



Government of Canada IT Spending

1999/00 to 2003/04

Chief Information Officer Branch

FINAL



Executive Summary 2003/04

- The Government of Canada spent \$4.95B on IT in 2003/04. This was a 4% increase over 2002/03. Most of this increase was in human resources
- Overall Information Technology spending continues to rise in the range of 5% per annum
- Exponential improvements in the price performance of computers continues to dramatically drive gross hardware expenditures downward
- The CS community continues to grow at a rate above the government norm. CS growth combined with employee classification creep pushes HR costs sharply higher

NOTE: This report is prepared annually by the CIOB and summarizes IT spending by economic objects collected by the Receiver General and PSHRMAC payroll figures. During the past year, two additional spending reports have been prepared by the CIOB branch: The Information Technology Overview Assessment (Gartner report) and the Corporate Administrative Services (CAS/PAA report). These two additional reports were largely undertaken in support of the expenditure reviews ongoing during the period and captured IT spend in service towers.

The CIOB would like to thank departments for their cooperation and support during this exceptional year of IT data collection.



Index

Executive Summary	2
Spending Overview	4
Spending by Tower (Hardware, Software, Consulting, Data, Voice, HR)	8
Departmental and Agency Profiles	23
Agriculture and Agrifood Canada	26
Canada Customs and Revenue Agency	28
Canadian Heritage	30
Canadian International Development Agency	32
Citizenship and Immigration Canada	34
Correctional Service Canada	36
Environment Canada	38
Finance	40
Fisheries and Oceans	42
Foreign Affairs and International Trade	44
Health Canada	46
Human Resources Development Canada	48
Indian and Northern Affairs Canada	50
Industry Canada	52
Justice Canada	54
National Defence	56
National Parole Board	59
Natural Resources Canada	61
Parks Canada	63
Privy Council Office	65
Public Works and Government Services Canada	67
Royal Canadian Mounted Police	69
Solicitor General	71
Statistics Canada	73
Transport Canada	75
Method	81

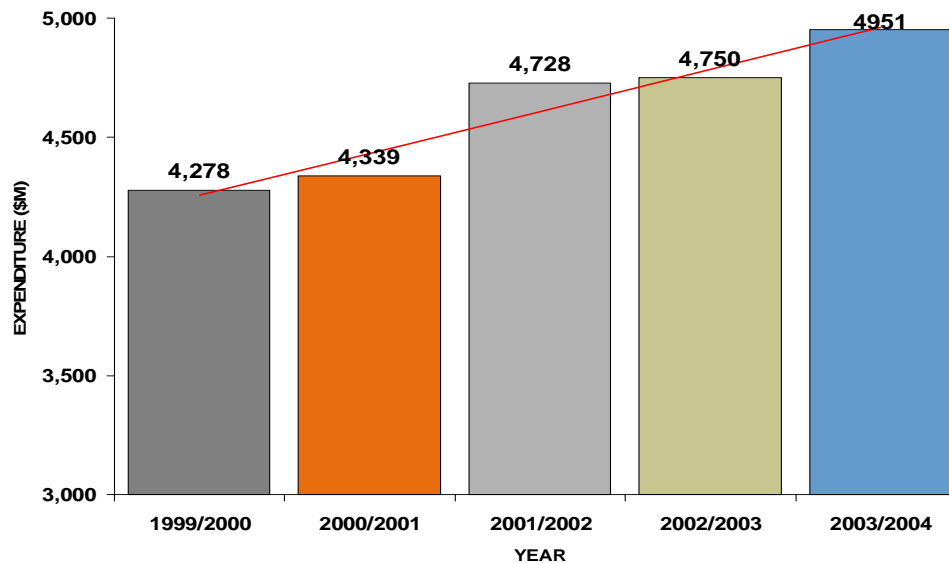




Spending Overview

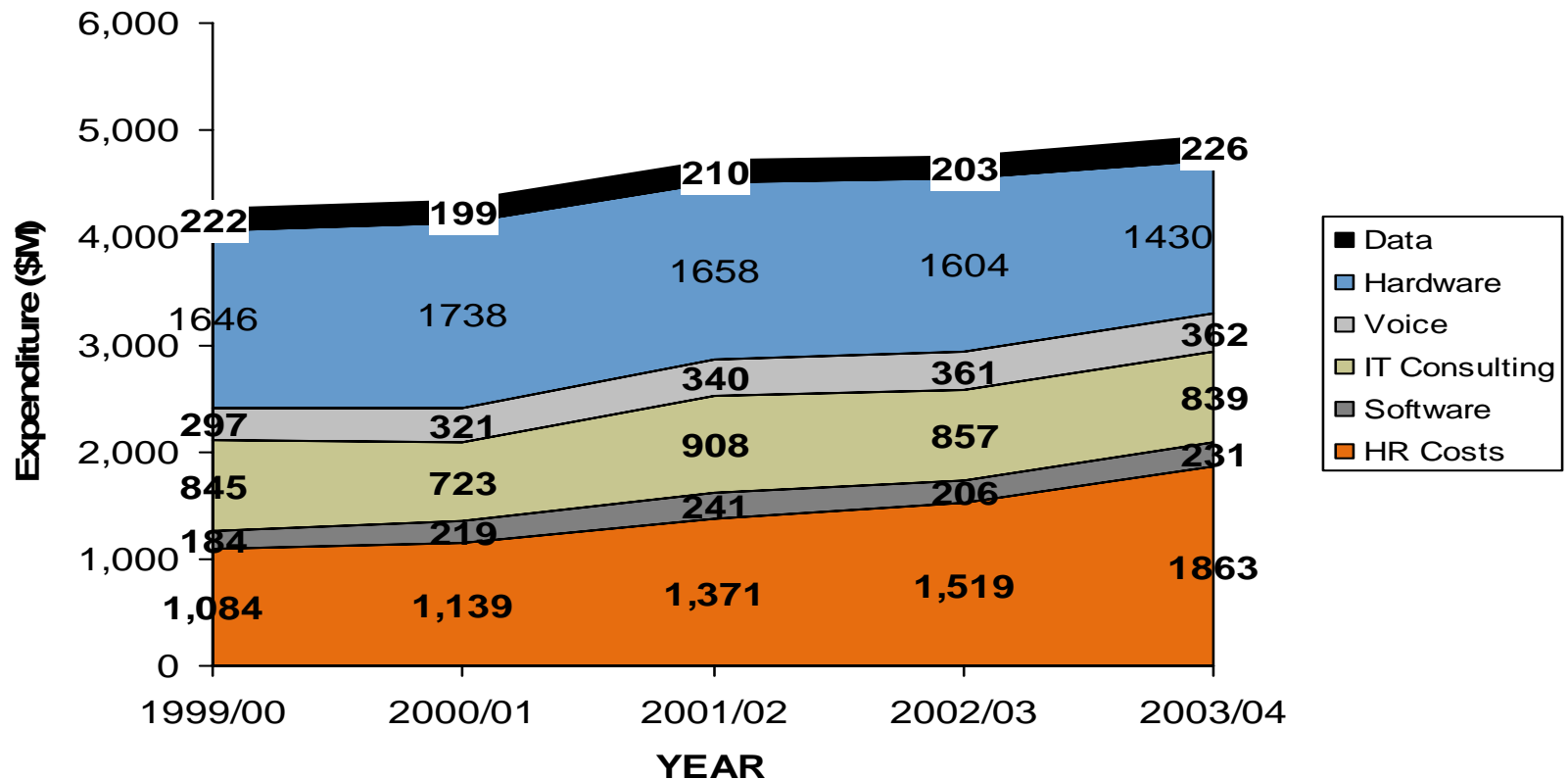
Gross GoC IT Spending 1999-2004

- Spending in the period increased an average of 4% per year. Adjusted for inflation, spending has been close to flat
- If HR were excluded the overall IT spending trend would be negative
- Excluding transfer payments and debt payments, total GoC spending in 2003/04 was \$51.3B of which IT constitutes 10%

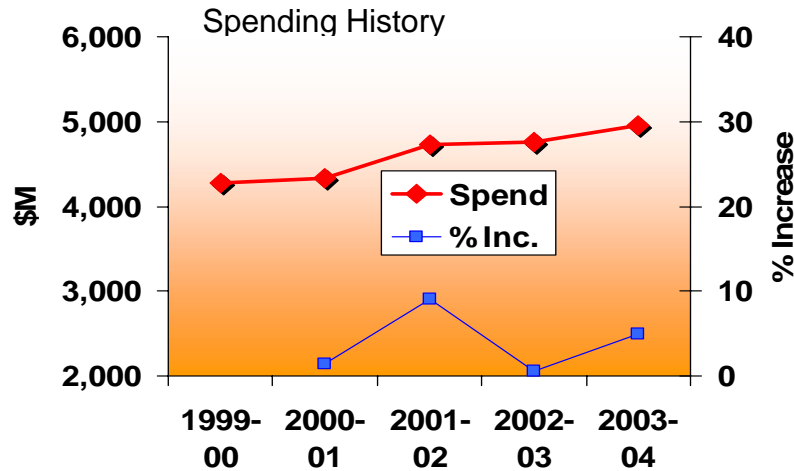


IT Spending by Category

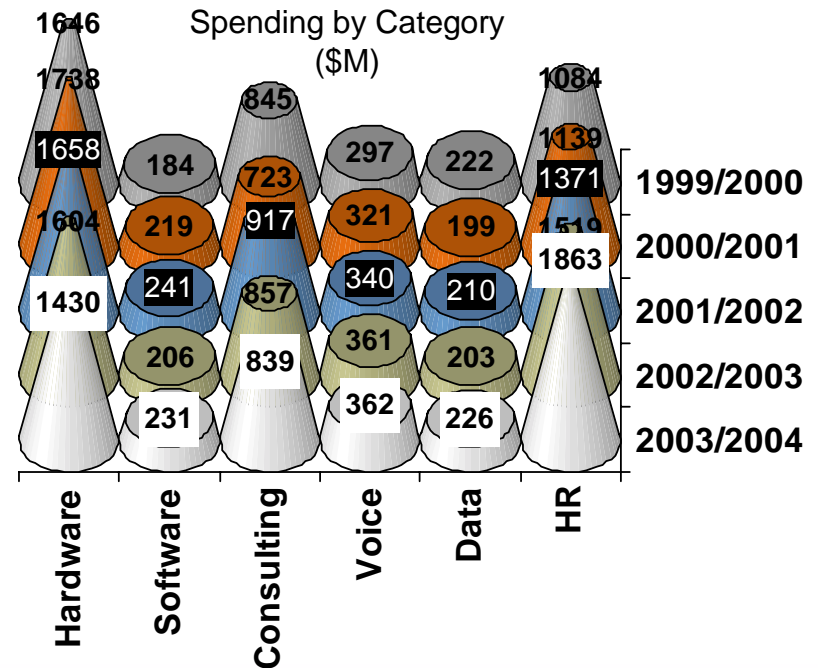
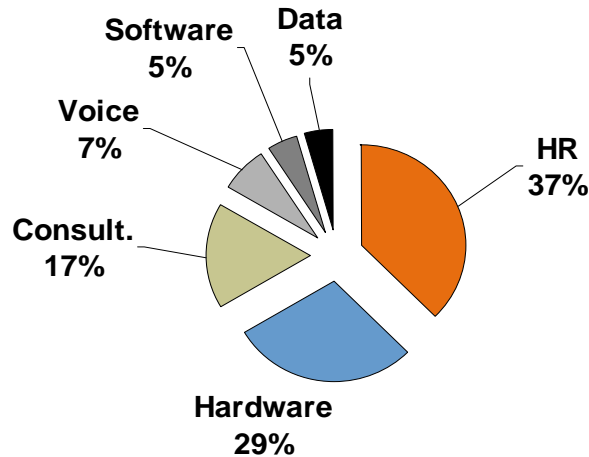
- Gross consulting and hardware expenditures continue to shrink
- HR spending continues to grow in absolute dollars and as a share of total spend



Whole of Government IT Profile



- Overall Government IT spend is up 4% over 2002/03
- Hardware costs declined sharply
- HR has eclipsed Hardware as the single biggest IT expenditure



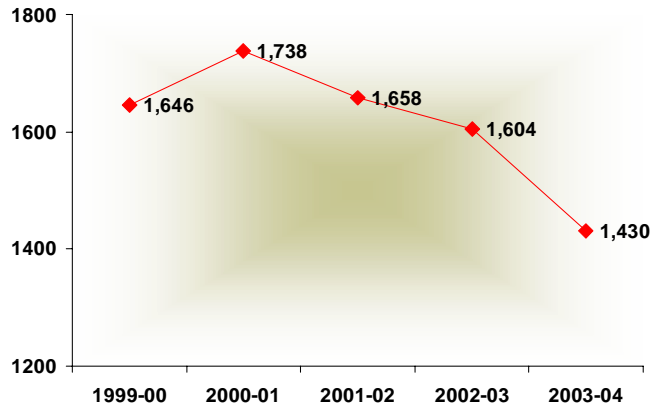


Spending by Tower

Hardware Software Consulting Voice Data Human Resources

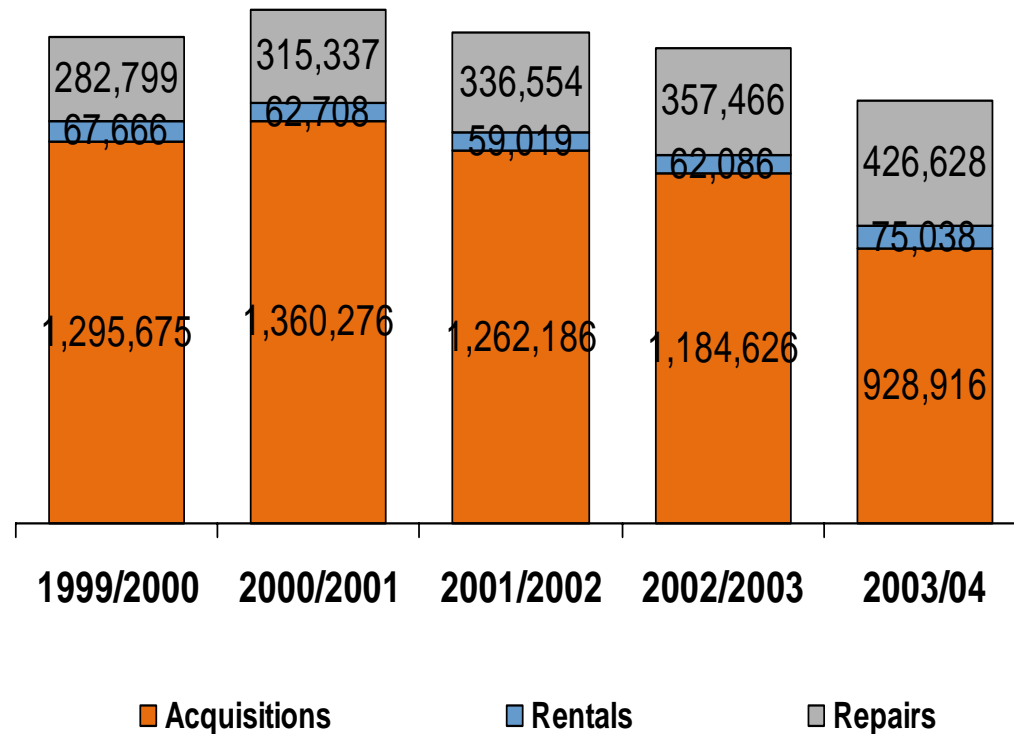
Hardware

Cost history (\$M)



- Exponential improvements in the price-performance of computers has resulted in substantial savings
- Spending on repairs has helped extend the life of existing hardware units

Hardware Expenditures in \$000s

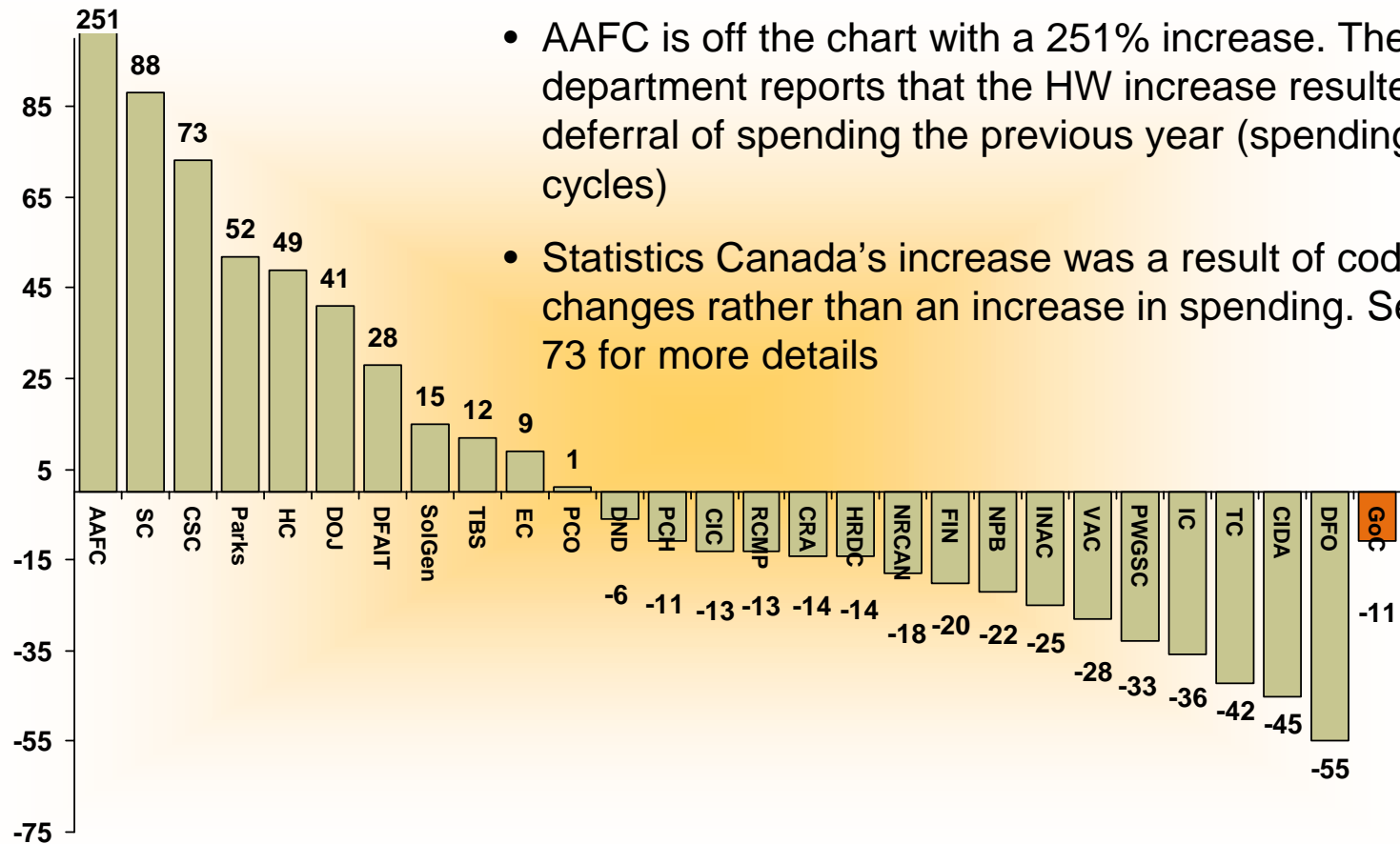


Hardware by Economic Object

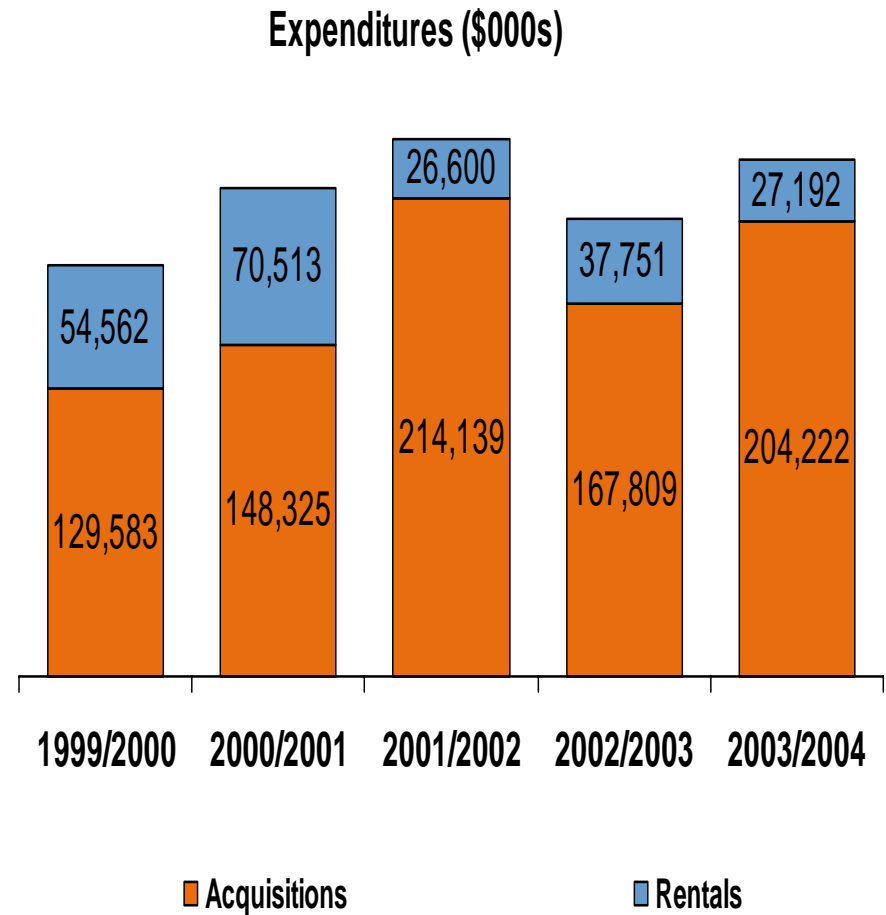
Economic Object	SO	EO	(\$) 2003-04	\$ per FTE
Rental				base = 237,434
Voice communications equipment	5	520	25,042,705	\$105
Data (message/text & computer)	5	521	6,595,270	\$28
Image/video communications equipment	5	522	4,118,574	\$17
Digital communications equipment	5	523	899,801	\$4
Computer equipment	5	525	24,031,962	\$101
Machinery, office furniture, fixtures & other (@20%)	5	533	14,207,927	\$60
Total			74,896,239	\$315
Repairs				
Bldgs. and/or installing telec., comp. and/or electr.	6	640	5,733,936	\$24
Telecommunications equipment	6	669	119,079,771	\$502
Computer equipment	6	670	295,061,175	\$1,243
Bldgs./inst. Telecom., computer and/or off. sys.	8	1360	5,559,066	\$23
Other office equipment repairs (@16%)	6	671	1,193,735	\$5
Total			426,627,683	\$1,797
Acquisitions				
Voice communications equipment	9	1221	70,330,997	\$296
Data (message/text & computer) equip.	9	1222	63,964,571	\$269
Image/video equipment	9	1223	52,859,134	\$223
Digital communications equipment	9	1224	8,018,256	\$34
Telecommunication equipment parts	9	1225	127,291,580	\$536
Computer equip., large/medium/mainframe	9	1226	190,093,124	\$801
Computer equip., small/desktop/port.	9	1227	265,507,045	\$1,118
Computer equipment parts	9	1229	136,073,145	\$573
Mobile service systems	9	1252	7,907,752	\$33
Sattelite and spacecraft acquis. & parts	9	1253	3,960,839	\$17
Other office equipment & parts (@12%)	9	1239	2,916,298	\$12
Total			928,922,741	\$3,912
Grand Total			1,430,446,663	\$6,025

