain demand testing to assure themselves that Canadian grain shipments are safe. This demand for special analyses of chemical residues on cargoes increases the importance of research aimed at developing new, or adapting existing analytical methods that can provide the necessary precision and accuracy to meet strict international tolerances.

D. Agency Planned Spending

(\$ thousands)	Forecast Spending 1999-2000	Planned Spending 2000-01	Planned Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04
Budgetary Main Estimates	46,000	77,328	61,647	63,659	63,659
Less: Respendable revenue	39,720	57,300	40,567	40,579	40,579
Total Main Estimates	6,280	20,028	21,080	23,080	23,080
Adjustments to Respendable Revenue		(12,321)			
Adjustments to Planned Spending		(12,321)			
Additional Appropriation and Loan	20,325				
Total Agency Funding	26,605	20,028	21,080	23,080	23,080
Less: Non-respendable revenue	0	0	0	0	0
Plus: Cost of services received without charge	0	2,300	0	0	
Total Planned Spending	26,605	22,328	21,080	23,080	23,080
Full Time Equivalents	690	715	715	715	715

Section III: Plans, Results and Resources

A. Business Line Objective

The CGC has one business line and primary objective: *a grain quality assurance system that enhances grain marketing in the interest of producers.*

B. Business Line Description

The CGC's programs and functions aim to:

- result in shipments of grain that consistently meet contract specifications for quality and quantity, are safe, and meet tolerances for toxic contaminants, to enhance grain marketing
- provide a better understanding of the grain qualities required by end users, and how these qualities can be measured, to adapt to new technologies and changing markets
- maintain grain quality as it moves through the marketing channels, ensure fair treatment of grain producers, and ensure the integrity of grain transactions
- meet the needs of producers and other members of the grain industry in the most efficient and effective manner possible.

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

CHART OF KEY RESULTS

To provide Canadians with:	As demonstrated by:
A grain quality assurance system that enhances grain marketing in the interest of producers.	<ul style="list-style-type: none">• a grading and inspection system that addresses the changing needs of grain markets• fair, open grain transactions• the protection of producers' rights.

Key Results Commitment 1: A grading and inspection system that addresses the changing needs of grain markets.

Resources: \$42,724,000

The pressure to register new cereal grain varieties which lack KVD, the production of unregistered, non-visually distinguishable wheat varieties in Canada, the development of GE grains and oilseeds, and other pressures on the visual grading system are the most crucial issues that the CGC must respond to during the planning period. It is also important that the grading system and services are adapted to the end use needs of Canadian grain buyers and the structural changes within the grain industry. While the CGC adapts to these and other changes, it must maintain KVD until it can be replaced with some other method to segregate grain.

To measure its success in meeting these challenges, the CGC will track buyers' satisfaction with the consistency of Canadian grain quality through the regular feedback its scientists and technical experts receive from buyers when on overseas missions, tracking cargo complaints, and its cargo monitoring program.

Planned Result: *A quality assurance system adapted to deal with non-visually distinguishable varieties and the need to segregate GE grains and oilseeds.*

Related Activities	Timeframe
Develop plans, in consultation with plant breeders, producers, and the grain handling industry, to make the quality assurance system less dependent on visual grading.	Began in 1999/2000; ongoing throughout the next 3 years as required.
Present guidelines for an identity preserved (IP) system to industry for consultation. These guidelines will advise industry how to preserve the identity of specific lots of grain from farm to market in order to satisfy specific customer demands.	by June 2000
Develop testing process for monitoring cargoes to ensure that the identity of grains shipped under IP systems are preserved, and that non-visually distinguishable varieties have not contaminated bulk shipments.	Starting June 2000, with process in place by August 2001.
Develop and recommend an affidavit system in partnership with industry. The affidavit system will play a key role in identifying non-visually distinguishable varieties and GE or non-GE varieties to be kept identity preserved.	Starting April 2000, with system ready to be implemented by August 2001.
Support industry implementation of IP and affidavit systems.	to be determined in consultation with industry

Continue collaborative and jointly funded research to develop methods for rapid instrumental objective testing. Once developed these methods will be transferred to industry where they can support and improve the overall efficiency of IP systems, grain grading, handling and segregation according to end use.	Ongoing; initial results expected within 1-3 years.
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Planned Result: *CGC services provided in areas where there is growing demand.*

Related Activities	Timeframe
Establish a special crops research program on pulses.	by June 2000
Increase staff in prairie service centres to help meet the increasing demand for quality and quantity assurance services resulting from the changing patterns of grain movement.	Starting April 2000; ongoing as required
Develop internationally recognized methods for evaluation of pulse quality in collaboration with Canadian and Australian researchers.	Results progressively made available over the next 3 years.
Increase quality testing to widen the basis of CGC certification to meet the needs of specialized niche markets.	Starting in 2000/01; ongoing as markets require.
Meet growing industry demands for consistent, accurate analytical testing services by making routine analytical tests available in regional offices and service centres.	Starting in 2000/01; ongoing as markets require.