Hardware Spending Changes 02/03 – 03/04

- The government wide average was a drop of 11%
- AAFC is off the chart with a 251% increase. The department reports that the HW increase resulted from deferral of spending the previous year (spending cycles)
- Statistics Canada's increase was a result of coding changes rather than an increase in spending. See slide 73 for more details



Software

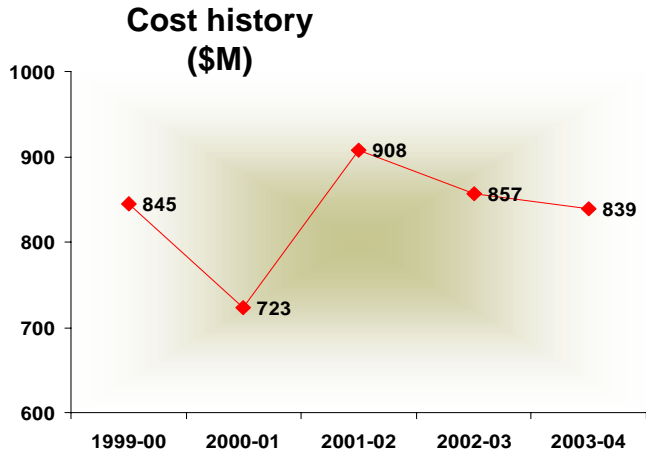


- Rental costs decreased in 2003-04 but were more than offset by an increase in acquisitions
- DND and CIC each reported significant increases in Software expenditures. CIC's increase was a result of GCMS spending

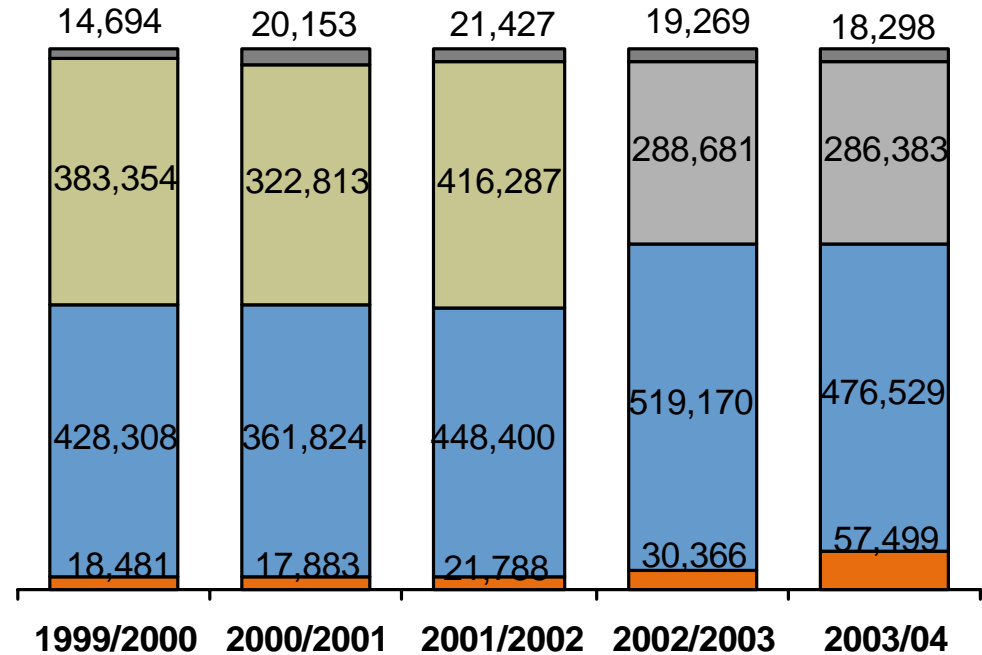
Software by Economic Object

Economic Object	SO	EO	\$2003/04	\$ per FTE
				Base =237,434
Rental of Computer Software	5	524	\$27,192,608	\$115
Computer Software	9	1228	204,221,668	\$860
TOTAL SO=Standard Object # EO=Economic Object # FTE=Full Time Equivalent			\$231,414,296	\$975

IT Consulting



Expenditures (\$000s)



- Telecommunications consulting increased by 89% in 2003-2004
- All other consulting categories showed a decline in expenditures



IT Consulting by Economic Object

Economic Object	SO	EO	\$2003/04	\$ per FTE
				Base = 237,434
Telecommunications Consultant	4	471	\$57,499,483	\$242
Information Technology Consultant	4	472	\$476,529,770	\$2007
Computer Services	4	812	\$286,383,073	\$1206
Management Consulting Services (@3%)	4	491	\$18,298,931	\$77
TOTAL <small>SO=Standard Object # EO=Economic Object # FTE=Full Time Equivalent</small>			\$838,711,257	\$3532

Note: EO 812 Includes contracted and outsourced services, which are more closely aligned with HR than traditional consulting spending

Data

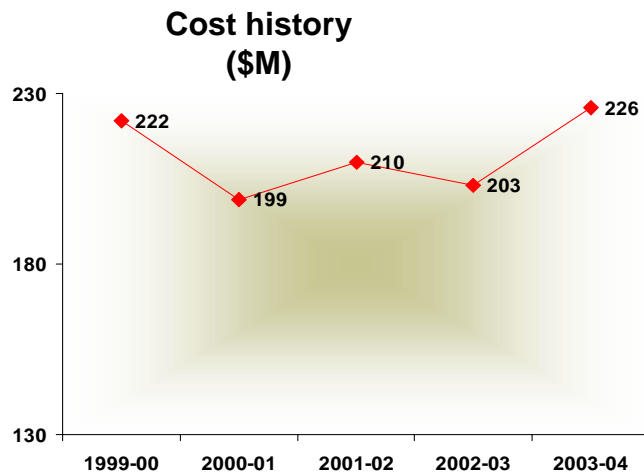
What is Data?

Includes:

- Lines, equipment, access and usage charges
- Installation, relocation, and directory charges
- Voice messaging services
- Facsimile network services
- Digital channel communications
- Text messaging
- Computer communications (internet links)

Excludes:

- Equipment purchased or rented from a third party

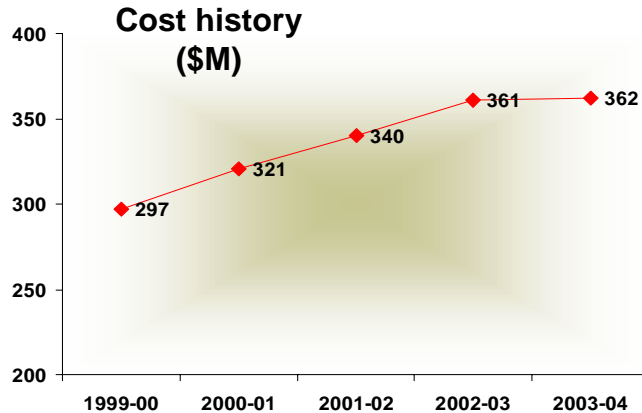


- Digital Channel Services increased by 35% in 2003/04

Data By Economic Object

Economic Object	SO	EO	\$2003/04	\$ per FTE
				Base =237,434
Basic Data Communication Service (Excl. Enhanced Tele. Service)	2	221	\$104,146,350	\$438
Enhanced Telecommunication Services	2	222	\$20,700,153	\$87
Digital Channel Communications Service	2	223	\$67,610,182	\$285
Data Communications Service (incl. all non-voice)	2	226	\$20,875,579	\$88
Other Communications Services	2	227	\$12,627,343	\$53
TOTAL SO=Standard Object # EO=Economic Object # FTE=Full Time Equivalent			\$225,959,607	\$952

Voice



- There is only one economic object in the voice category, called *telephone and other voice services* (EO 220)
- Voice cost per FTE for 2003/04 is \$1525

What is Voice?

Includes:

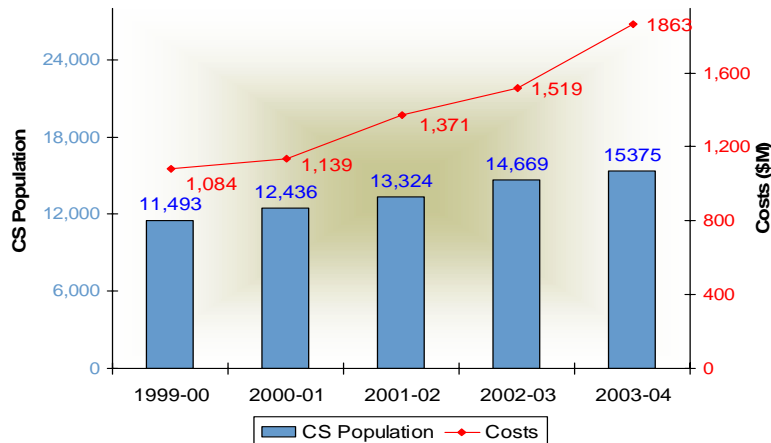
- Local telephone service
- Long distance service
- Cellular and mobile telephone service
- Teleconferences, WATS or 800 Services
- Zenith services
- Telephone directories
- Local circuits
- Dedicated intercity circuits
- Line equipment and usage charges
- Installation and relocation charges

Excludes:

- Equipment purchased/rented from third party
- Voice messaging services

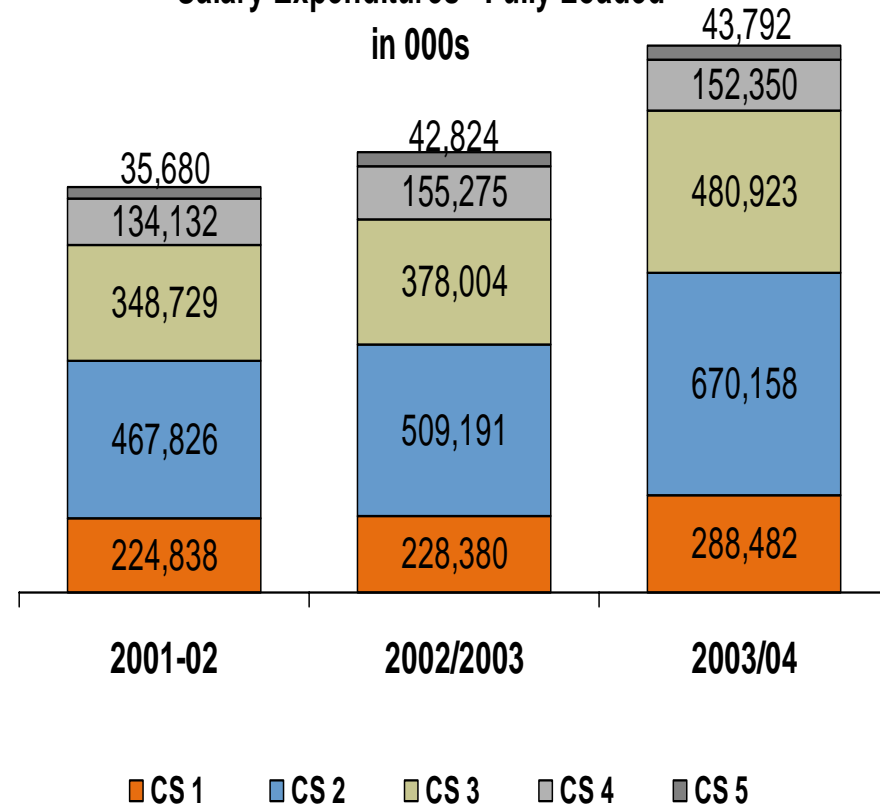
Human Resources - Costs

CS Population and Salary 1999 - 2004

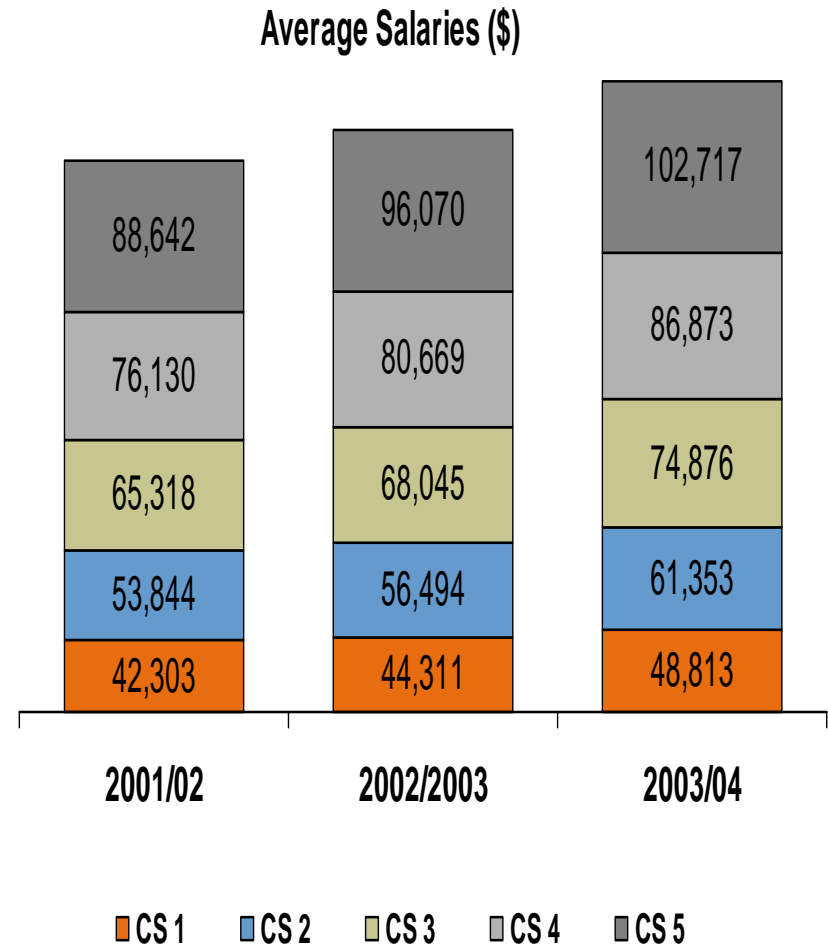
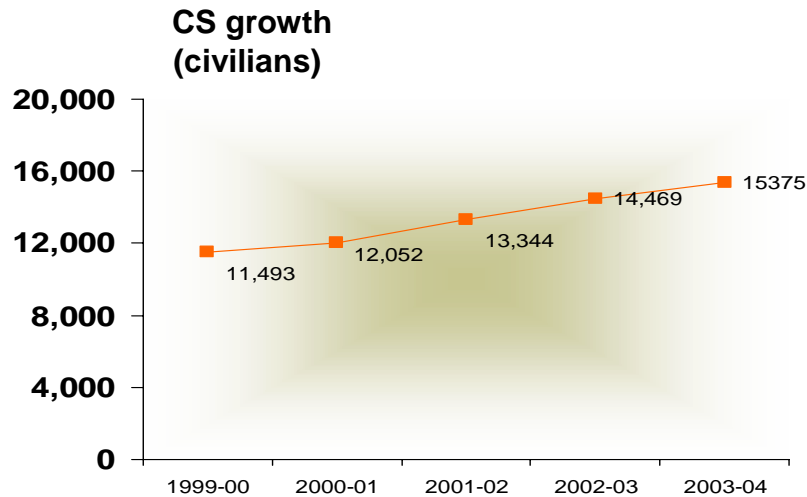


- Consulting costs dropped slightly during the 5 year period.
See slide 14

Salary Expenditures - Fully Loaded
in 000s

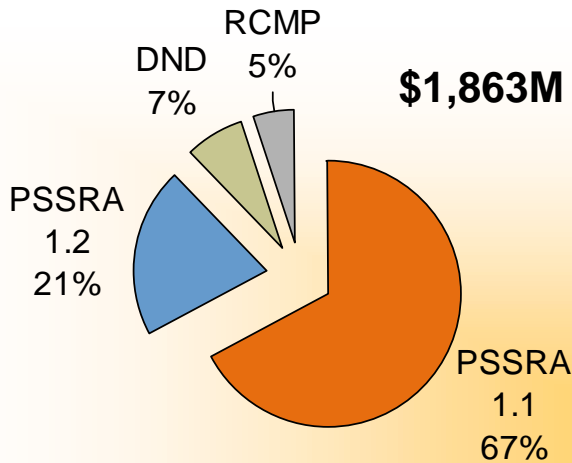


Human Resources - Population



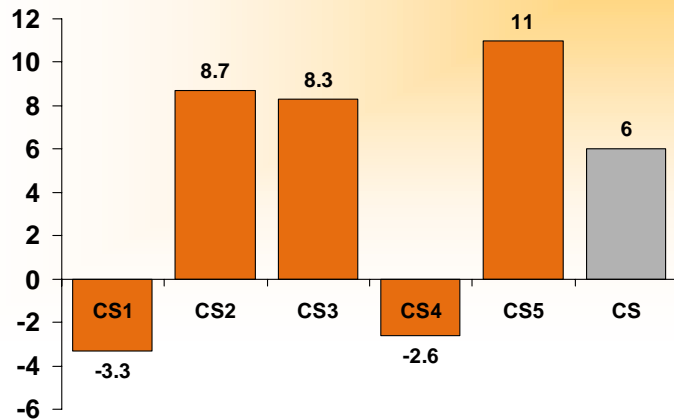
- The rise in HR costs is partly the result of increases in the CS population.
- Salary increases and classification creep are also a factor in HR cost growth. The CS salary band is high compared to other pay groups

IT HR Components



Group	2003/2004 (\$M)
PSSRA 1.1	1,244
PSSRA 1.2 (Includes CCRA)	391
National Defence (uniformed IT)	136
RCMP (uniformed IT)	91
Total (Est.)	1,863

% Change in CS Population by Classification



PSSRA 1.1 refers to departments and other portions of the public service in respect of which Her Majesty as represented by the Treasury Board is the employer.

PSSRA 1.2 refers to portions of the public service that are separate employers and includes CRA

The CS Community at a Glance 2002-04

PSSRA 1.1	# of Active Employees			Average Gross Salary			Fully Loaded Costs
	2001-02	2002-03	2003-04	2001-02	2002-03	2003-04	2003-04
CS1	2698	2778	2678	\$42 930	\$43 909	\$47 255	\$226,683,394
CS2	3930	4446	4892	\$54 634	\$56 082	\$59 376	\$502,229,771
CS3	2231	2532	2792	\$66 025	\$67 806	\$71,973	\$342,425,694
CS4	787	895	939	\$76 877	\$78 987	\$83 883	\$130,420,203
CS5	207	238	265	\$89 543	\$92 295	\$98 152	\$42,401,631
TOTAL	9853	10889	11566				\$1,244,160,693

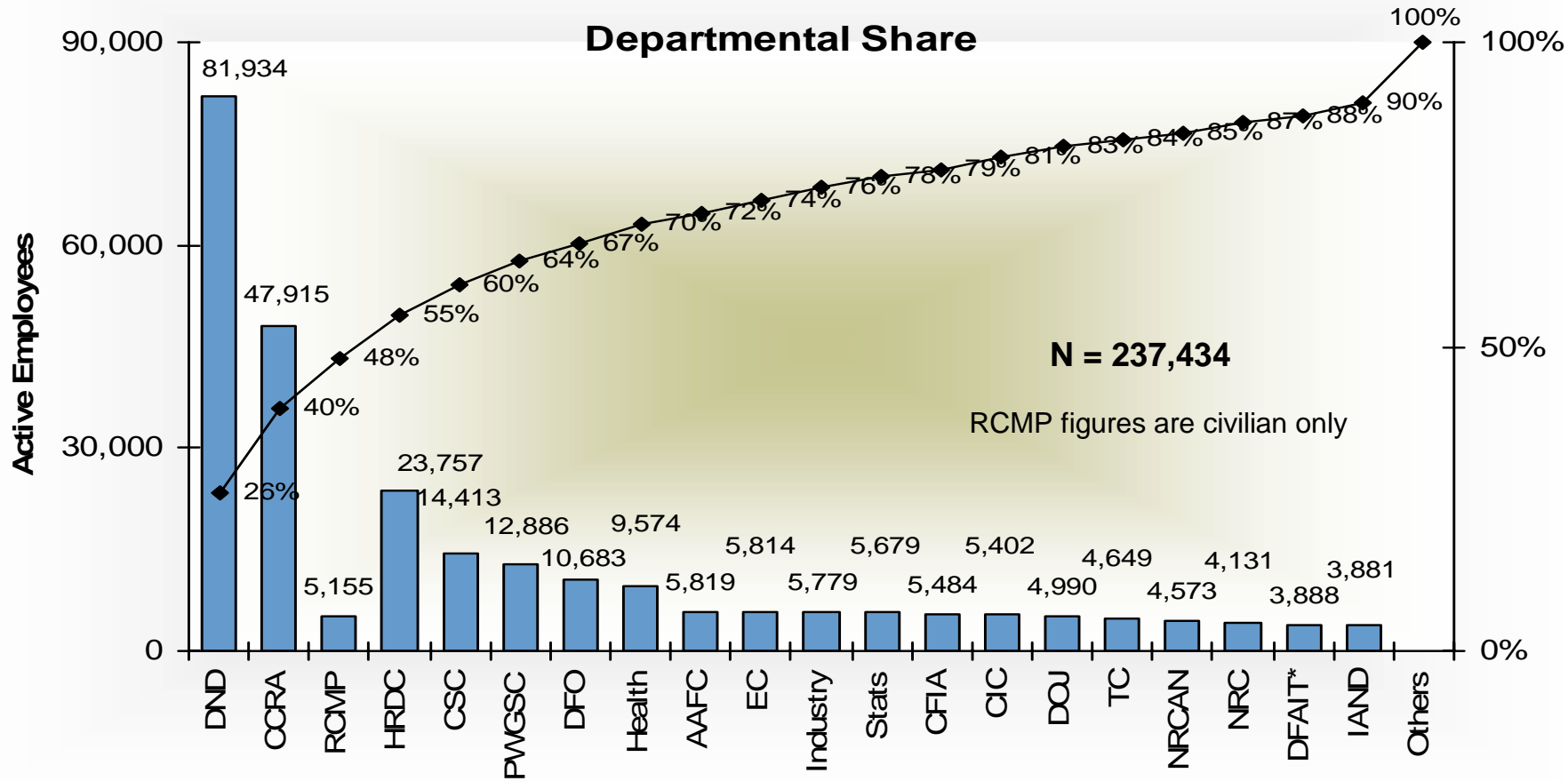
PSSRA 1.2	# of Active Employee		Average Gross Salary	Fully Loaded Costs
	2002-03	2003-04	2003-04	2003-04
CS1	775	757	\$47 179	\$61,797,803
CS2	1614	1694	\$59 509	\$167,928,185
CS3	1140	1185	\$71 982	\$138,497,197
CS4	239	165	\$83 508	\$21,929,654
CS5	8	8	\$113 011	\$1,390,001
TOTAL	3780	3809		\$391,542,839

- Uniformed DND and RCMP IT staff not included here

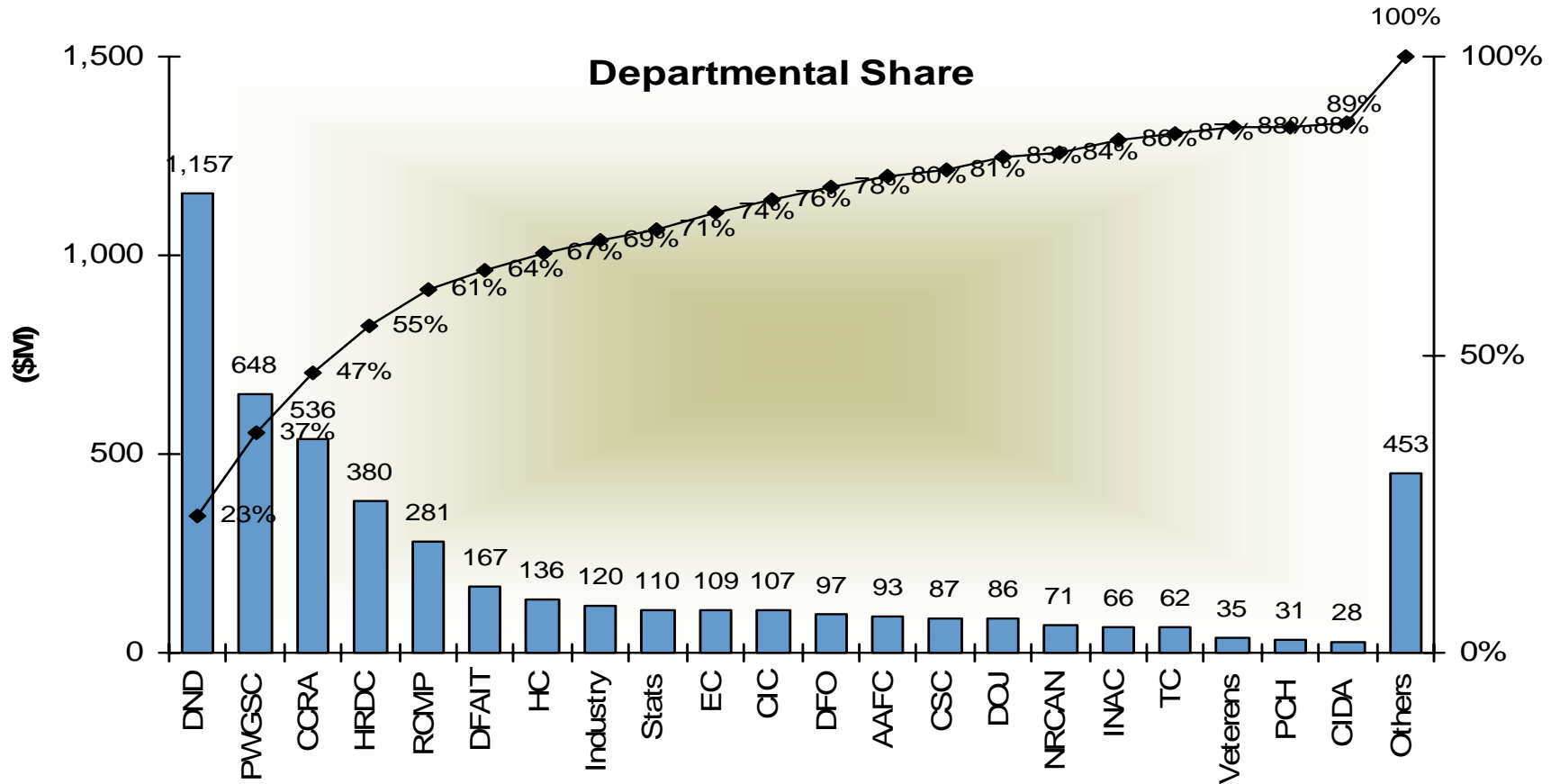


Departmental and Agency Profiles

Department Size Top 20 2003-04

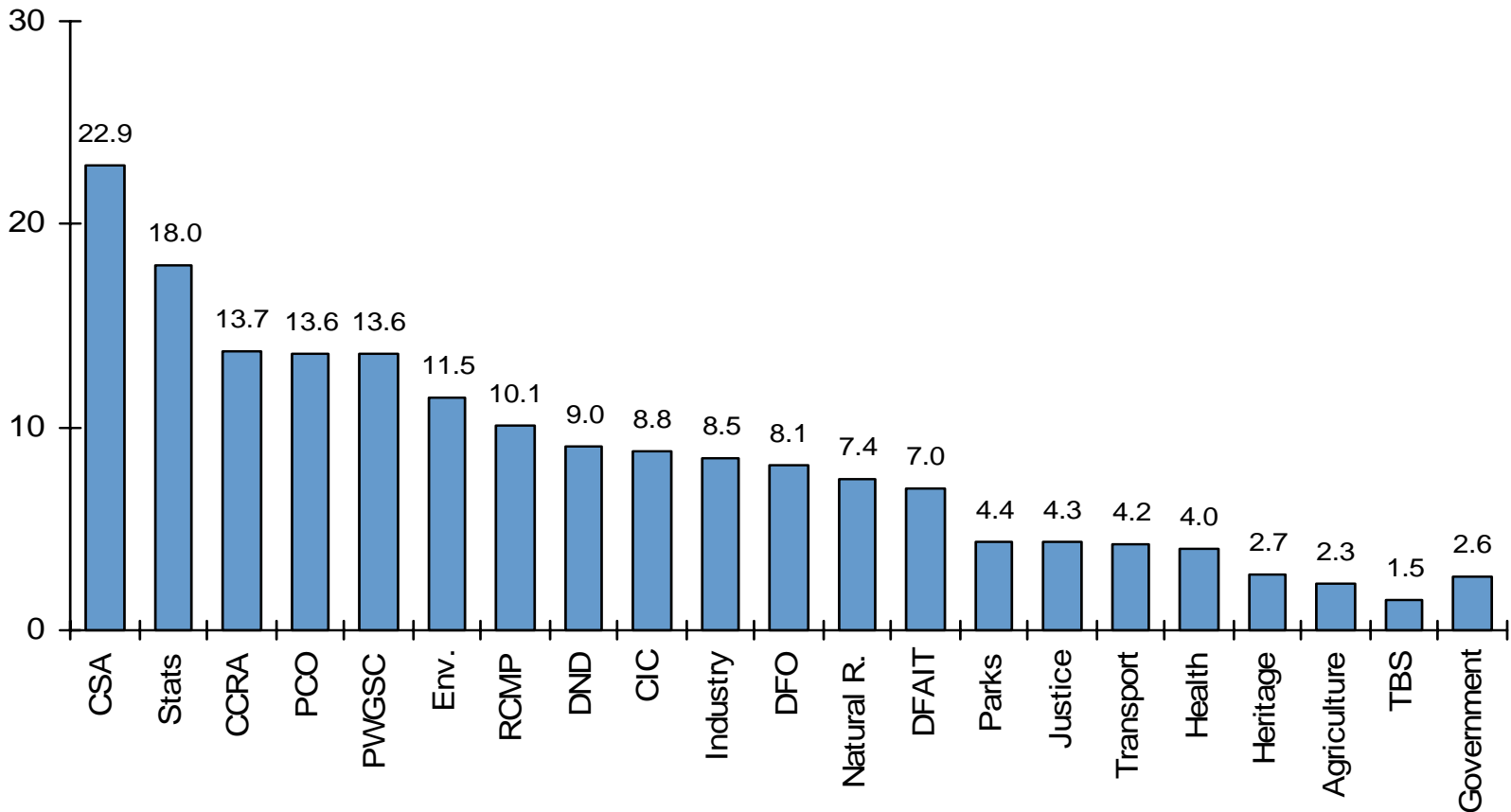


Department IT Spend Top 20 2003/04



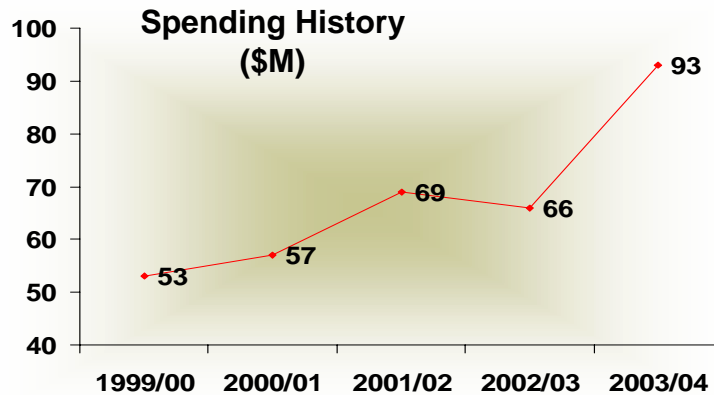
- Departmental share is percentage of total Government of Canada IT spend.

Department Intensity 2002/03



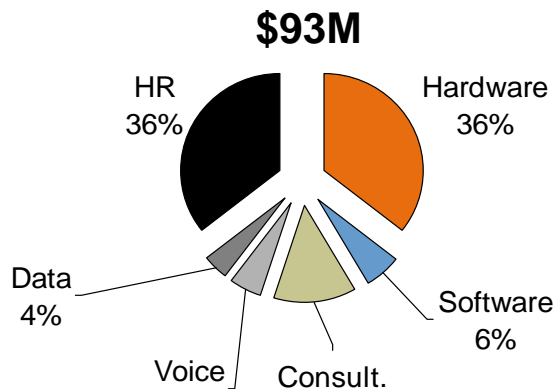
- Intensity is IT expenditures (less accommodation charges) as percentage of total gross expenditures (standard objects)

Agriculture & Agri-food – IT Costs

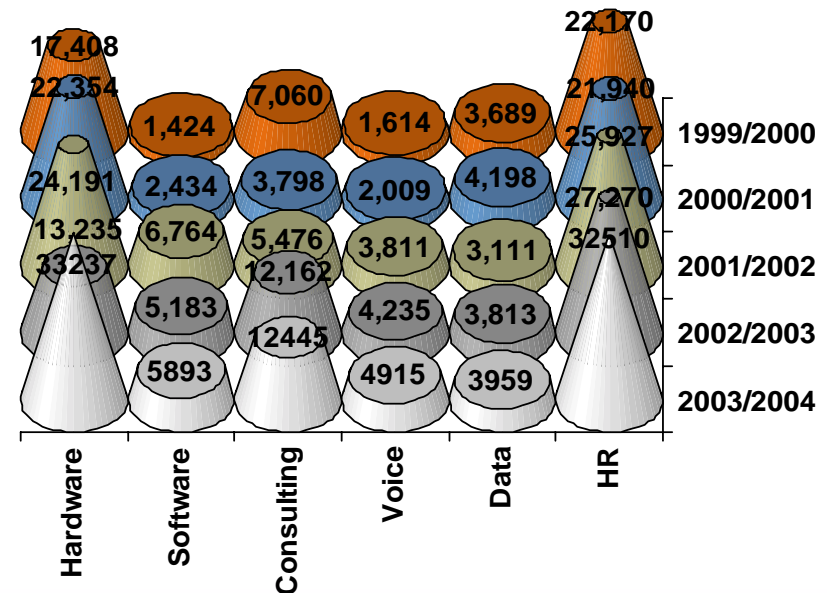


- AAFC reports that Hardware increase in 03/04 resulted from deferral of spending the previous year (spending cycles).
- Received funding for the AgConnex Project: spent \$7M in 2001-02 and \$14M in 2002-03, primarily on consulting services provided by IBM

2003/04 Spending Breakdown



Spending by Category (\$000s)



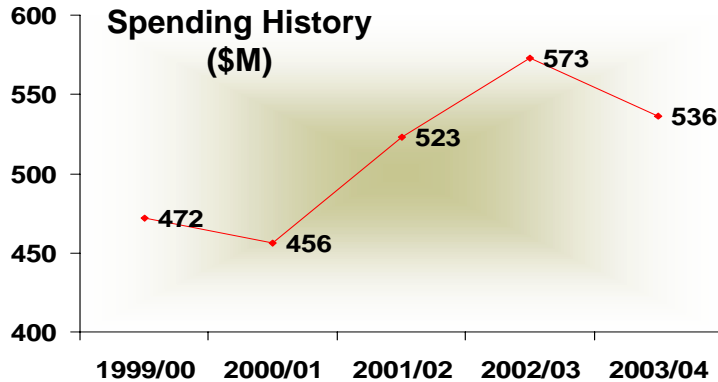
Agriculture & Agri-Food – HR

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling Bon	Benefits	OverTime	Term. Allwnce	Accom.	Train 'N Trav.	Hidden	Fully Loaded \$
CS1	73	\$3,313,692	\$15,117	\$662,738	\$69,588	\$120,903	\$430,780	\$99,411	\$980,572	\$5,692,800
CS2	124	\$7,395,501	\$25,111	\$1,479,100	\$155,306	\$263,529	\$961,415	\$221,865	\$1,665,630	\$12,167,456
CS3	86	\$6,215,236	\$23,019	\$1,243,047	\$130,520	\$220,401	\$807,981	\$186,457	\$1,155,195	\$9,981,856
CS4	25	\$2,015,627	\$12,350	\$403,125	\$42,328	\$70,324	\$262,031	\$60,469	\$335,812	\$3,202,067
CS5	10	\$938,168	\$3,833	\$187,634	\$19,702	\$32,428	\$121,962	\$28,145	\$134,325	\$1,466,195
Total	318	\$19,878,222	\$79,430	\$3,975,644	\$417,443	\$707,585	\$2,584,169	\$596,347	\$4,271,534	\$32,510,374

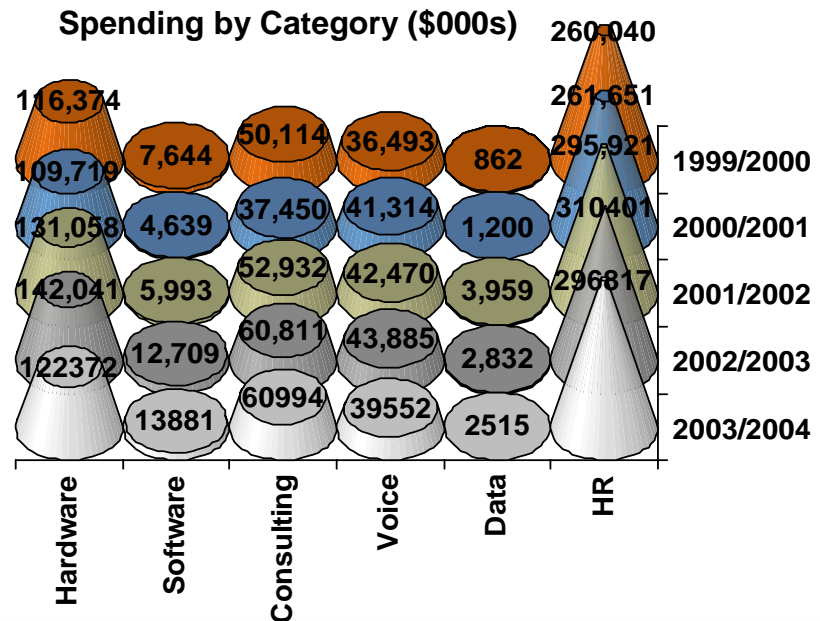
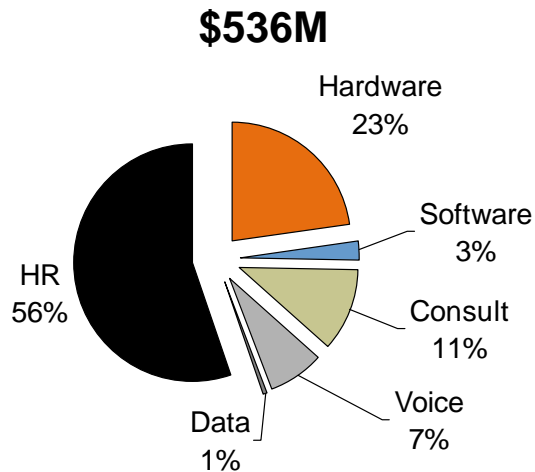
Due to rounding, columns may not total

Canada Customs and Revenue Agency



- CRA had 192 fewer CS's in 2003/04, the largest decline of any department or agency
- HR costs are consistently higher than the norm, while consulting and hardware are lower
- Received PSAT (02/03) and GOL (00-03) funds

2003/04 Spending Breakdown



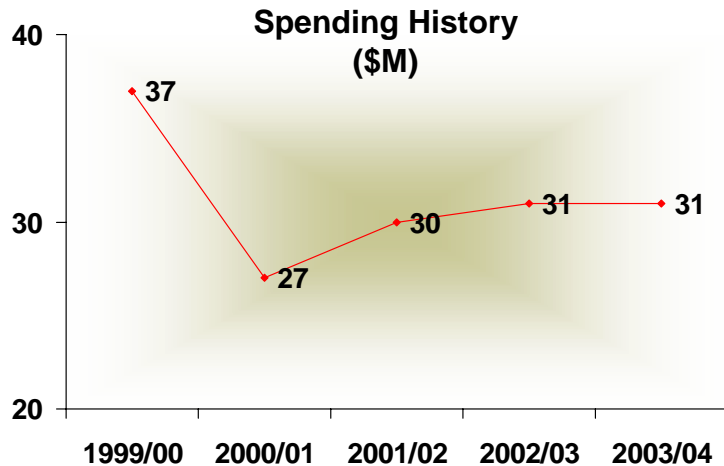
Canada Customs and Revenue Agency – HR Costs

Breakdown of HR Costs 2003/2004

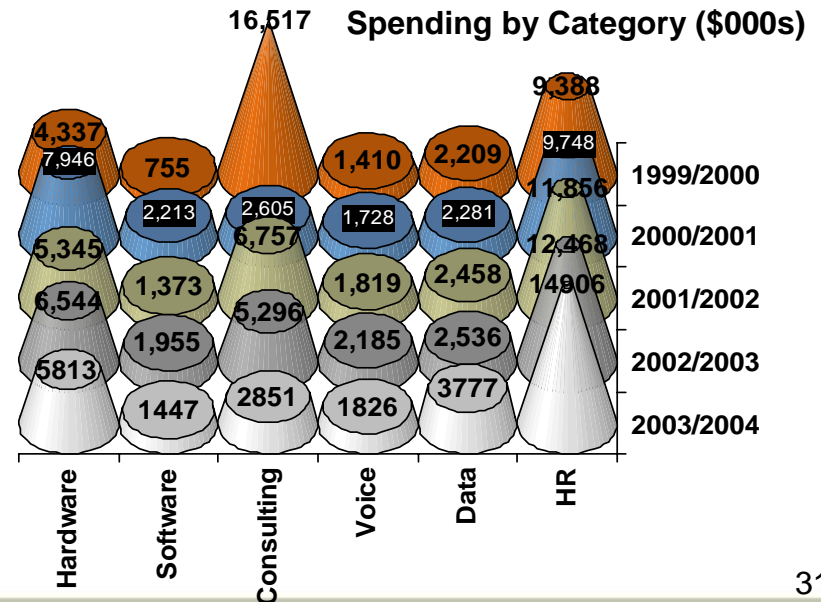
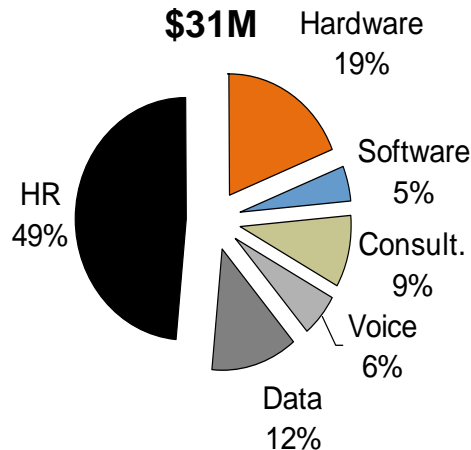
2003-04	#	Gross Pay	BB	Benefits	OverTime	Term. Allwnce	Accom.	Train 'N Trav.	Hidden	Fully Loaded \$
CS1	649	\$30,532,154	\$100,255	\$6,106,431	\$641,175	\$1,103,043	\$3,969,180	\$915,965	\$3,071,967	\$46,440,170
CS2	1431	\$83,873,422	\$311,028	\$16,774,684	\$1,761,342	\$3,039,334	\$10,903,545	\$2,516,203	\$6,773,475	\$125,953,032
CS3	1034	\$73,981,733	\$284,520	\$14,796,347	\$1,553,616	\$2,651,307	\$9,617,625	\$2,219,452	\$4,894,321	\$109,998,920
CS4	113	\$9,458,977	\$31,008	\$1,891,795	\$198,639	\$326,430	\$1,229,667	\$283,769	\$534,873	\$13,955,158
CS5	3	\$322,373	\$1,521	\$64,475	\$6,770	\$9,548	\$41,908	\$9,671	\$14,200	\$470,466
Total	3230	\$198,168,658	\$728,332	\$39,633,732	\$4,161,542	\$7,129,662	\$25,761,926	\$5,945,060	\$15,288,835	\$296,817,746

Canadian Heritage – IT Costs

- A comparatively high HR spender. Total FTEs in the department have increased 69% since 1999 from 1300 to 2200
- Established <http://www.culture.ca/canada/> as part of their Canadian Culture Online Strategy
- The department has been transitioning from an outsourcing IT/IM initiative toward rebuilding its CS community in the 5 year period
- Consulting fees spiked in 1999-00, mainly attributable to Y2K remediation



2003/04 Spending Breakdown

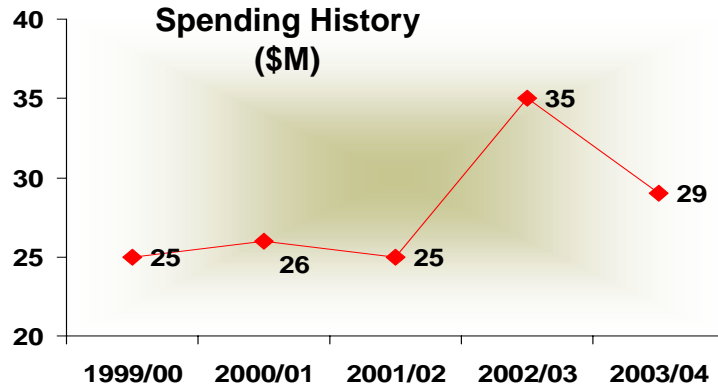


Canadian Heritage – HR Costs

Breakdown of HR Costs 2003/2004

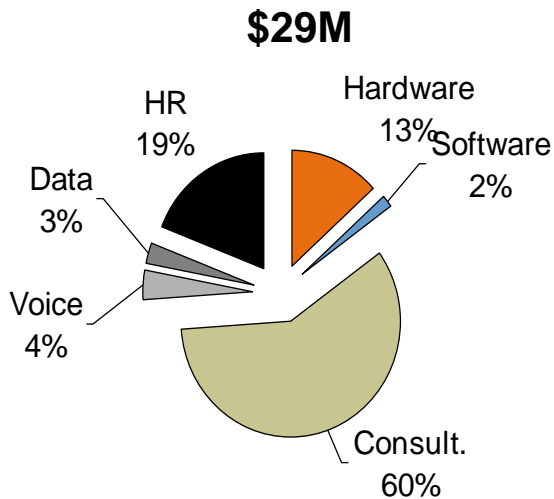
2003-04	#	Gross Pay	Biling Bon	Benefits	OverTime	Term. A.	Accom.	Train 'N Tra	Hidden	Fully Loaded \$
CS1	39	\$1,795,861	\$22,268	\$359,172	\$37,713	\$66,667	\$233,462	\$53,876	964448.3	\$3,533,468
CS2	46	\$2,710,939	\$23,051	\$542,188	\$56,930	\$97,945	\$352,422	\$81,328	1137554.405	\$5,002,358
CS3	29	\$2,136,207	\$13,957	\$427,241	\$44,860	\$73,634	\$277,707	\$64,086	717153.8641	\$3,754,847
CS4	12	\$985,368	\$6,247	\$197,074	\$20,693	\$35,980	\$128,098	\$29,561	296753.3231	\$1,699,774
CS5	6	\$538,975	\$2,999	\$107,795	\$11,318	\$19,381	\$70,067	\$16,169	148376.6615	\$915,080
Total	132	\$8,167,350	\$68,522	\$1,633,470	\$171,514	\$293,607	\$1,061,756	\$245,021	\$3,264,287	\$14,905,526