Planned Result: *Enhanced ability to monitor and detect pesticide residues, mycotoxins, heavy metals and fungi to continue to ensure Canadian grain shipments meet the strictest international food safety tolerances.*

Related Activities	Timeframe
Strengthening grain safety research by investing in new equipment and ensuring the unit has sufficient space and resources.	Starting June 2000; ongoing as required.
Assessing the use of rapid tests to increase efficiency and reduce costs.	Ongoing

Planned Result: *Improved international reputation and recognition as a world class and impartial quality assurance agency.*

Related Activity	Timeframe
Obtain ISO 9002 certification for key quality and quantity assurance services. This will be the culmination of a project started in May 1997.	by June 2000

Planned Result: *Ongoing and effective quality and quantity assurance services while adapting to end use needs of buyers and grain industry changes.*

Related Activities	Timeframe
Maintain effective grain quality and quantity assurance programs.	Ongoing
Continue research on grading factors to make them more objective and to better match changing end use requirements.	Ongoing
Continue the evaluation of new varieties under development by plant breeders to ensure they meet Canada's and international quality standards.	Ongoing

Key Results Commitment 2: Fair, open grain transactions.

Resources: \$3,450,000

Grades allow buyers to identify end use value without the need for end use tests or direct examination of individual lots of grain. This helps to ensure that sellers receive payment that reflects the value of their grain. The CGC is an impartial third party to grain transactions. Its inspection, weighing and arbitration services are essential to the efficient and fair operation of grain markets.

To measure its success in this area, the CGC plans to track buyer complaints on the accuracy of CGC certification and the number of grade changes on official re-inspections.

Planned Result: *A grade arbitration system adapted to changing industry needs.*

Related Activities	Timeframe
Provide a protein arbitration service for producers' deliveries into the handling system. This service would give binding decisions on protein levels according to the <i>Canada Grain Act</i> provision, subject to inspectors' grade and dockage.	by August 2000
Develop, change and set grain quality standards in partnership with the grain industry through the Western and Eastern Grain Standards Committee meetings.	Annually
Continuously improve the dissemination of information of the grain quality and safety of each year's crop through the posting of information on the CGC's web site.	Ongoing

Planned Result: *Fair, enforceable and uniformly applied regulations.*

Related Activity	Timeframe
Review regulations under pressure as a result of changes in the grain handling industry. Change or eliminate regulations that are not fair, enforceable, or are no longer contributing to the effective operation of the quality assurance system.	by August 2000

Key Results Commitment 3: The protection of producers' rights

Resources: \$649,000

The CGC licenses and regulates the prairie primary elevators, grain dealers and process elevators. This regulatory activity contributes to the fair treatment of western Canadian producers through the financial security system. In addition, grade arbitration is available for producer deliveries to primary elevators.

The CGC plans to measure its success in protecting producers' rights by conducting periodic surveys of producers, and by tracking producer complaints about unfair treatment by grain companies, producers' use of the grade arbitration system, and the amount of unpaid liabilities to producers.

Planned Result: *Protection of producers from grain company defaults.*

Related Activity	Timeframe
Increased auditing of licensees' financial positions, their liabilities to producers, and the security they have posted to cover those liabilities.	Began in 1999/2000; to be completed in 2000/01.
Review the security system for special crops.	by March 2001

Planned Result: *Fair treatment of producers by grain companies.*

Related Activities	Timeframe
Mediating producer complaints concerning transactions with grain companies.	Ongoing
Review shrinkage allowances that grain elevators can deduct from the weight of grain producers deliver to compensate grain companies for weight loss during grain handling.	by March 2001

Planned Result: *Maintenance of producer delivery options.*

Related Activities	Timeframe
Administer producer cars by receiving applications and allocating rail cars accordingly. Producer cars introduce an additional degree of competition to the grain handling industry.	Ongoing

Key Results Commitment 4: Sound Agency Management

Resources: \$9,613,000

As important as consistent grain quality is for maintaining Canada's market advantage, it cannot be at any price. The CGC is committed to fulfilling its mandate in the most efficient and effective manner possible. Success in this area will be measured by tracking the costs of operations.