Canadian International Development Agency – IT Costs

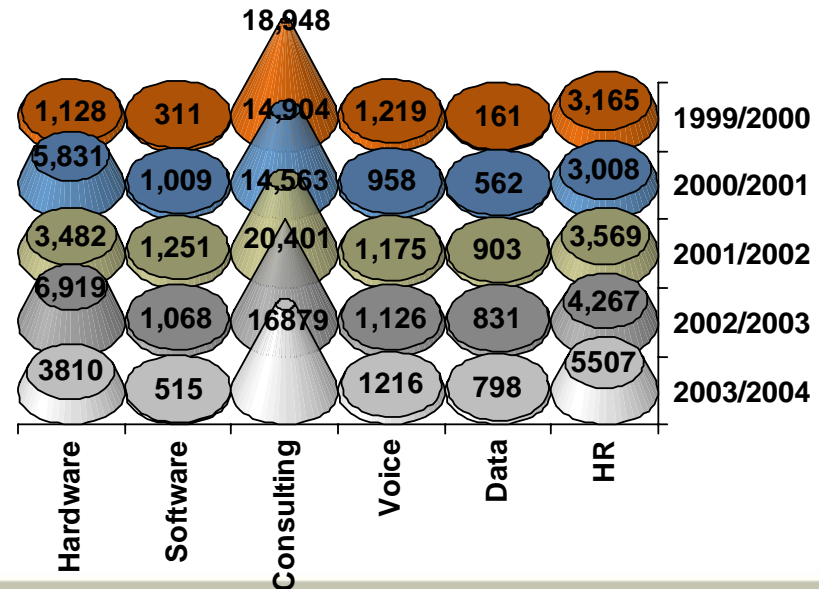


- As a share of total spend, Consulting fees are high while Hardware and HR are much below the GOC average

2003/04 Spending Breakdown



Spending by Category (\$000s)



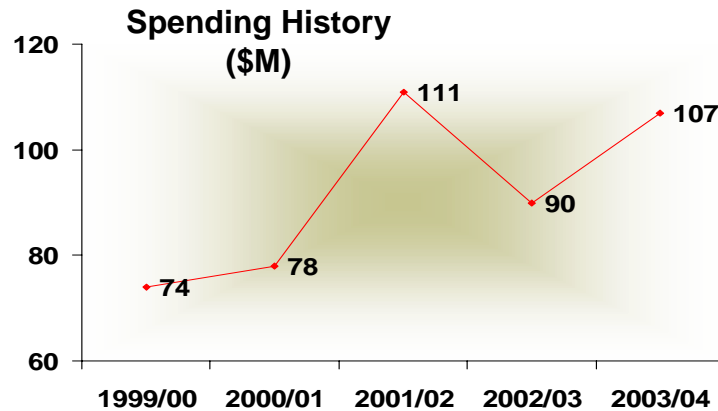
Canadian International Development Agency – HR Costs

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling Bon	Benefits	OverTime	Term. Allwnce	Accom.	Train 'N Trav.	Hidden	Fully Loaded \$
CS1 PSSRA 1.1	4	\$192,511	\$794	\$38,502	\$4,043	\$6,603	\$25,026	\$5,775	\$289,157	\$562,412
CS2 PSSRA 1.1	13	\$746,710	\$7,013	\$149,342	\$15,681	\$30,906	\$97,072	\$22,401	\$939,760	\$2,008,885
CS3 PSSRA 1.1	13	\$969,183	\$6,913	\$193,837	\$20,353	\$34,544	\$125,994	\$29,075	\$1,357,431	\$2,737,329
CS4 PSSRA 1.1	9	\$799,310	\$6,419	\$159,862	\$16,786	\$28,440	\$103,910	\$23,979	\$1,691,567	\$2,830,274
CS5 PSSRA 1.1	5	\$497,881	\$1,993	\$99,576	\$10,456	\$16,245	\$64,725	\$14,936	\$106,791	\$812,603
Total	44	\$3,205,594	\$23,132	\$641,119	\$67,317	\$116,738	\$416,727	\$96,168	\$939,760	\$5,506,555

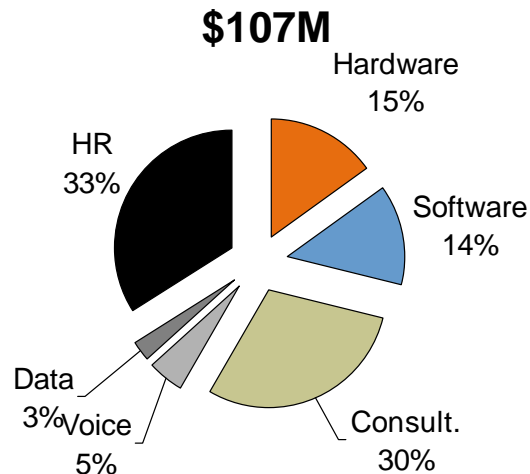
- For 2002-03, consultant costs were nearly twenty-fold the combined costs of CS1 and CS2

Citizenship and Immigration Canada – IT Costs

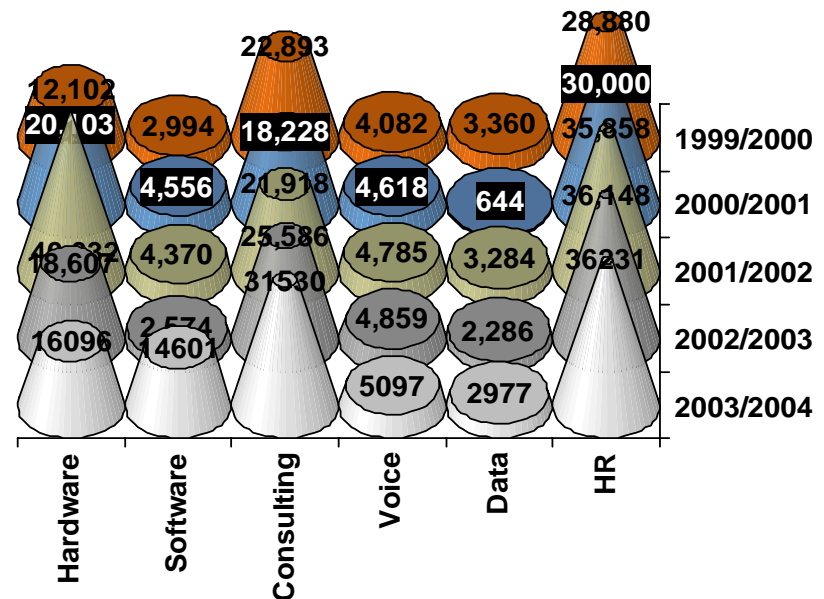


- Development of the Global Case Management System (GCMS) applications resulted in a software spending spike in 2003/04
- GCMS cost \$25M in 2001/02 and \$20M in 2002/03.
- Received \$7M in Program Integrity funding in 2001/02

2003/04 Spending Breakdown



Spending by Category (\$000s)



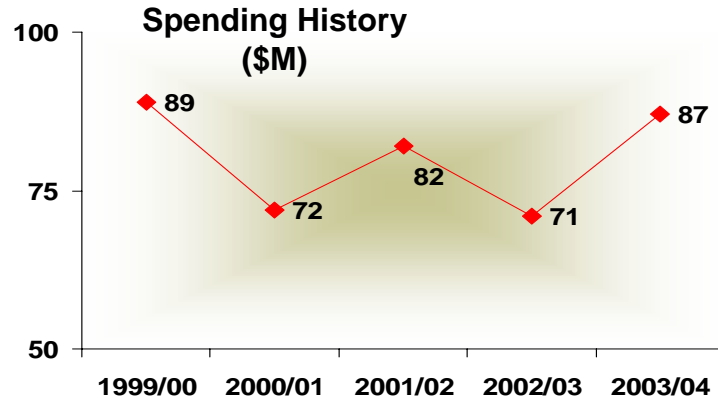
Citizenship and Immigration Canada – HR Costs

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling Bon	Benefits	OverTime	Term. All.	Accom.	Train 'N Tra	Hidden	Fully Loaded \$
CS1	103	\$4,947,833	\$17,983	\$989,567	\$103,904	\$178,241	\$643,218	\$148,435	\$915,195	\$7,944,377
CS2	155	\$9,254,065	\$43,926	\$1,850,813	\$194,335	\$335,828	\$1,203,028	\$277,622	\$1,377,236	\$14,536,854
CS3	78	\$5,535,059	\$31,259	\$1,107,012	\$116,236	\$196,309	\$719,558	\$166,052	\$693,061	\$8,564,545
CS4	38	\$3,138,904	\$17,936	\$627,781	\$65,917	\$113,205	\$408,058	\$94,167	\$337,645	\$4,803,612
CS5	9	\$871,446	\$2,751	\$174,289	\$18,300	\$32,594	\$113,288	\$26,143	\$79,969	\$1,318,780
Total	383	\$23,747,305	\$113,855	\$4,749,461	\$498,693	\$856,177	\$3,087,150	\$712,419	\$3,403,105	\$37,168,166

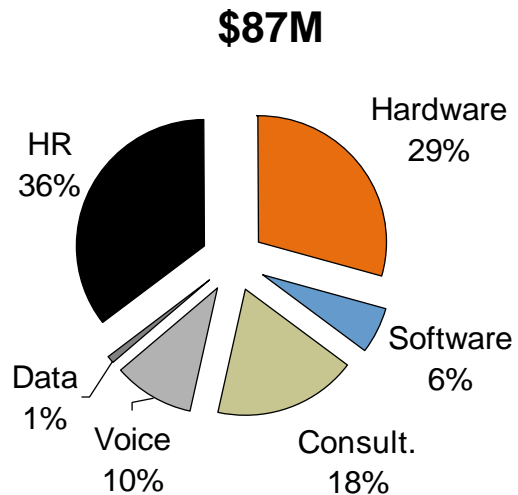
- HR demographic is skewed towards entry level positions.

Correctional Service Canada – IT Costs

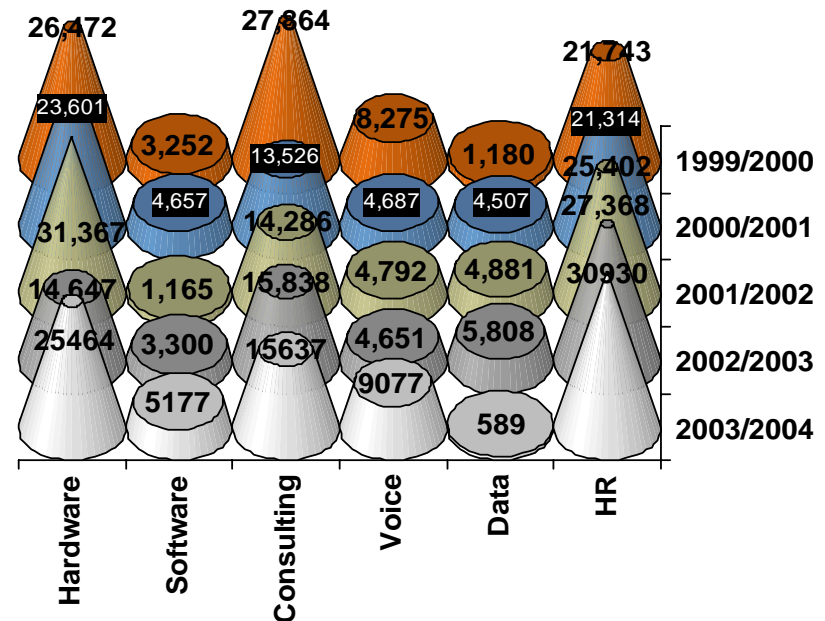


- The Offender Management System Project cost \$7M in 2001-02 and \$8.3M in 2002-03.

2003/04 Spending Breakdown



Spending by Category (\$000s)

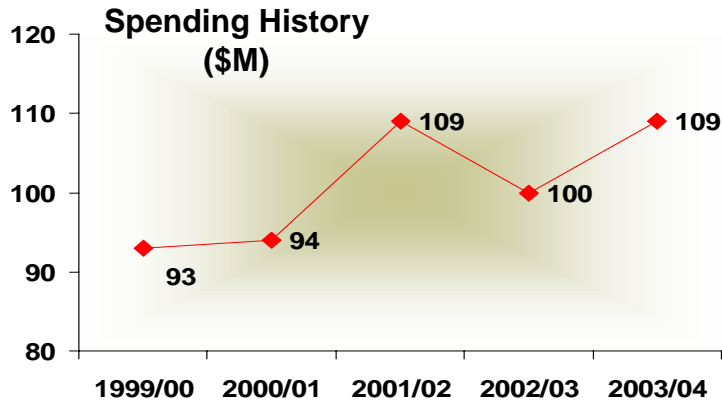


Correctional Service Canada – HR Costs

Breakdown of HR Costs 2003/2004

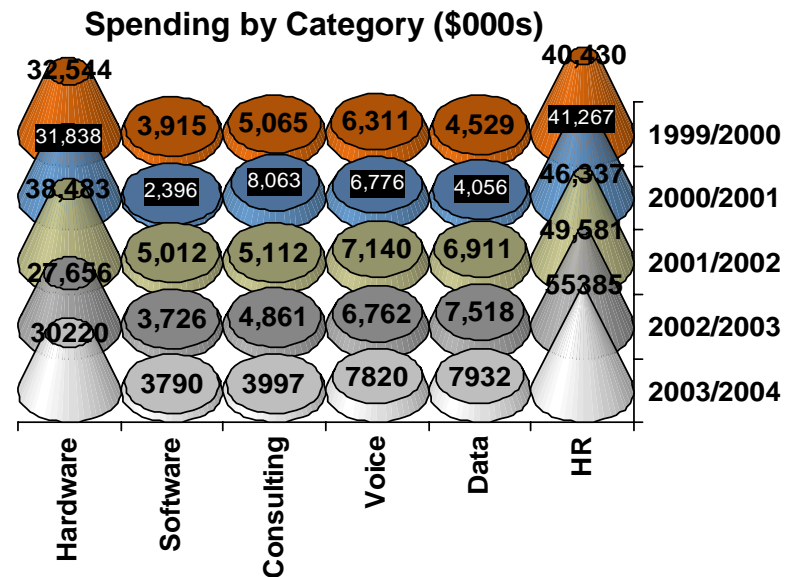
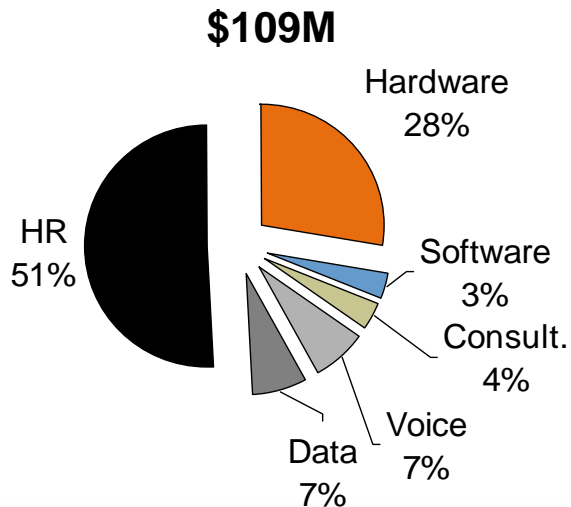
2003-04	#	Gross Pay	Biling Boi	Benefits	OT	Term. All.	Accom.	Train 'N Tr	Hidden	Fully Loaded \$
CS1	106	\$5,046,843	\$11,988	\$1,009,369	\$105,984	\$173,966	\$656,090	\$151,405	\$1,058,728	\$8,214,372
CS2	124	\$7,316,170	\$31,876	\$1,463,234	\$153,640	\$265,687	\$951,102	\$219,485	\$1,238,512	\$11,639,706
CS3	63	\$4,411,636	\$19,174	\$882,327	\$92,644	\$163,138	\$573,513	\$132,349	\$629,244	\$6,904,025
CS4	25	\$2,022,449	\$11,427	\$404,490	\$42,471	\$72,892	\$262,918	\$60,673	\$249,700	\$3,127,021
CS5	7	\$683,543	\$5,657	\$136,709	\$14,354	\$25,701	\$88,861	\$20,506	\$69,916	\$1,045,247
Total	325	\$19,480,640	\$80,122	\$3,896,128	\$409,093	\$701,384	\$2,532,483	\$584,419	\$3,246,101	\$30,930,371

Environment Canada – IT Costs



- Comparatively high HR and low consultant spender.
- In 2001-02, received \$10M in Program Integrity funds for a modern computer centre infrastructure.

2003/04 Spending Breakdown



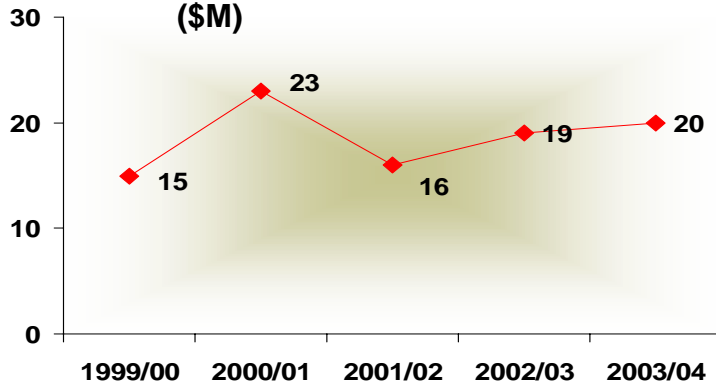
Environment Canada – HR Costs

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling Bon	Benefits	OT	Term. All	Accom.	Train 'N Trav.	Hidden	Fully Loaded \$
CS1	102	\$4,758,592	\$28,210	\$951,718	\$99,930	\$169,064	\$618,617	\$142,758	\$1,289,380	\$8,058,270
CS2	275	\$16,550,476	\$72,539	\$3,310,095	\$347,560	\$580,415	\$2,151,562	\$496,514	\$3,476,270	\$26,985,431
CS3	129	\$9,448,451	\$54,529	\$1,889,690	\$198,417	\$332,291	\$1,228,299	\$283,454	\$1,630,687	\$15,065,817
CS4	28	\$2,379,490	\$12,296	\$475,898	\$49,969	\$83,881	\$309,334	\$71,385	\$353,947	\$3,736,200
CS5	10	\$997,277	\$3,812	\$199,455	\$20,943	\$32,277	\$129,646	\$29,918	\$126,410	\$1,539,738
Total	544	\$34,134,275	\$171,386	\$6,826,855	\$716,820	\$1,197,928	\$4,437,456	\$1,024,028	\$6,876,694	\$55,385,442

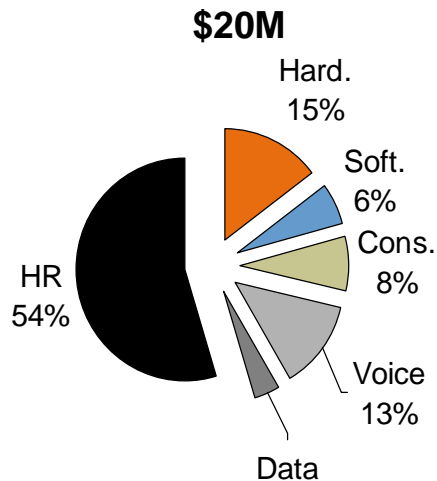
Finance – IT Costs

Spending History (\$M)

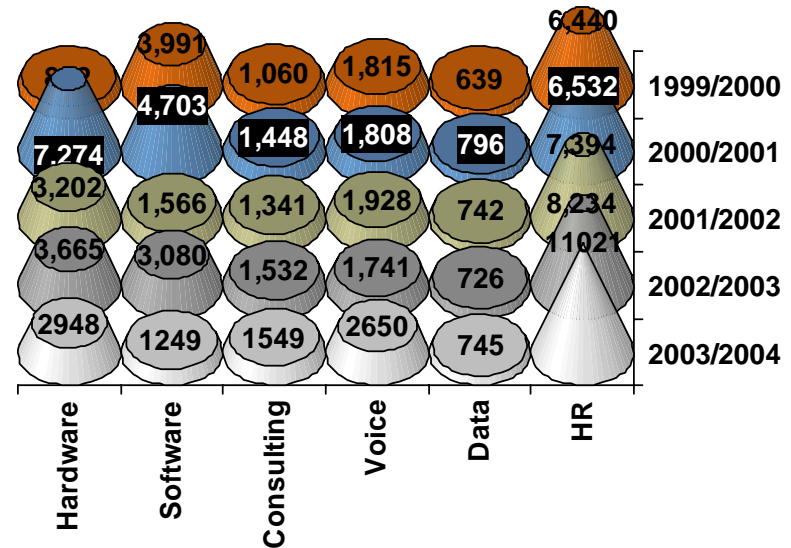


- Spending proportionally more on hardware and less on software than TBS counterparts
- Finance provides shared IT services to TBS and PSHRMAC

2003/04 Spending Breakdown



Spending by Category (\$000S)



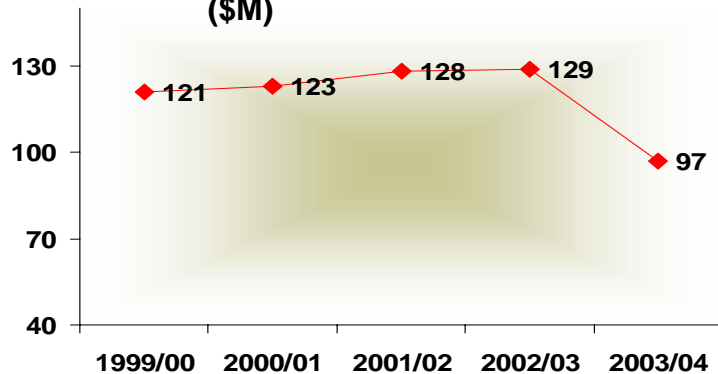
Finance – HR Costs

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Loaded \$
CS1	11	\$502,131	\$4,678	\$100,426	\$10,545	\$15,449	\$65,277	\$15,064	\$430,202	\$1,143,772
CS2	34	\$1,954,127	\$17,331	\$390,825	\$41,037	\$74,531	\$254,037	\$58,624	\$1,329,717	\$4,120,228
CS3	30	\$2,130,781	\$10,362	\$426,156	\$44,746	\$76,663	\$277,002	\$63,923	\$1,173,279	\$4,202,913
CS4	9	\$725,026	\$5,722	\$145,005	\$15,226	\$26,592	\$94,253	\$21,751	\$351,984	\$1,385,559
CS5	1	\$92,265	\$397	\$18,453	\$1,938	\$1,692	\$11,994	\$2,768	\$39,109	\$168,616
Total	85	\$5,404,330	\$38,490	\$1,080,866	\$113,491	\$194,927	\$702,563	\$162,130	\$3,324,292	\$11,021,088

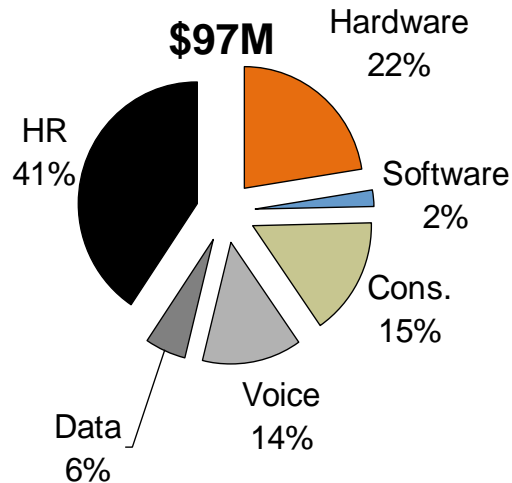
Fisheries and Oceans – IT Costs

Spending History (\$M)

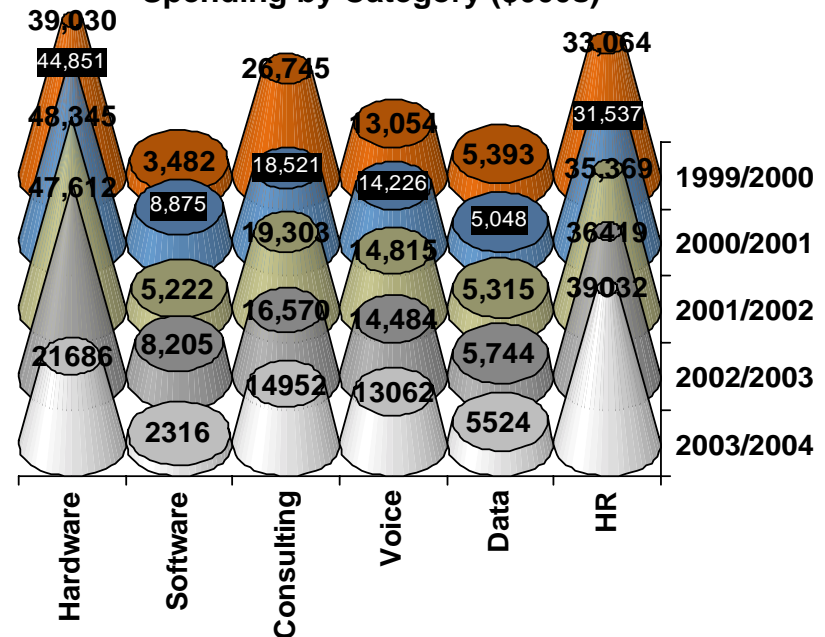


- DFO implemented a hardware spending freeze during the year resulting in the sharpest decline in IT spend for any department in 2003/04
- An IT rationalization and consolidation initiative is being implemented to modernize and revitalize the IT/IM environment

2003/04 Spending Breakdown



Spending by Category (\$000s)

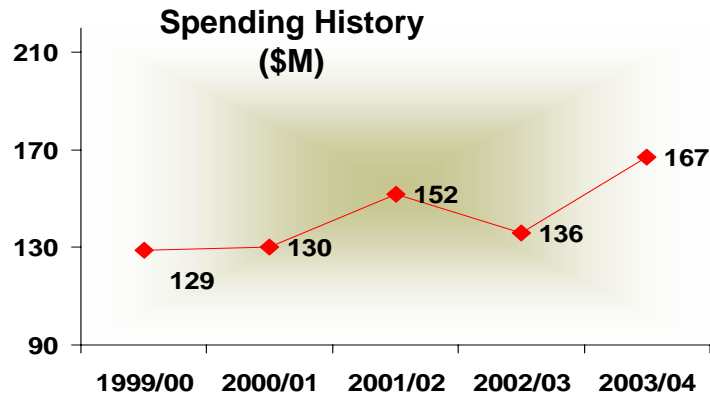


Fisheries and Oceans – HR Costs

Breakdown of HR Costs 2003/2004

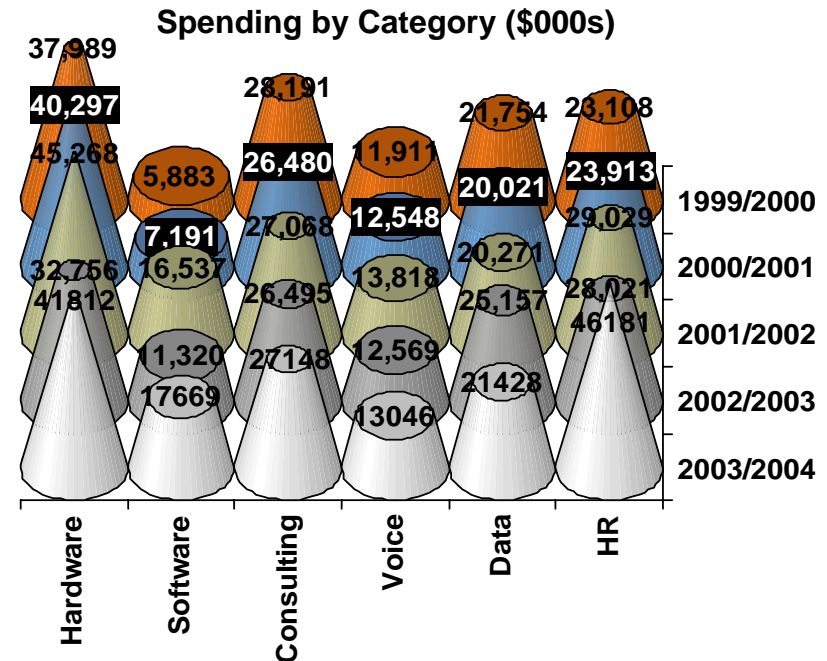
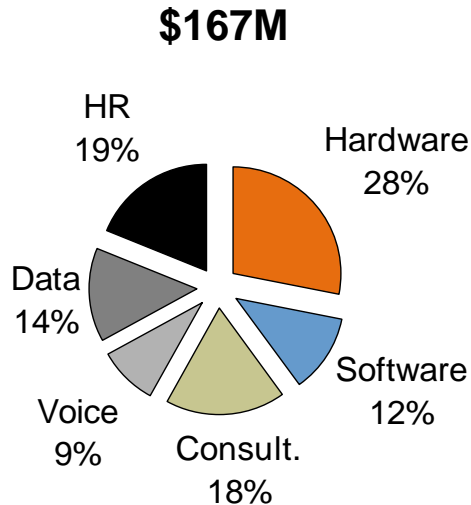
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All	Accom.	Train 'N T	Hidden	Fully Loaded \$
CS1	110	\$5,021,408	\$7,741	\$1,004,282	\$105,450	\$181,370	\$652,783	\$150,642	1181445.57	\$8,305,121
CS2	182	\$11,007,634	\$20,069	\$2,201,527	\$231,160	\$385,053	\$1,430,992	\$330,229	1954755.4	\$17,561,420
CS3	86	\$6,193,965	\$16,312	\$1,238,793	\$130,073	\$221,383	\$805,215	\$185,819	923675.631	\$9,715,236
CS4	20	\$1,633,222	\$9,275	\$326,644	\$34,298	\$61,704	\$212,319	\$48,997	214808.286	\$2,541,267
CS5	6	\$593,069	\$2,083	\$118,614	\$12,454	\$23,184	\$77,099	\$17,792	64442.4859	\$908,738
Total	404	\$24,449,250	\$55,480	\$4,889,850	\$513,434	\$872,694	\$3,178,403	\$733,478	\$4,339,127	\$39,031,716

Foreign Affairs and International Trade – IT Costs



- A relatively high data spender, DFAIT operates an international IM/IT infrastructure linking locations and gateways in Ottawa with 162 missions abroad, with approximately 4,600 locally engaged staff
- Received \$13M in Program Integrity funds for 2001-02, and another \$16M was for 2002-03

2003/04 Spending Breakdown

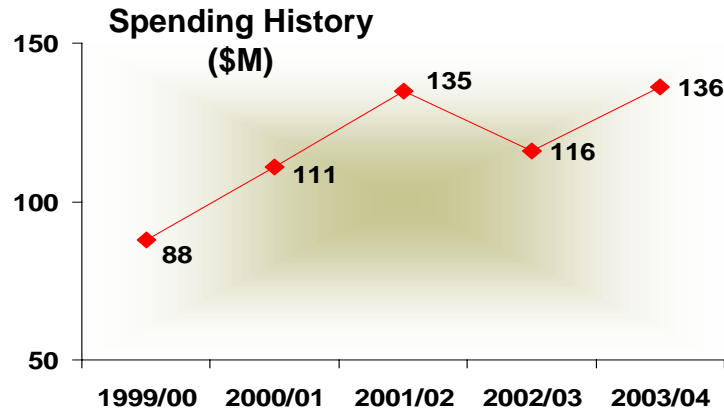


Foreign Affairs and International Affairs – HR Costs

Breakdown of HR costs 2003/2004

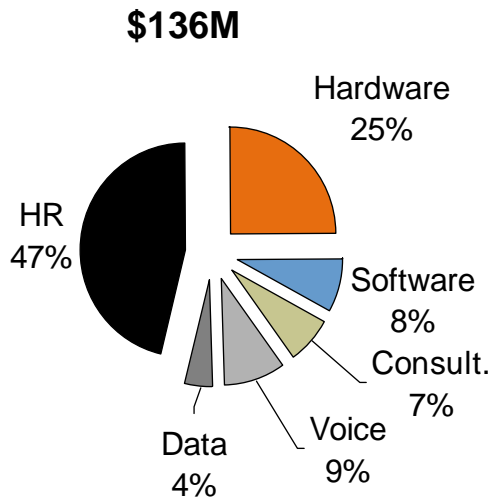
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Load. \$
CS1	71	\$3,244,671	\$16,601	\$648,934	\$68,138	\$137,117	\$421,807	\$97,340	2663993.914	\$7,298,603
CS2	177	\$10,578,189	\$57,778	\$2,115,638	\$222,142	\$357,635	\$1,375,165	\$317,346	6641224.264	\$21,665,116
CS3	74	\$5,356,781	\$21,908	\$1,071,356	\$112,492	\$187,245	\$696,382	\$160,703	2776557.037	\$10,383,425
CS4	35	\$2,882,052	\$14,984	\$576,410	\$60,523	\$103,799	\$374,667	\$86,462	1313236.436	\$5,412,133
CS5	8	\$790,089	\$4,550	\$158,018	\$16,592	\$27,054	\$102,712	\$23,703	300168.3283	\$1,422,885
Total	365	\$22,851,250	\$115,821	\$4,570,250	\$479,876	\$812,850	\$2,970,663	\$685,538	\$13,695,180	\$46,181,427

Health Canada – IT Costs

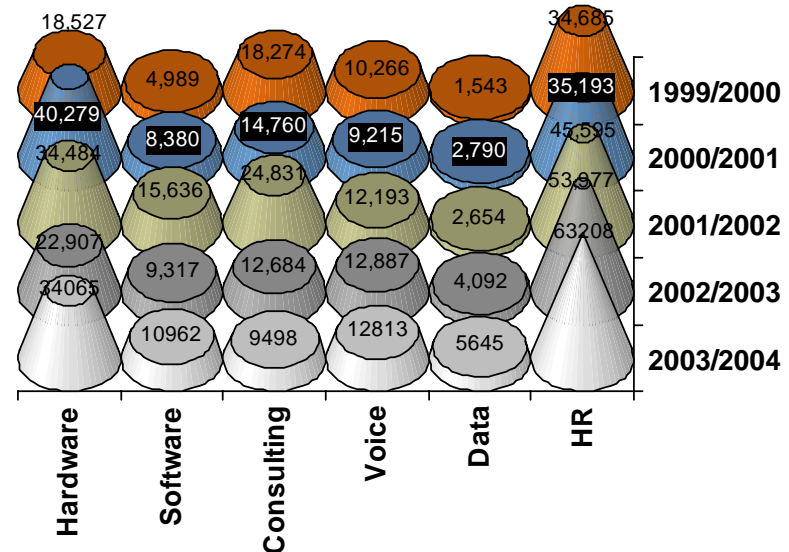


- HR Costs again rose sharply in 2003/04
- Received \$35M to address “rust-out” during the Program Integrity exercise in 2001-02.

2003/04 Spending Breakdown



Spending by Category (\$000s)

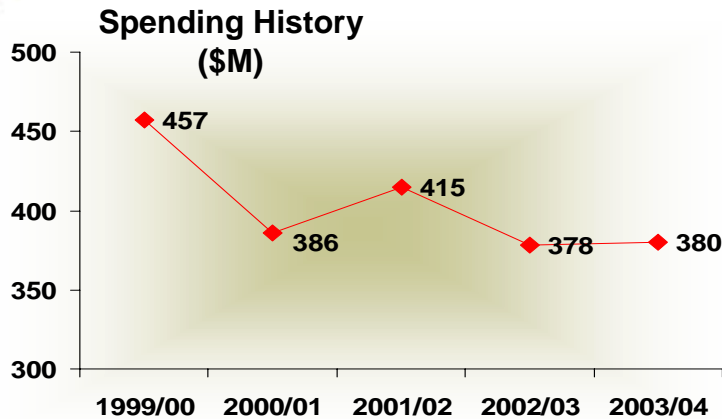


Health Canada – HR Costs

Breakdown of HR Costs 2003/2004

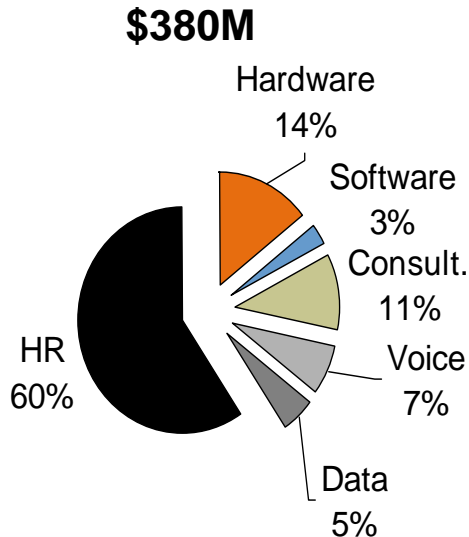
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T.	Hidden	Fully Load. \$
CS1	183	\$8,321,469	\$33,558	\$1,664,294	\$174,751	\$302,112	\$1,081,791	\$249,644	\$2,829,785	\$14,657,403
CS2	240	\$14,080,317	\$54,729	\$2,816,063	\$295,687	\$505,224	\$1,830,441	\$422,410	\$3,711,193	\$23,716,064
CS3	152	\$10,898,885	\$39,054	\$2,179,777	\$228,877	\$386,941	\$1,416,855	\$326,967	\$2,350,422	\$17,827,777
CS4	39	\$3,192,554	\$16,188	\$638,511	\$67,044	\$116,520	\$415,032	\$95,777	\$603,069	\$5,144,694
CS5	12	\$1,179,689	\$4,950	\$235,938	\$24,773	\$41,127	\$153,360	\$35,391	\$185,560	\$1,860,787
Total	626	\$37,673,752	\$148,479	\$7,534,750	\$791,149	\$1,351,924	\$4,897,588	\$1,130,213	\$9,680,028	\$63,207,883

Human Resources Development Canada – IT Costs

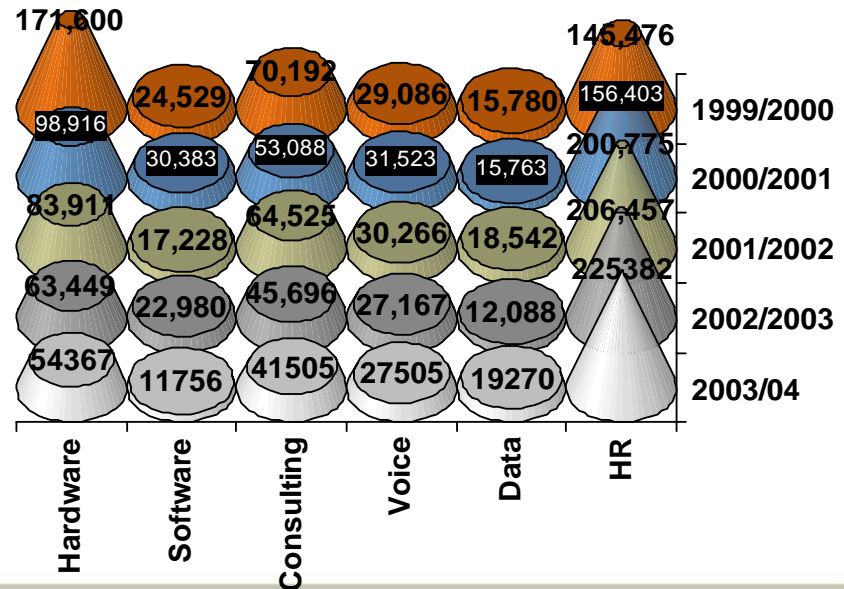


- Received \$91M in Program Integrity funding in 2001-02.
- Received GOL funding \$2M in 2000-01, \$32M in 2001-02 and \$19M in 2002-03.
- Spent \$75M in 2002-03 for the Modernizing Services for Canadians Project.

2003/04 Spending Breakdown



Spending by Category (\$000s)



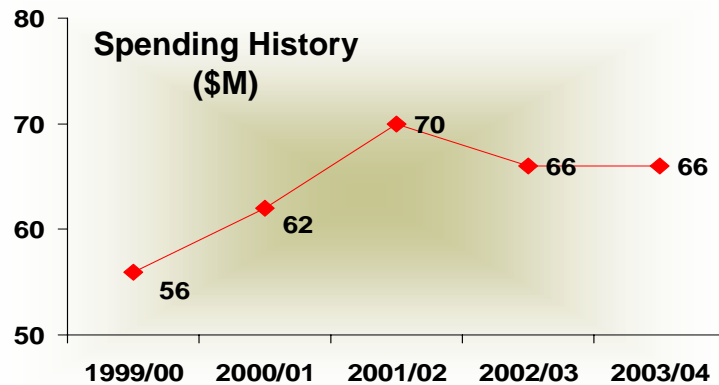
Human Resources Development Canada – HR Costs

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T.	Hidden	Fully Load \$
CS1	541	\$26,644,940	\$119,472	\$5,328,988	\$559,544	\$935,118	\$3,463,842	\$799,348	\$5,563,127	\$43,414,380
CS2	876	\$51,222,140	\$223,449	\$10,244,428	\$1,075,665	\$1,863,682	\$6,658,878	\$1,536,664	\$9,007,948	\$81,832,854
CS3	596	\$42,603,195	\$195,235	\$8,520,639	\$894,667	\$1,511,312	\$5,538,415	\$1,278,096	\$6,128,695	\$66,670,254
CS4	197	\$16,623,584	\$79,604	\$3,324,717	\$349,095	\$602,344	\$2,161,066	\$498,708	\$2,025,760	\$25,664,877
CS5	52	\$5,112,364	\$26,106	\$1,022,473	\$107,360	\$178,145	\$664,607	\$153,371	\$534,718	\$7,799,144
Total	2262	\$142,206,250	\$643,866	\$28,441,250	\$2,986,331	\$5,090,601	\$18,486,813	\$4,266,188	\$23,260,248	\$225,381,547

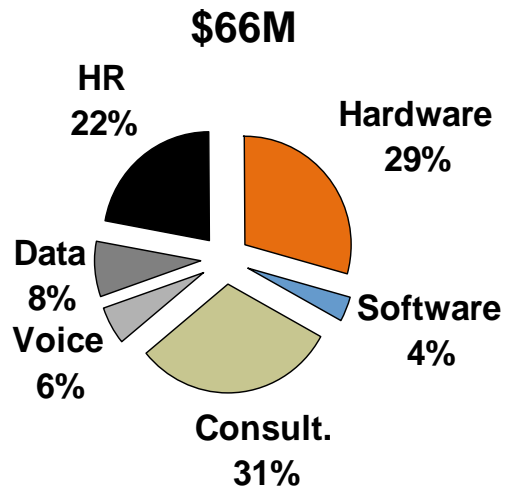
- Received funding for the Income Support Program IT Renewal – \$67M between 1999-00 and 2002-03. Most of these funds were put towards HR and professional services

Indian and Northern Affairs – IT Costs

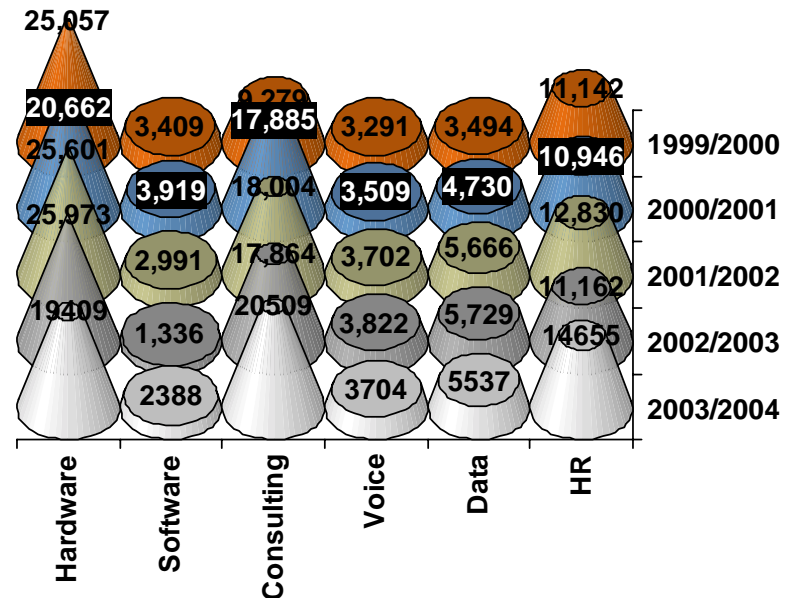


- Traditionally spends relatively less on HR and more on consultants.
- Spending decreased in 2002-03, despite receiving \$8M in Program Integrity “rust-out” funding.