Planned Result: *Efficient, cost effective service.*

Related Activities	Timeframe
Implement improvements recommended in the extensive reviews the CGC conducted of its programs and services in 1998/99 and 1999/2000.	Starting in 2000/01; ongoing as the external environment allows
Improve financial information systems to provide better information in support of operations.	Starting in 2000/01 and then ongoing
Expand the use of service standards.	Ongoing

Planned Result: *Financial stability for the CGC.*

Related Activities	Timeframe
Develop and be in a position to implement a plan to restructure the CGC's financing.	by March 2003
Respond to Office of the Auditor General's report on cost-recovery practices.	by March 2001
Increase service revenue through the development of new business opportunities.	Ongoing

Planned Result: *A CGC workforce that is representative of the Canadian population.*

Related Activities	Timeframe
Respond to Canadian Human Rights Commission audit by completing a representation survey of staff, conducting a workforce analysis and employment systems review, and developing a new employment equity plan.	by October 2000

Planned Result: *Workplace improvements.*

Related Activities	Timeframe
Develop and implement an action plan to address issues raised in the Public Service Employee Survey.	by March 2001

Section IV: Financial Information

Table 4.1: Summary of Capital Spending by Program and Business Line

(\$ thousands)	Forecast Spending 1999-2000	Planned Spending 2000-01	Planned Spending 2001-02	Planned Spending 2002-03	Planned Spending 2003-04
Canadian Grain Commission	2,000	4,000	4,000	4,000	4,000

Table 4.2: Source of Respendable Revenue

(\$ thousands)	Forecast Revenue 1999-2000	Planned Revenue 2000-01	Planned Revenue 2001-02	Planned Revenue 2002-03	Planned Revenue 2003-04
Canadian Grain Commission					
Inspection, Weighing, Registration, and Cancellation	36,918	40,187	38,701	38,794	38,794
Licenses and Other Revenue	2,802	4,792	1,866	1,785	1,785
	<u>39,720</u>	<u>44,979</u>	<u>40,567</u>	<u>40,579</u>	<u>40,579</u>

Table 4.3: Net Cost of Programs for the Estimates Year

Planned Spending (Budgetary and Non-budgetary)	(\$ thousands)
Main Estimates plus adjustments	
<i>Plus Services Received without Charge</i>	
Accommodation provided by PWGSC	0
Contributions covering employees' share of employees' insurance premiums & expenditures paid by TBS	2,013
Workman's compensation coverage provided by Human Resources Canada	287
Salary & associated expenditures of legal services provided by Justice Canada	<u>0</u>
	<u>2,300</u>

Table 4.4: Revolving Fund - Statement of Operations

(\$ thousands)	Forecast 1999-2000	Planned 2000-01	Planned 2001-02	Planned 2002-03	Planned 2003-04
Respendable Revenue	39,720	44,979	40,567	40,579	40,579
Expenses					
Operating:					
Salaries and employee benefits	31,680	35,108	30,153	29,235	29,235
Depreciation	897	1,141	1,838	2,430	2,430
Repairs and maintenance	284	270	255	252	252
Administrative and support services	5,638	6,922	6,040	5,971	5,971
Utilities, materials and supplies	1,002	1,061	1,475	1,459	1,459
Marketing	58	225	200	198	198
Interest	161	0	606	1,034	1,034
	<u>39,720</u>	<u>44,727</u>	<u>40,567</u>	<u>40,579</u>	<u>40,579</u>
Surplus (Deficit)	0	252	0	0	0

Table 4.5: Revolving Fund - Statement of Changes in Financial Position

(\$ thousands)	Forecast 1999-2000	Planned 2000-01	Planned 2001-02	Planned 2002-03	Planned 2003-04
Surplus (Deficit)	0	252	0	0	0
Add non-cash items					
Depreciation/amortisation	1,039	1,141	1,838	2,430	2,430
Others	633	702	603	587	587
Investing activities:	(2,000)	(4,000)	(4,000)	(4,000)	(4,000)
Acquisition of depreciable assets					
Cash surplus (requirement)	(328)	(1,905)	(1,559)	(983)	(983)

Table 4.6: Revolving Fund - Projected Use of Authority

(\$ thousands)	Forecast 1999-2000	Planned 2000-01	Planned 2001-02	Planned 2002-03	Planned 2003-04
Authority	12,000	12,000	12,000	12,000	12,000
Drawdown:					
Balance as at April 1	1,717	1,389	(516)	(2,075)	(3,058)
Projected surplus (Drawdown)	(328)	(1,905)	(1,559)	(983)	(983)
Projected Balance	1,389	(516)	(2,075)	(3,058)	(4,041)
Remaining Authority	13,389	11,484	9,925	8,942	7,959

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