2003/04 Spending Breakdown



Spending by Category (\$000s)

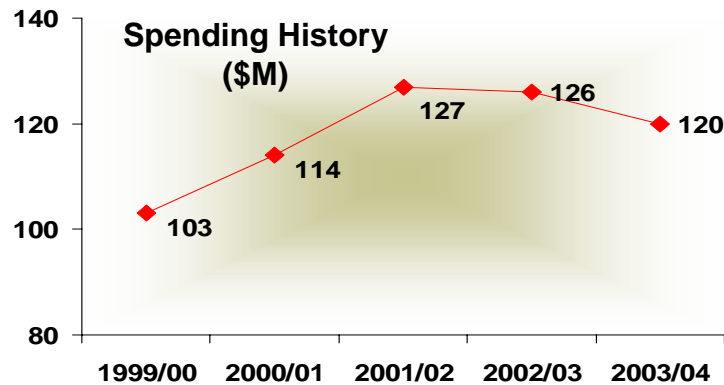


Indian and Northern Affairs – HR

Breakdown of HR Costs 2003/2004

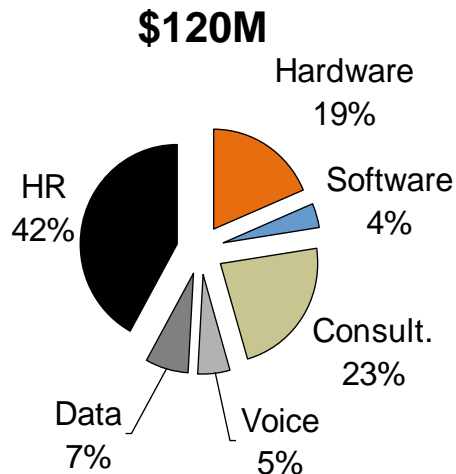
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T.	Hidden	Fully Loaded \$
CS1	33	\$1,615,325	\$6,398	\$323,065	\$33,922	\$57,477	\$209,992	\$48,460	\$770,992	\$3,065,631
CS2	50	\$2,981,777	\$10,357	\$596,355	\$62,617	\$107,834	\$387,631	\$89,453	\$1,168,170	\$5,404,195
CS3	29	\$2,146,745	\$12,798	\$429,349	\$45,082	\$69,138	\$279,077	\$64,402	\$677,539	\$3,724,129
CS4	13	\$1,077,520	\$4,572	\$215,504	\$22,628	\$36,680	\$140,078	\$32,326	\$303,724	\$1,833,031
CS5	4	\$376,803	\$2,227	\$75,361	\$7,913	\$11,853	\$48,984	\$11,304	\$93,454	\$627,899
Total	129	\$8,198,169	\$36,352	\$1,639,634	\$172,162	\$282,982	\$1,065,762	\$245,945	\$3,013,879	\$14,654,884

Industry Canada – IT Costs

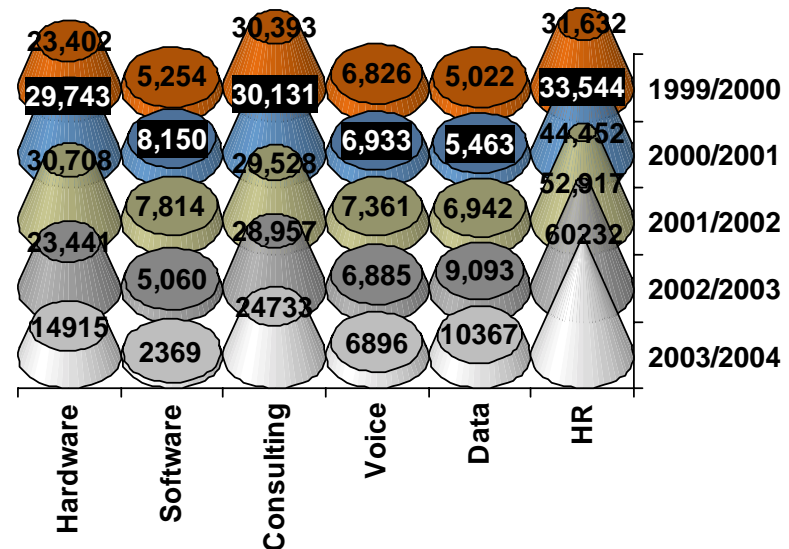


- One of few departments with both high HR and high consulting spending
- Comparatively low hardware spending
- Converting some contractor positions to full-time staff, partly explaining the reduction in consulting services and the increase in HR costs in 03/04

2003/04 Spending Breakdown



Spending by Category (\$000s)

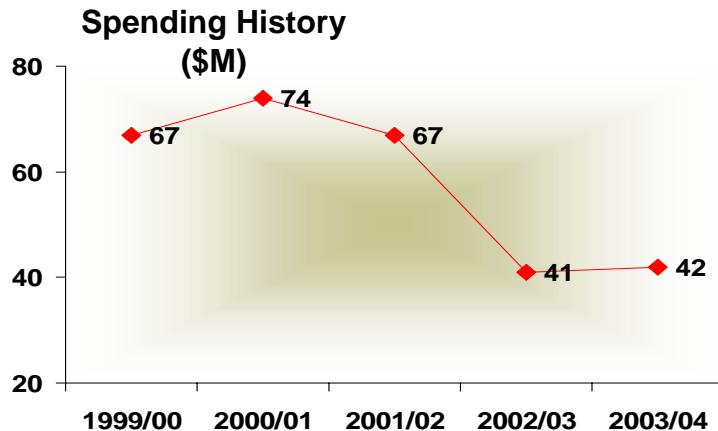


Industry Canada – HR Costs

Breakdown of HR Costs 2003/2004

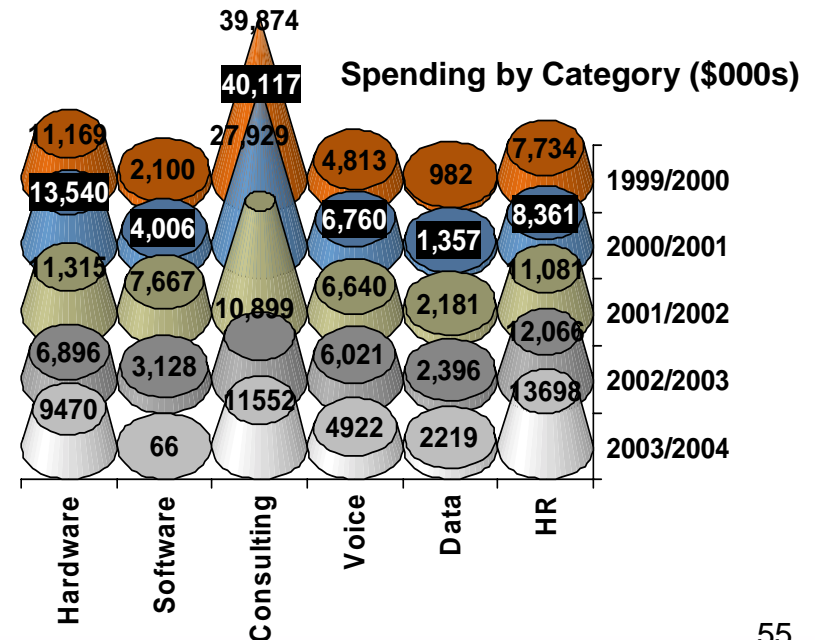
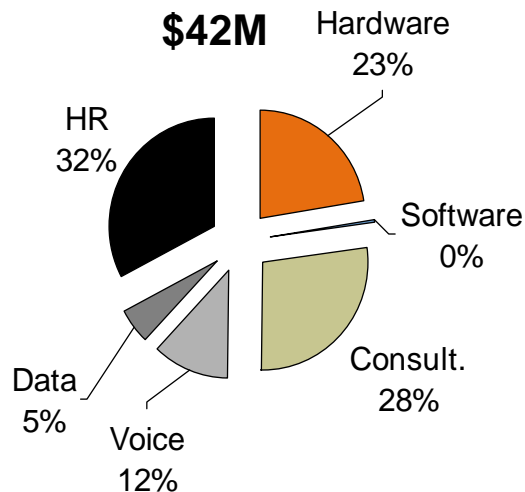
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All	Accom.	Train 'N T	Hidden	Fully Loaded \$
CS1	111	\$5,109,951	\$50,251	\$1,021,990	\$107,309	\$186,973	\$664,294	\$153,299	1901600.527	\$9,195,666
CS2	245	\$14,619,127	\$98,158	\$2,923,825	\$307,002	\$523,666	\$1,900,486	\$438,574	4220520.628	\$25,031,358
CS3	137	\$9,730,324	\$57,581	\$1,946,065	\$204,337	\$344,413	\$1,264,942	\$291,910	2353338.209	\$16,192,910
CS4	55	\$4,547,775	\$29,319	\$909,555	\$95,503	\$160,057	\$591,211	\$136,433	937893.4728	\$7,407,746
CS5	16	\$1,496,719	\$10,409	\$299,344	\$31,431	\$50,984	\$194,573	\$44,902	266740.3455	\$2,395,102
Total	563	\$35,504,064	\$245,718	\$7,100,813	\$745,585	\$1,266,093	\$4,615,528	\$1,065,122	\$9,688,698	\$60,231,621

Justice Canada – IT Costs



- Outsourcing of services for for Help Desk, Desk side and server monitoring increased consulting spend in 2003/04
- The Canadian Firearms Centre was moved to the Solicitor General April 1st 2003 and is no longer reported under DOJ
- In May 2000, major funding was provided for the Firearms Program
- Firearms costs dropped in year three (2002/03), as the program moved from system development into operation and maintenance

2003/04 Spending Breakdown



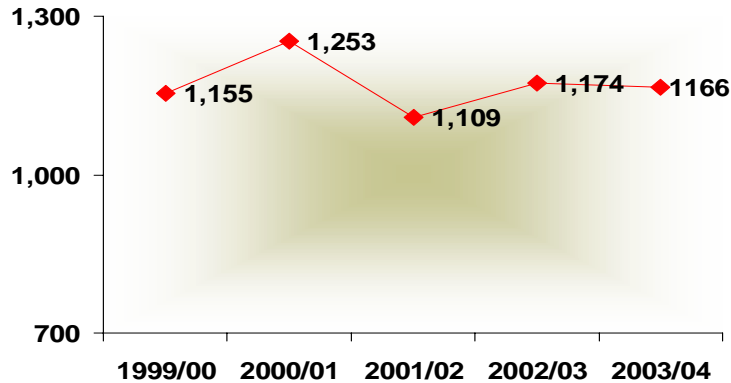
Justice Canada – HR Costs

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Loaded \$
CS1	45	\$2,110,159	\$8,856	\$422,032	\$44,313	\$76,270	\$274,321	\$63,305	\$417,421	\$3,416,677
CS2	39	\$2,259,353	\$10,977	\$451,871	\$47,446	\$81,395	\$293,716	\$67,781	\$361,765	\$3,574,304
CS3	36	\$2,634,737	\$14,721	\$526,947	\$55,329	\$91,152	\$342,516	\$79,042	\$333,937	\$4,078,382
CS4	16	\$1,327,009	\$8,849	\$265,402	\$27,867	\$44,708	\$172,511	\$39,810	\$148,416	\$2,034,573
CS5	4	\$391,632	\$3,115	\$78,326	\$8,224	\$12,989	\$50,912	\$11,749	\$37,104	\$594,052
Total	140	\$8,722,750	\$46,518	\$1,744,550	\$183,178	\$306,514	\$1,133,958	\$261,683	\$1,298,644	\$13,697,794

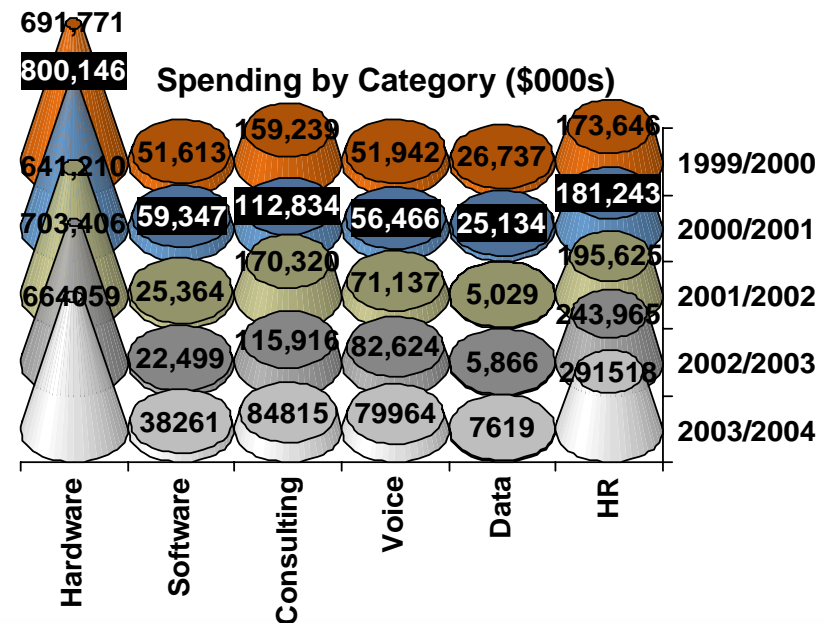
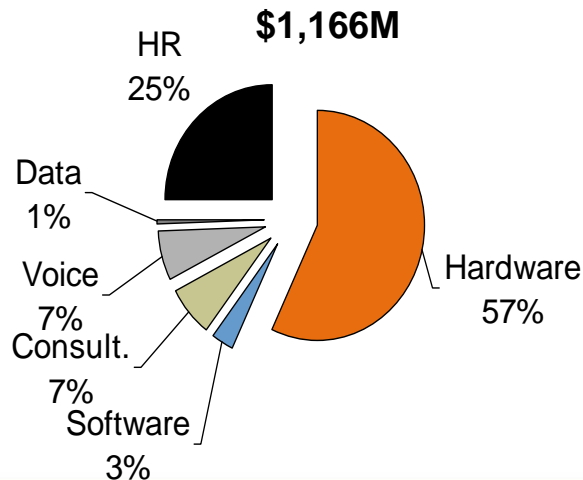
National Defence – IT Costs

Spending History (\$M)



- Hardware does not include weapons or weapon system expenditures.
- Hardware and consulting spend decreased significantly in 2003/04 while HR increased sharply for the second straight year

2003/04 Spending Breakdown



National Defence – Civilian HR

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Load \$
CS1	508	\$23,463,098	\$63,702	\$4,692,620	\$492,725	\$876,600	\$3,050,203	\$703,893	\$5,071,632	\$38,414,471
CS2	669	\$39,688,166	\$135,149	\$7,937,633	\$833,451	\$1,415,298	\$5,159,462	\$1,190,645	\$6,678,980	\$63,038,783
CS3	294	\$21,148,203	\$70,927	\$4,229,641	\$444,112	\$744,364	\$2,749,266	\$634,446	\$2,935,157	\$32,956,116
CS4	74	\$6,261,875	\$27,399	\$1,252,375	\$131,499	\$220,417	\$814,044	\$187,856	\$738,781	\$9,634,246
CS5	11	\$1,129,826	\$7,432	\$225,965	\$23,726	\$37,569	\$146,877	\$33,895	\$109,819	\$1,715,110
Total	1556	\$91,691,228	\$304,609	\$18,338,246	\$1,925,516	\$3,294,248	\$11,919,860	\$2,750,737	\$15,534,368	\$145,758,811

Figures here are for the civilian CS population only. Uniformed IT support are listed on the next slide

National Defence – Military HR

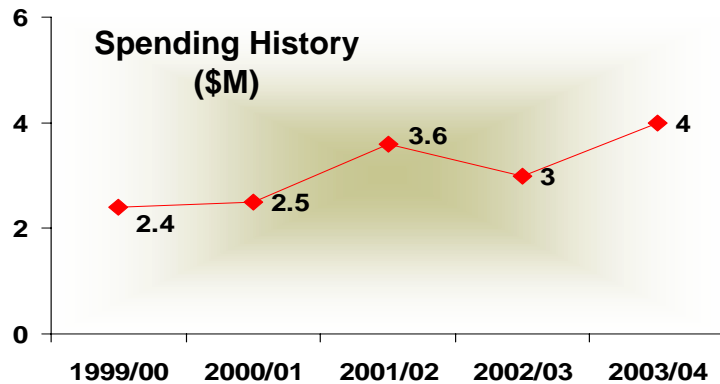
Breakdown of HR Costs 2003/2004

Rank	# mil.	Salary	Payroll	Benefit	Acc.	T&T	TOTAL
BGen	2	121,963	243,926	48,785	1,508	7,318	301,537
C/Lt	32	71,754	2,296,128	459,226	24,125	68,884	2,848,362
Capt.	157	72,556	11,391,292	2,278,258	118,362	341,739	14,129,651
C-P	375	42,585	15,969,375	3,193,875	282,713	479,081	19,925,044
Col	11	108,560	1,194,160	238,832	8,293	35,825	1,477,110
Cpl	337	46,928	15,814,736	3,162,947	254,064	474,442	19,706,190
CWO	29	72,127	2,091,683	418,337	21,863	62,750	2,594,633
LCol	34	97,739	3,323,126	664,625	25,633	99,694	4,113,078
Major	135	86,754	11,711,790	2,342,358	101,777	351,354	14,507,278
MCpl	394	49,373	19,452,962	3,890,592	297,037	583,589	24,224,180
MWO	68	64,834	4,408,712	881,742	51,265	132,261	5,473,981
P	9	28,971	260,739	52,148	6,785	7,822	327,494
Sgt.	272	52,833	14,370,576	2,874,115	205,061	431,117	17,880,869
WO	123	58,727	7,223,421	1,444,684	92,730	216,703	8,977,538
TOTAL	1,978		109,752,626	21,950,525	1,491,214	3,292,579	136,486,944

Notes:

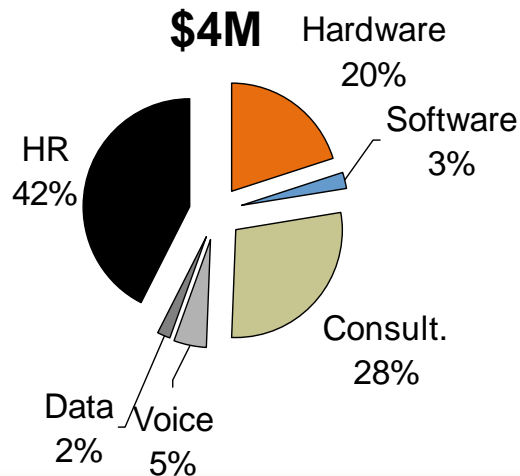
- Bilingual Bonus, Overtime and Terminable Allowance does not apply to military positions
- Benefits were calculated at 20% of the total salary cost as per the TBS civilian calculations
- Accommodation was calculated using the DND Cost Factors Manual which provides an Annual Facility Costs per square metre for administration per person. This cost includes maintenance, janitorial, electricity & heating
- Training and Travel was calculated using 3% of the total salary cost.
- Hidden costs were not included as all individuals who are supporting IT have been included

National Parole Board – IT Costs

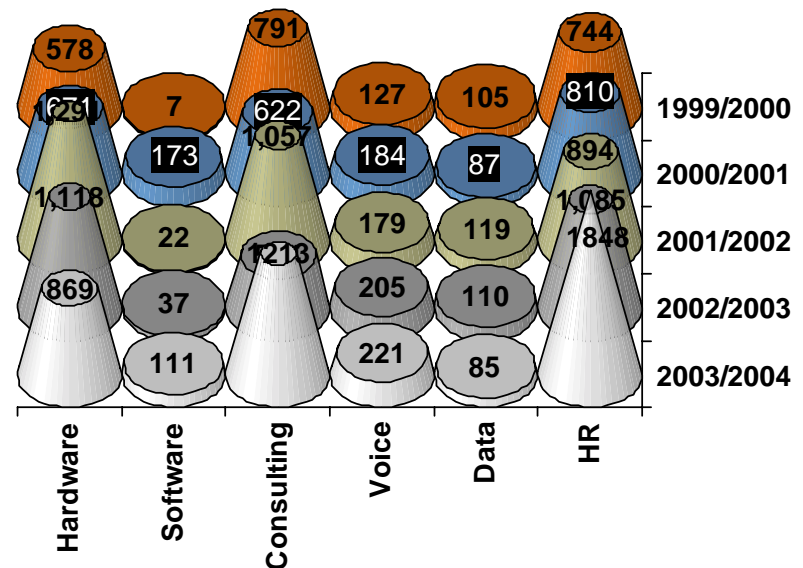


- Spending pattern similar to government norm.
- The 2003/04 increase in HR spend is largely a result of a change in the method used to calculate the “Hidden” hr component, not from a significant increase in staffing or salaries

2003/04 Spending Breakdown



Spending by Category (\$000s)



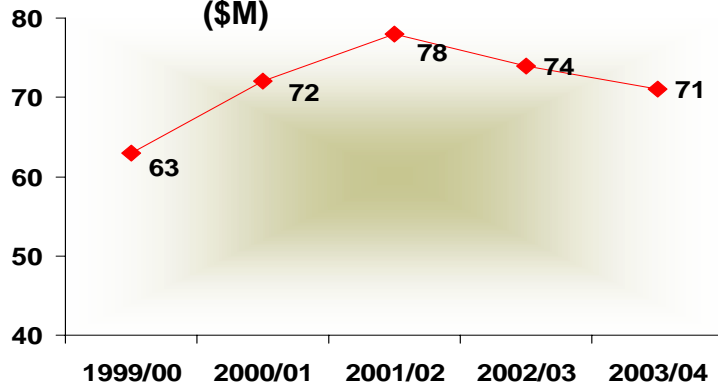
National Parole Board – HR Costs

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling Bon	Benefits	OverTime	Term. Allwnce	Accom.	Train 'N Trav.	Hidden	Fully Loaded \$
CS1	2	\$99,366	\$694	\$19,873	\$2,087	\$2,642	\$12,918	\$2,981	\$96,023	\$236,583
CS2	6	\$373,647	\$1,771	\$74,729	\$7,847	\$13,459	\$48,574	\$11,209	\$300,072	\$831,309
CS3	2	\$160,689	\$1,191	\$32,138	\$3,374	\$5,768	\$20,890	\$4,821	\$96,023	\$324,894
CS4	3	\$226,845	\$1,506	\$45,369	\$4,764	\$8,191	\$29,490	\$6,805	\$132,032	\$455,002
CS5	0		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	13	\$860,547	\$5,162	\$172,109	\$18,071	\$30,060	\$111,871	\$25,816	\$624,150	\$1,847,788

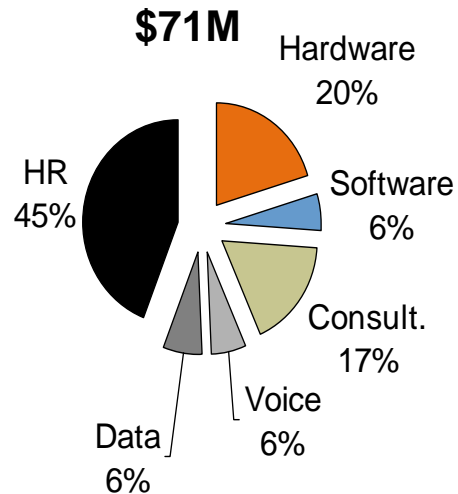
Natural Resources – IT Costs

Spending History (\$M)

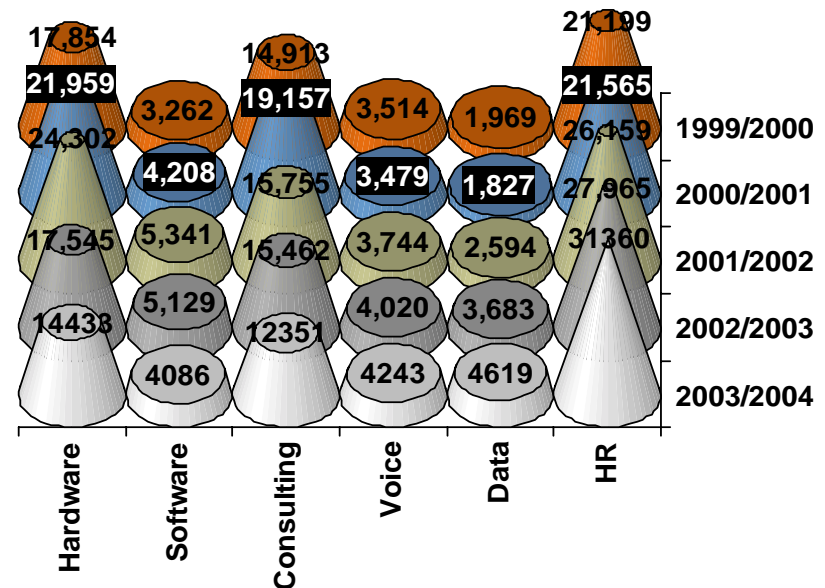


- A comparatively low hardware spender.
- Spending rise in 2001-02 is partially attributable to \$12M Program Integrity funds

2003/04 Spending Breakdown



Spending by Category (\$000s)

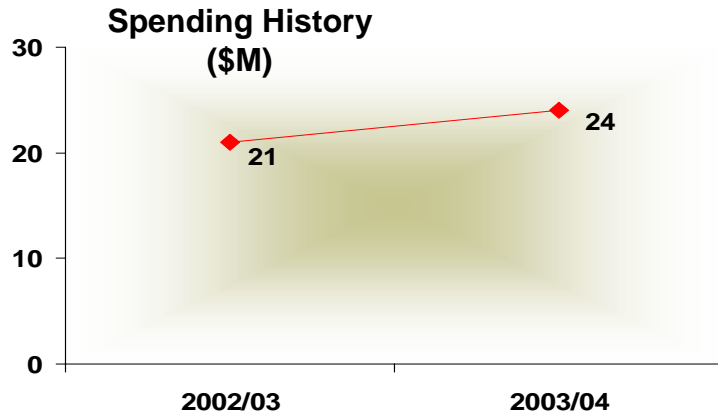


Natural Resources – HR Costs

Breakdown of HR Costs 2003/2004

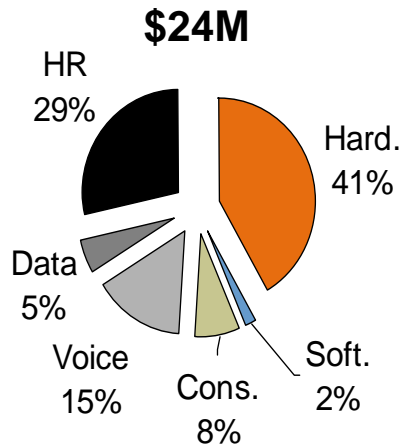
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Load \$
CS1	68	\$3,056,416	\$12,224	\$611,283	\$64,185	\$112,752	\$397,334	\$91,692	\$916,270	\$5,262,157
CS2	133	\$7,865,779	\$30,078	\$1,573,156	\$165,181	\$284,803	\$1,022,551	\$235,973	\$1,798,605	\$12,976,127
CS3	91	\$6,602,286	\$27,479	\$1,320,457	\$138,648	\$230,160	\$858,297	\$198,069	\$1,231,875	\$10,607,271
CS4	17	\$1,471,135	\$7,967	\$294,227	\$30,894	\$50,943	\$191,248	\$44,134	\$230,764	\$2,321,312
CS5	1	\$123,323	\$1,130	\$24,665	\$2,590	\$4,401	\$16,032	\$3,700	\$16,968	\$192,808
Total	309	\$19,119,050	\$78,878	\$3,823,810	\$401,500	\$683,059	\$2,485,477	\$573,572	\$4,194,483	\$31,359,828

Parks Canada – IT Costs

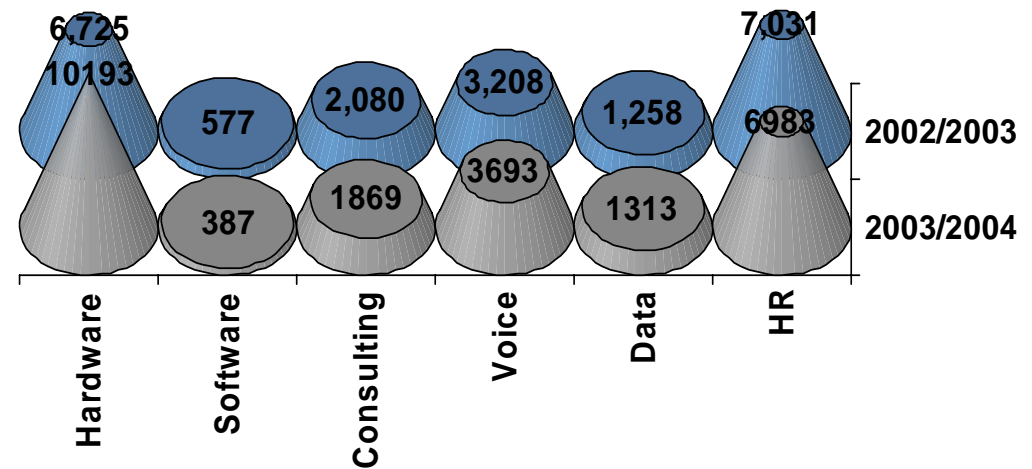


- Hardware spending increased 58% in 2003/04
- Parks Canada became independent from Heritage in 2000.

2003/04 Spending Breakdown



Spending by Category (\$000s)

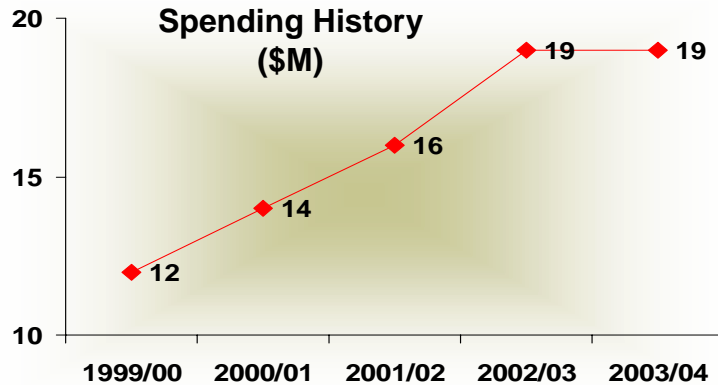


Parks Canada – HR Costs

Breakdown of HR Costs 2003/2004

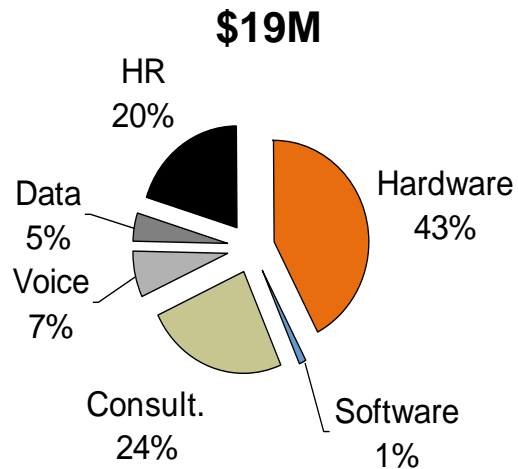
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Load \$
CS1	30	\$1,360,323	\$6,128	\$272,065	\$28,567	\$47,541	\$176,842	\$40,810	\$199,924	\$2,132,199
CS2	28	\$1,610,454	\$9,319	\$322,091	\$33,820	\$62,299	\$209,359	\$48,314	\$186,596	\$2,482,250
CS3	16	\$1,113,610	\$5,282	\$222,722	\$23,386	\$41,351	\$144,769	\$33,408	\$106,626	\$1,691,155
CS4	4	\$352,409	\$397	\$70,482	\$7,401	\$13,252	\$45,813	\$10,572	\$26,657	\$526,983
CS5	1	\$101,291	\$727	\$20,258	\$2,127	\$3,132	\$13,168	\$3,039	\$6,664	\$150,406
Total	79	\$4,538,088	\$21,853	\$907,618	\$95,300	\$167,575	\$589,951	\$136,143	\$526,467	\$6,982,993

Privy Council Office – IT Costs

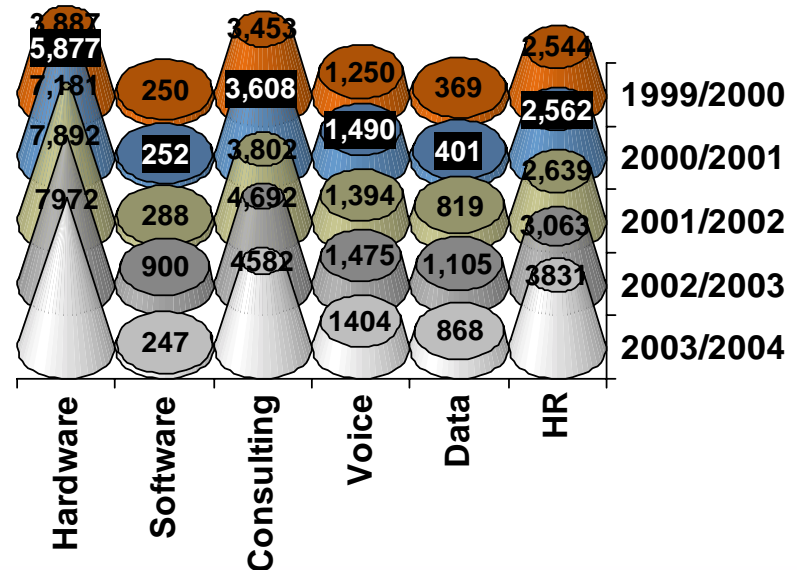


- Spending on HR is relatively low and consultants high

2003/04 Spending Breakdown



Spending by Category (\$000s)

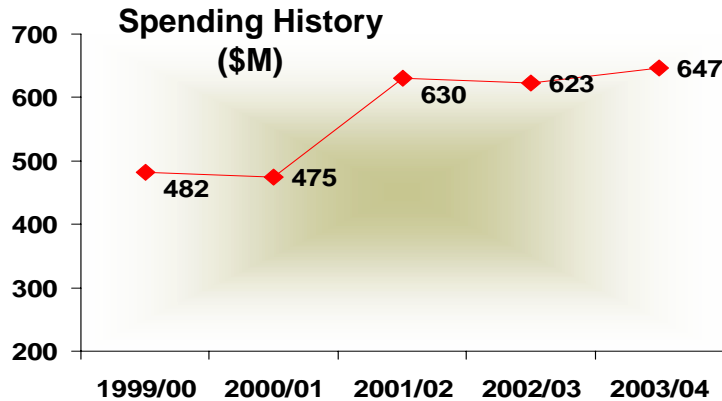


Privy Council Office– HR Costs

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Loaded \$
CS1	11	\$496,931	\$3,359	\$99,386	\$10,436	\$19,011	\$64,601	\$14,908	\$453,499	\$1,162,131
CS2	9	\$514,069	\$5,161	\$102,814	\$10,795	\$18,091	\$66,829	\$15,422	\$371,044	\$1,104,225
CS3	7	\$502,570	\$3,790	\$100,514	\$10,554	\$20,756	\$65,334	\$15,077	\$288,590	\$1,007,185
CS4	3	\$304,551	\$2,178	\$60,910	\$6,396	\$10,540	\$39,592	\$9,137	\$123,681	\$556,984
CS5	0	\$0	\$61	\$0	\$0	\$285	\$0	\$0	\$0	\$346
Total	30	\$1,818,120	\$14,549	\$363,624	\$38,181	\$68,683	\$236,356	\$54,544	\$1,236,815	\$3,830,871

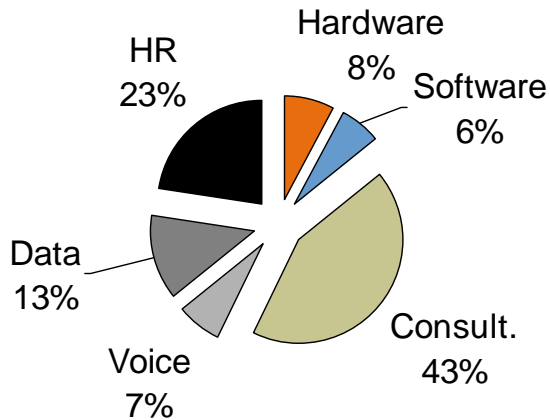
PWGSC – IT Costs



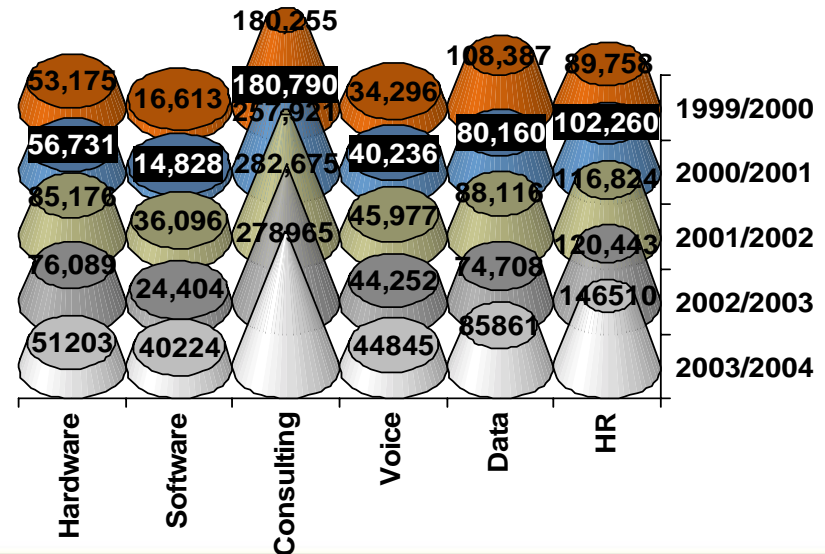
- Secure Channel costs totalled \$103M in 2002-03, including \$78M for contractors
- Received Program Integrity funding mainly for network and computing infrastructure - \$35M in 2001-02 and \$20M in 2002-03
- Purchasing the GOC RDIMS License for close to \$25M accounts for the large software increase in 2003/04

2003/04 Spending Breakdown

\$636M



Spending by Category (\$000s)



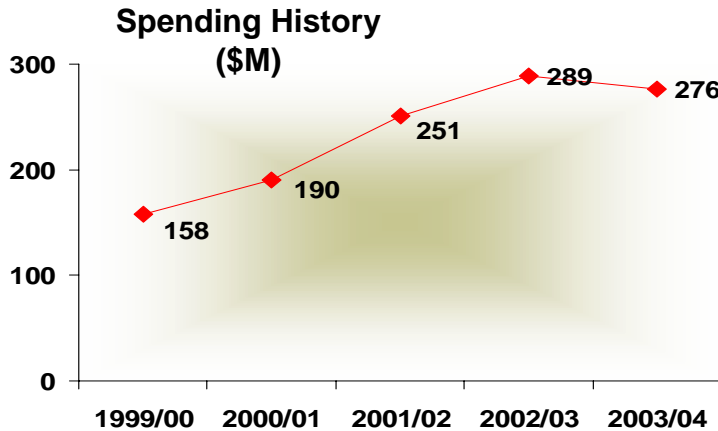
PWGSC – HR Costs

Breakdown of HR Costs 2003/2004

#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Load \$
241	\$11,730,979	\$66,294	\$2,346,196	\$246,351	\$416,213	\$1,525,027	\$351,929	\$5,738,488	\$22,421,477
486	\$29,016,700	\$133,029	\$5,803,340	\$609,351	\$1,024,115	\$3,772,171	\$870,501	\$11,572,221	\$52,801,427
349	\$25,372,751	\$120,777	\$5,074,550	\$532,828	\$887,549	\$3,298,458	\$761,183	\$8,310,093	\$44,358,188
152	\$12,785,061	\$61,410	\$2,557,012	\$268,486	\$460,906	\$1,662,058	\$383,552	\$3,619,295	\$21,797,781
31	\$3,095,076	\$13,939	\$619,015	\$64,997	\$104,153	\$402,360	\$92,852	\$738,146	\$5,130,537
1259	\$82,000,779	\$395,449	\$16,400,156	\$1,722,016	\$2,892,936	\$10,660,101	\$2,460,023	\$29,978,243	\$146,509,704

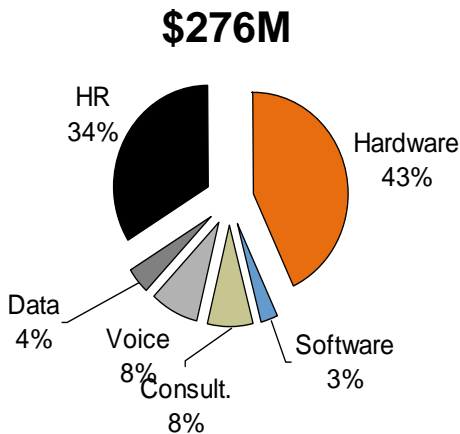
- Demographic is similar to government norm
- Received Government On-line funding: \$21M in 2000-01, \$89M in 2001-02 and \$98M in 2002-03

RCMP – IT Costs

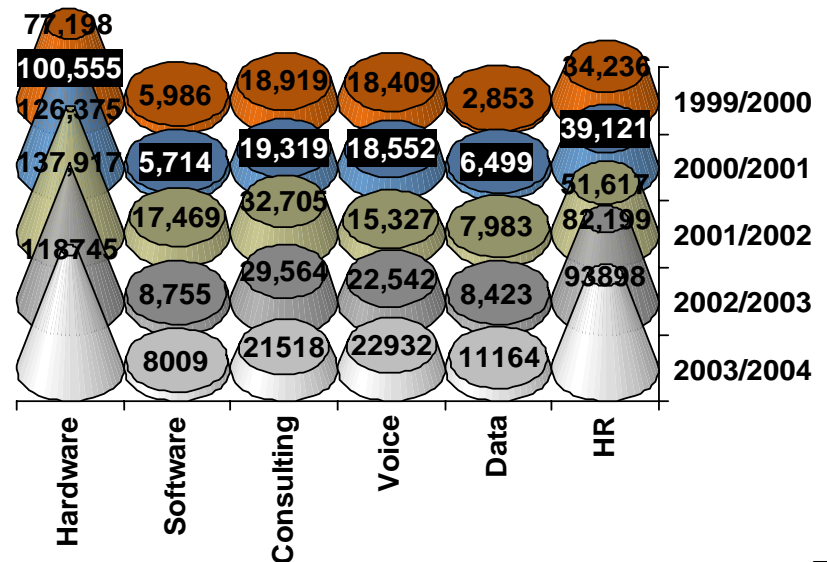


- Uniformed HR costs increased 15% in 2003/04 but were more than offset by decreases in hardware and consulting
- Program Integrity, PSAT and other funding underlay spending increases during the 1999-2003 period

2003/04 Spending Breakdown



Spending by Category (\$000s)



RCMP – HR Costs

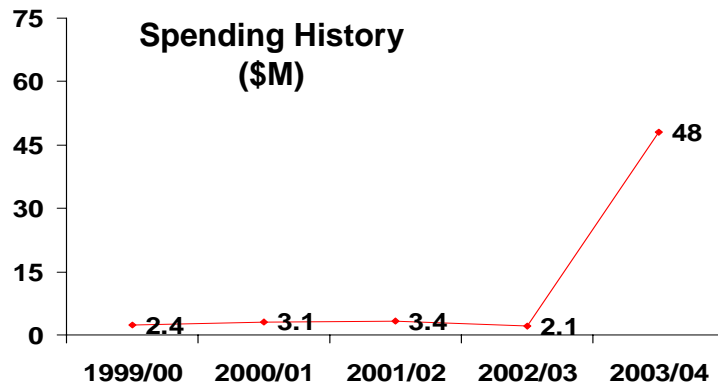
Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Load \$
CS1	17	\$773,651	\$0	\$154,730	\$16,247	\$29,488	\$100,575	\$23,210	\$233,382	\$1,331,282
CS2	20	\$1,153,888	\$794	\$230,778	\$24,232	\$47,867	\$150,005	\$34,617	\$274,567	\$1,916,747
CS3	1	\$72,377	\$0	\$14,475	\$1,520	\$2,544	\$9,409	\$2,171	\$13,728	\$116,225
CS4	0									
CS5	0									
Total	38	\$2,000,558	\$794	\$400,112	\$42,012	\$79,899	\$260,073	\$60,017	\$521,677	\$3,365,140

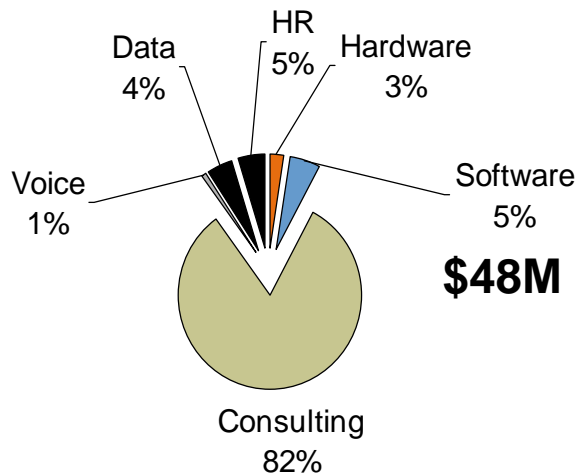
- The total HR costs for RCMP is \$94M
- The civilian cost portion is \$3.3M, as per PSSRA 1.1 payroll
- The RCMP Regular Member personnel costs related to IT is \$91M, as per RCMP provided data
- The civilian demographic, compared to government norm, is heavily skewed to the entry level

Solicitor General – IT Costs

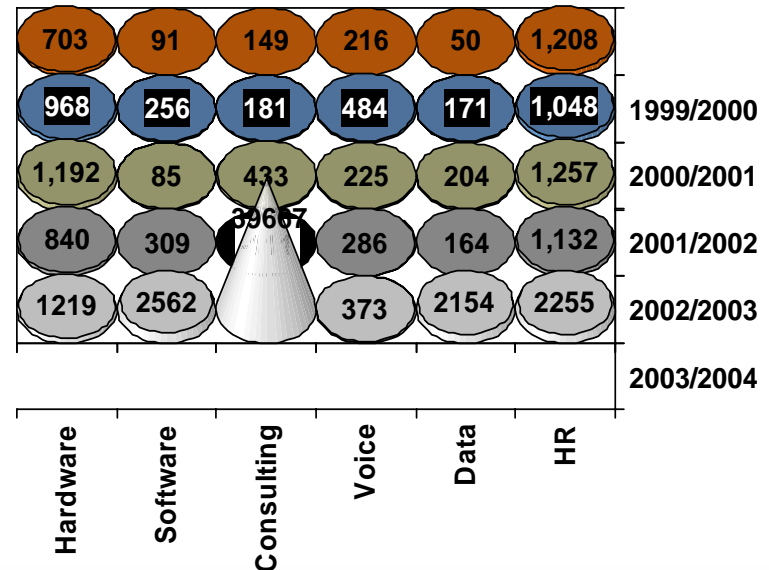
- The Canadian Firearms Centre was moved to Sol Gen as of April 1 2003 from the department of justice, thus the sharp increase in cost
- Received \$400k Program Integrity “rust-out” funding in 2001-02
- The department had a negative expenditure in consulting services for 2002-03. Specifically, it was owed \$111,846 for “computer services.”



2003/04 Spending Breakdown



Spending by Category (\$000s)

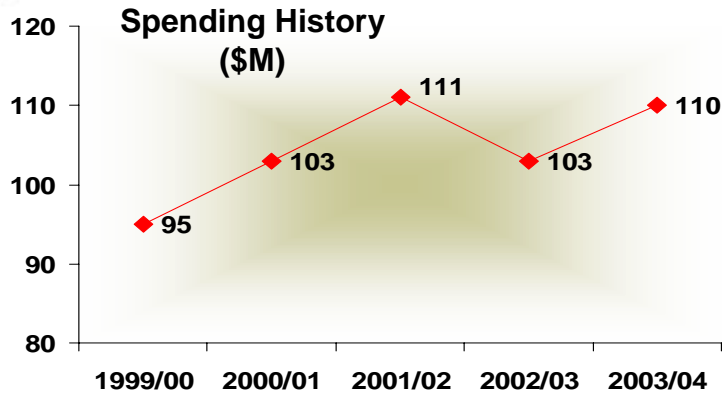


Solicitor General – HR Costs

Breakdown of HR Costs 2003/2004

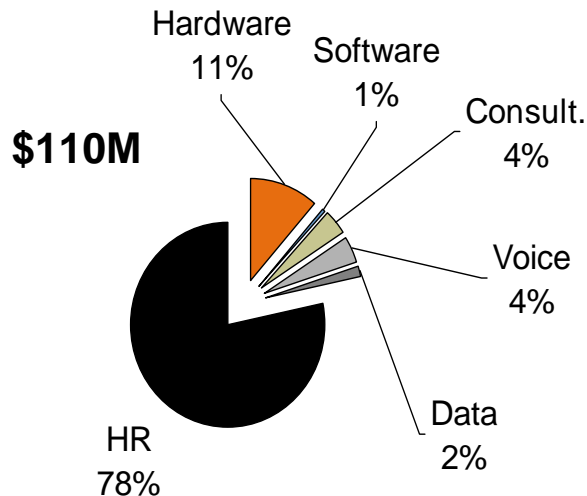
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Load\$
CS1	2	\$102,635	\$794	\$20,527	\$2,155	\$3,336	\$13,343	\$3,079	\$77,650	\$223,518
CS2	4	\$259,141	\$1,840	\$51,828	\$5,442	\$8,735	\$33,688	\$7,774	\$155,300	\$523,748
CS3	7	\$496,633	\$794	\$99,327	\$10,429	\$17,384	\$64,562	\$14,899	\$271,774	\$975,803
CS4	1	\$88,009	\$0	\$17,602	\$1,848	\$3,224	\$11,441	\$2,640	\$38,825	\$163,589
CS5	2	\$204,405	\$1,588	\$40,881	\$4,292	\$6,840	\$26,573	\$6,132	\$77,650	\$368,360
Total	16	\$1,150,752	\$5,016	\$230,150	\$24,166	\$39,519	\$149,598	\$34,523	\$621,199	\$2,254,922

Statistics Canada – IT Costs

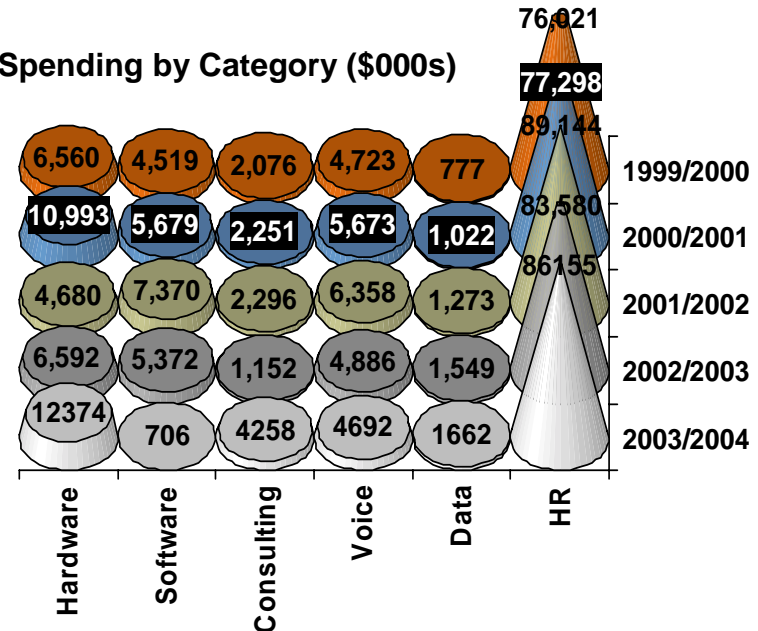


- The apparent increase in hardware spending and simultaneous decrease in software in 2003/04 resulted from a re-coding of software maintenance into a hardware category, not from real spending pattern changes. The new coding is more consistent with the Economic Object definitions.
- Relatively high HR costs compared to GoC norm
- All other categories are much flatter than government government averages

2003/04 Spending Breakdown



Spending by Category (\$000s)

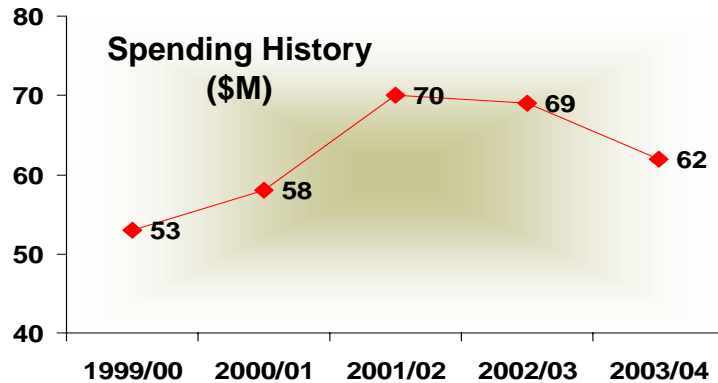


Statistics Canada – HR Costs

Breakdown of HR Costs 2003/2004

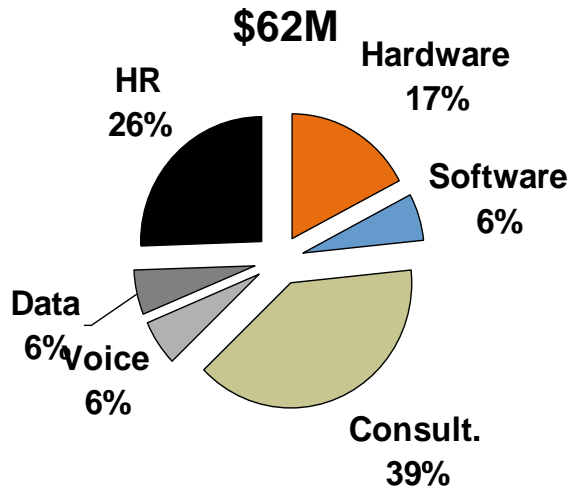
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Load \$
CS1	30	\$1,450,703	\$5,880	\$290,141	\$30,465	\$60,046	\$188,591	\$43,521	\$241,913	\$2,311,260
CS2	526	\$31,428,147	\$160,573	\$6,285,629	\$659,991	\$1,108,744	\$4,085,659	\$942,844	\$4,241,541	\$48,913,128
CS3	226	\$16,349,103	\$101,404	\$3,269,821	\$343,331	\$572,802	\$2,125,383	\$490,473	\$1,822,411	\$25,074,728
CS4	65	\$5,496,435	\$38,471	\$1,099,287	\$115,425	\$189,386	\$714,537	\$164,893	\$524,145	\$8,342,578
CS5	10	\$1,008,174	\$7,683	\$201,635	\$21,172	\$33,060	\$131,063	\$30,245	\$80,638	\$1,513,669
Total	857	\$55,732,250	\$314,011	\$11,146,450	\$1,170,377	\$1,964,038	\$7,245,193	\$1,671,968	\$6,910,647	\$86,154,933

Transport Canada – IT Costs

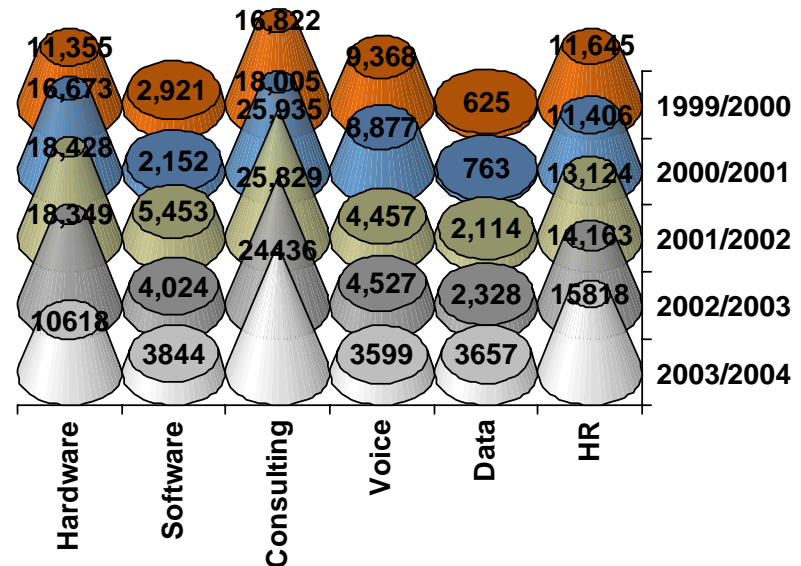


- Hardware costs were down 42% in 2003/04 as a result of improved oversight and conclusion of existing projects (RDIMS, Data Warehouse)
- High consulting costs reflect outsourced services including WAN (PWGSC), LAN and Secure Remote Access

2003/04 Spending Breakdown



Spending by Category (\$000s)

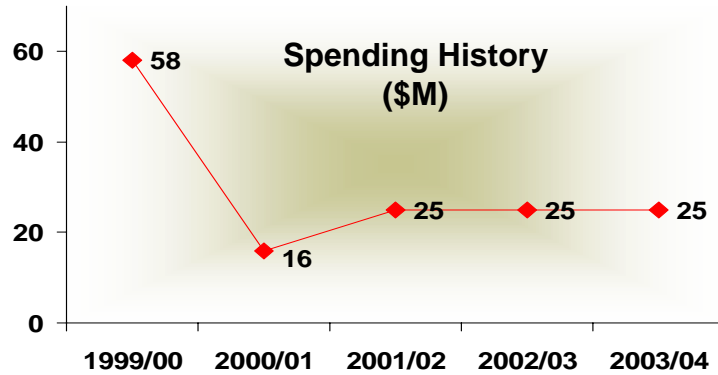


Transport Canada – HR Costs

Breakdown of HR Costs 2003/2004

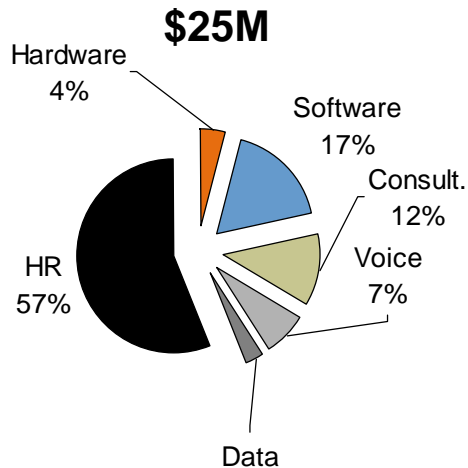
2003-04	#	Gross Pay	Biling Bon	Benefits	OT	Term. All.	Accom.	Train 'N T.	Hidden	Fully Load \$
CS1	37	\$1,703,746	\$3,888	\$340,749	\$35,779	\$57,846	\$221,487	\$51,112	\$627,218	\$3,041,826
CS2	57	\$3,426,356	\$12,478	\$685,271	\$71,953	\$121,103	\$445,426	\$102,791	\$966,255	\$5,831,634
CS3	35	\$2,576,594	\$9,202	\$515,319	\$54,108	\$90,740	\$334,957	\$77,298	\$593,315	\$4,251,533
CS4	18	\$1,450,469	\$7,198	\$290,094	\$30,460	\$48,419	\$188,561	\$43,514	\$305,133	\$2,363,848
CS5	2	\$207,519	\$1,588	\$41,504	\$4,358	\$6,840	\$26,977	\$6,226	\$33,904	\$328,915
Total	149	\$9,364,684	\$34,354	\$1,872,937	\$196,658	\$324,948	\$1,217,409	\$280,941	\$2,525,825	\$15,817,756

Treasury Board Secretariat – IT Costs

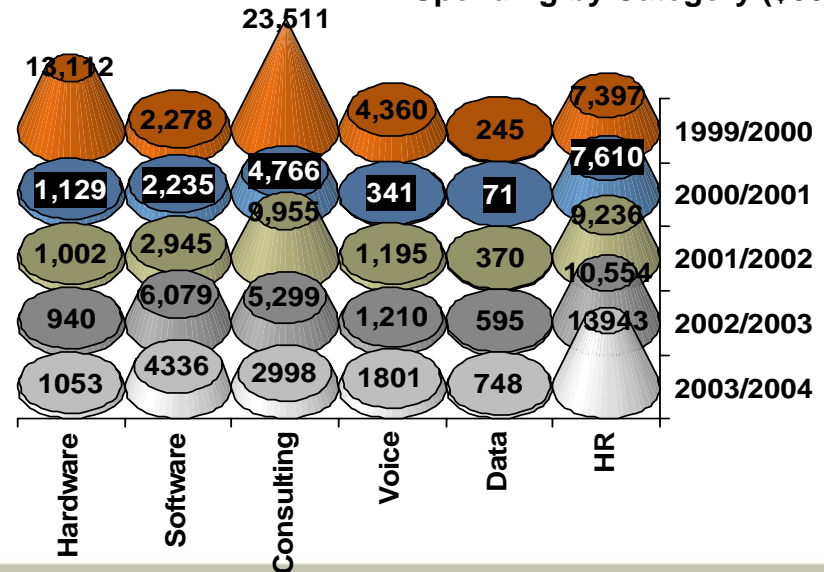


- Overall costs spiked in 1999-00 as a result of high consulting costs
- Received Government On-line funding: \$16M in 2000-01, \$32M in 2001-02 and \$26M in 2002-03.
- Total costs for the Expenditure Management and Information System reached \$6M by 2002-03

2003/04 Spending Breakdown



Spending by Category (\$000s)

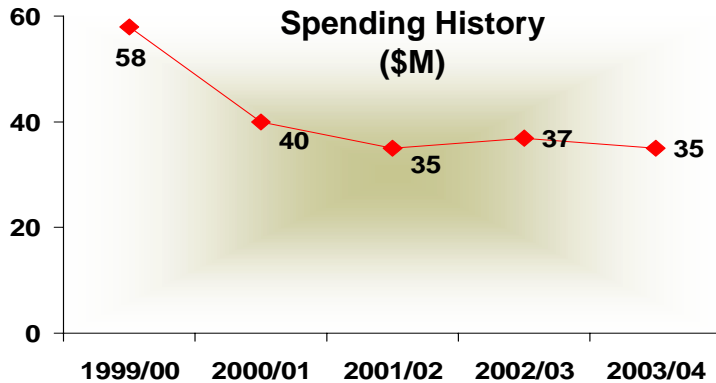


Treasury Board Secretariat – HR costs

Breakdown of HR Costs 2003/2004

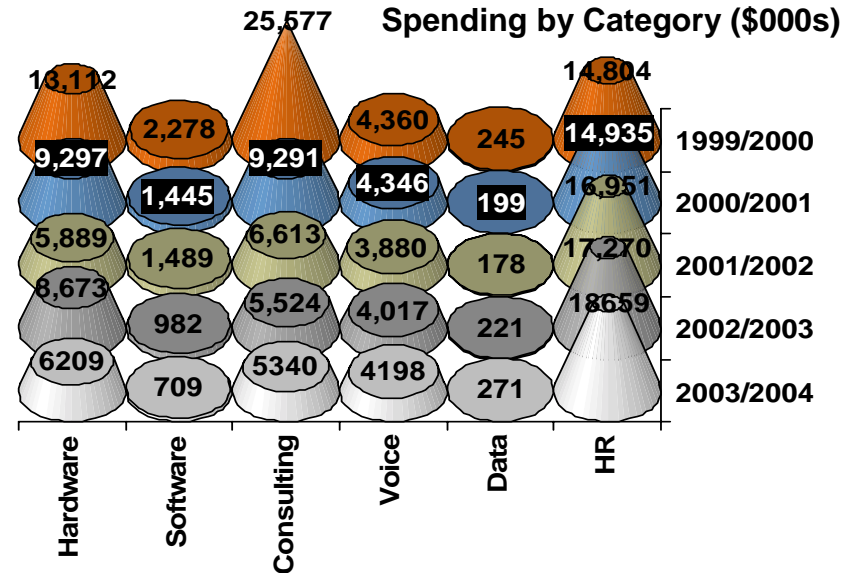
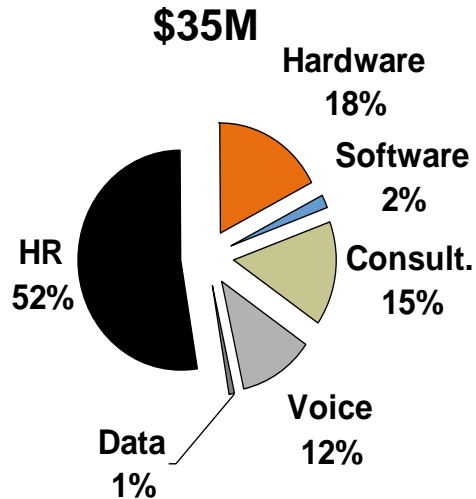
2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Loaded \$
CS1	12	\$595,287	\$2,166	\$119,057	\$12,501	\$20,854	\$77,387	\$17,859	\$575,001	\$1,420,113
CS2	12	\$642,052	\$4,558	\$128,410	\$13,483	\$24,204	\$83,467	\$19,262	\$575,001	\$1,490,437
CS3	14	\$1,049,092	\$5,965	\$209,818	\$22,031	\$35,220	\$136,382	\$31,473	\$670,835	\$2,160,816
CS4	16	\$1,412,961	\$4,114	\$282,592	\$29,672	\$44,829	\$183,685	\$42,389	\$766,668	\$2,766,910
CS5	32	\$3,215,318	\$17,844	\$643,064	\$67,522	\$112,763	\$417,991	\$96,460	\$1,533,336	\$6,104,297
Total	86	\$6,914,710	\$34,647	\$1,382,942	\$145,209	\$237,870	\$898,912	\$207,441	\$4,120,842	\$13,942,573

Veterans Affairs – IT Costs



- Contracting out some IT services to PWGSC and the extension of equipment life cycles from three to four years has reduced hardware costs
- High consultant spending in 1999-00 was primarily related to the Benefits Redesign Project (BRP), which awarded about \$16M to contractors

2003/04 Spending Breakdown



Veterans Affairs – HR costs

Breakdown of HR Costs 2003/2004

2003-04	#	Gross Pay	Biling B	Benefits	OT	Term. All.	Accom.	Train 'N T	Hidden	Fully Load \$
CS1	24	\$1,120,979	\$6,575	\$224,196	\$23,541	\$41,077	\$145,727	\$33,629	\$308,017	\$1,903,740
CS2	85	\$5,136,642	\$16,537	\$1,027,328	\$107,869	\$181,393	\$667,763	\$154,099	\$1,090,894	\$8,382,527
CS3	51	\$3,665,179	\$9,969	\$733,036	\$76,969	\$131,934	\$476,473	\$109,955	\$654,536	\$5,858,052
CS4	18	\$1,496,776	\$6,287	\$299,355	\$31,432	\$53,682	\$194,581	\$44,903	\$231,013	\$2,358,030
CS5	1	\$102,187	\$0	\$20,437	\$2,146	\$3,420	\$13,284	\$3,066	\$12,834	\$157,375
Total	179	\$11,521,568	\$39,368	\$2,304,314	\$241,953	\$411,506	\$1,497,804	\$345,647	\$2,297,295	\$18,659,454

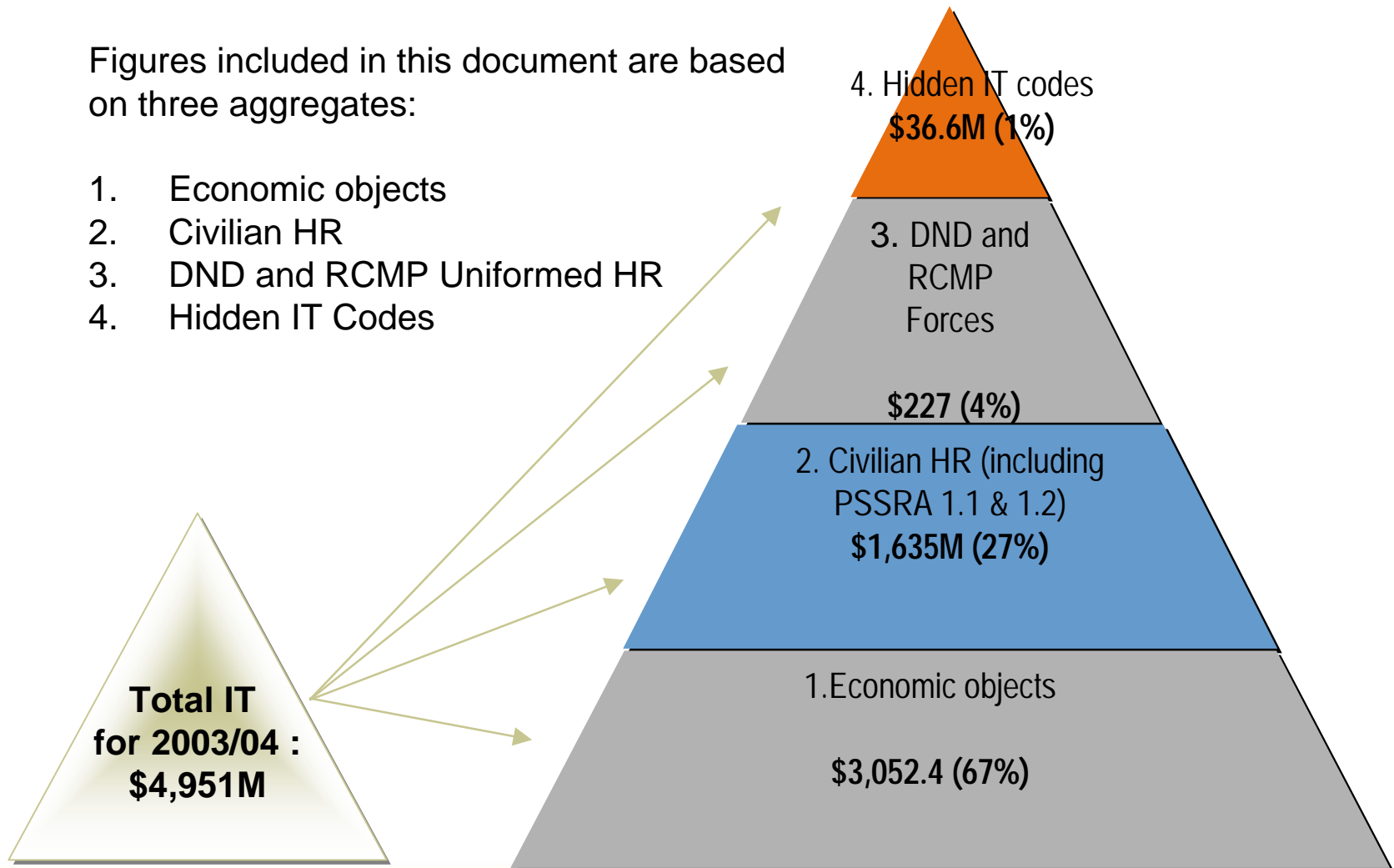


Method

Measuring IT Expenditures

Figures included in this document are based on three aggregates:

1. Economic objects
2. Civilian HR
3. DND and RCMP Uniformed HR
4. Hidden IT Codes





1. Economic Objects

- Departments are responsible for coding and reporting all types of expenditures according to the Central Financial Management and Reporting System (CFMRS).
- The sum of each type of coded expenditures is known as an Economic Object (EO). Full length definitions of Economic Objects is available in hard copy or can be accessed at <http://www.pwgsc.gc.ca/recgen/gw-coa/0304/text/objA-7-3-e.html>
- Economic objects are then rolled-up into one of twelve Standard Objects (SO).
- Departmental Standard Objects are then published in Public Accounts.
- Only selected Economic Objects were used to measure IT spending in this presentation. They are listed in the section *Spending by Category*

2. Civilian HR

- Figures were obtained from the government's payroll system, maintained by the Public Service Human Resources Management Agency (PSHRMAC)
- Human Resources costs were determined using CS payroll figures and estimates on administrative and managerial support. The fully loaded salary for the EX, ST, FI and AS groups was used as the administrative total.
- Fully loaded HR expenditure figures include the following components
 - Overtime (2.1% of salaries)
 - Social benefits (20% of salaries)
 - Training and travel (3% of total HR costs)
 - PWGSC levy (13% of salaries)
 - Terminal allowance
 - Bilingual bonus
 - Hidden Administrative Costs – see example below
- Hidden HR costs were calculated as follows. Using Agriculture and Agri-food as an example:
 - Step 1: Departmental administrative salaries = \$78M for 2002-03
 - Step 2: CS population = 5.5% of all employees
 - Step 3: 5.5% of \$78M is *\$4.3 of hidden administrative costs*



3. DND and RCMP Forces

- Data from DND and RCMP forces were obtained from the respective departments. The constituent parts of the HR spending is Human resources attributes in these groups differ from PSSRA 1.1 and 1.2. A description is available upon request



4. Hidden IT Codes

- According to the Auditor General, departments report some IT expenditures under the incorrect financial codes. A portion of expenditures under these codes should be part of IT spending.
- EO codes known to contain IT components are:
 - 491 Management consulting
 - 533 Lease of office equipment, furnishings and facilities
 - 671 Repairs - Other office equipment
 - 1239 Acquisition - Other office equipment

Adding Hidden Codes

- Five departments were selected as a sample for calculating the fraction of IT spending in EO codes that are not IT specific but capture some IT spend:
 - National Defence
 - Public Works and Government Services Canada
 - Health Canada
 - Fisheries and Oceans
 - RCMP
- Four Economic Objects were identified that contained IT related expenditures. The % of IT spending in each EO was then applied GoC wide. These are listed below.

533 Lease of office equipment, furnishings and facilities	20%	491 Management consulting	3%
671 Repairs - Other office equipment	16%	1239 Acquisition - Other office equipment	12%



References

- U.S. data obtained from the Office of Management and Budget, “Report on Information Technology (IT) Spending for the Federal Government,” Executive Office of the President. Please note that Department of Defense headquarters data was not available at time of publication.
- Australian data obtained from “Government Use of Information Technology 1999-2000,” Australian Bureau of Statistics. Federal, state and municipal governments are included. Please note that the costing methodologies for each country are not identical.
- England data obtained from “Public Sector ICT Overview, 2002-03,” KableRESEARCH. Scotland and Northern Ireland figures are not included. Please note that the costing methodologies for each country are not identical.
- Carolyn LeVasseur, “IT Spending: Its History and Future,” Gartner Research, p. 4, www.4gartner.com.

Canada 