

Treasury Board of Canada Secretariat

Performance Report

**For the period ending
March 31, 2003**

The paper version was signed by

Lucienne Robillard,

President of the Treasury Board.

Table of Contents

Message from the President	i
Section I: Performance Context	1
A. Raison d'être	1
B. Linkage of the Strategic Planning and Results Framework to Approved Business Lines	3
C. Operating Environment.....	4
D. Performance Highlights	6
E. Expenditure Overview	9
F. Planned Spending	10
Section II: Departmental Performance by Strategic Outcome	11
A. Stewardship.....	11
B. Human Resources Management	22
C. Service Improvement.....	34
D. Secretariat Administration	52
Section III: Financial Performance.....	55
Appendix A: Organization of the Secretariat	65
Appendix B: Reporting on Government-wide Initiatives	67
Appendix C: Transfer Payments.....	69
Appendix D: Additional Resources	70

Message from the President

I am pleased to present the Treasury Board of Canada Secretariat's Performance Report for the fiscal year ending March 31, 2003.

Promoting sound management of public funds in the federal government—focussing on citizens, values, results, and responsible spending—is a top priority of the Treasury Board of Canada Secretariat.

At the heart of this vision are a responsive government and a public service that earns the trust of Canadians every day. These goals are reflected in our core priorities and the various initiatives we led in fiscal year 2002–03.



One of these is the modernization of human resources management. Earlier this year, the *Public Service Modernization Act* was tabled in Parliament. This legislation is the centrepiece of a major push to overhaul the culture of the Public Service. It will help put in place the human resources management policies and practices we require to meet the needs of our citizens in the years ahead.

We are also strengthening the basics of modern management—performance information, risk management, stewardship of public resources, and values and ethics. This Modern Comptrollership Initiative is now being implemented in 89 departments and agencies across the federal government.

Our final area of focus is service improvement, the focal point of which is the Government On-Line Initiative. Through this initiative, we are implementing innovative Information Technology applications to improve the delivery of services to Canadians and bring government closer to the citizens it serves. We are well on our way. In its annual report, an international consulting firm ranked Canada first in the world among 23 countries for e-government leadership for the third year in a row.

Citizens rightfully want the best possible services from their government and effective stewardship of resources. They expect, as they should, the best possible value from their tax dollars and a greater degree of accountability from those who manage and work in the Public Service.

With these goals in mind, I am proud to submit this report of our achievements.

The paper version was signed by

Lucienne Robillard
President of the Treasury Board

Section I: Performance Context

A. Raison d'être

The Treasury Board and its Secretariat promote excellence in management, focussing on innovation, service to citizens, values, responsible spending, and results to give Canadians the effective and accountable government programs and services they deserve.

Role of the Treasury Board and its Secretariat

The Treasury Board of Canada is the Cabinet committee responsible for the overall management of the federal government's resources.¹ It is chaired by the President of the Treasury Board and includes the Minister of Finance and other ministers appointed by the Governor in Council. The Treasury Board of Canada Secretariat is the department that supports the Treasury Board. It is headed by the Secretary of the Treasury Board and Comptroller General of Canada, who reports to the President of the Treasury Board.

In 1997, the Prime Minister designated the Treasury Board and its Secretariat as the government's Management Board. As such, it serves Canadians by:

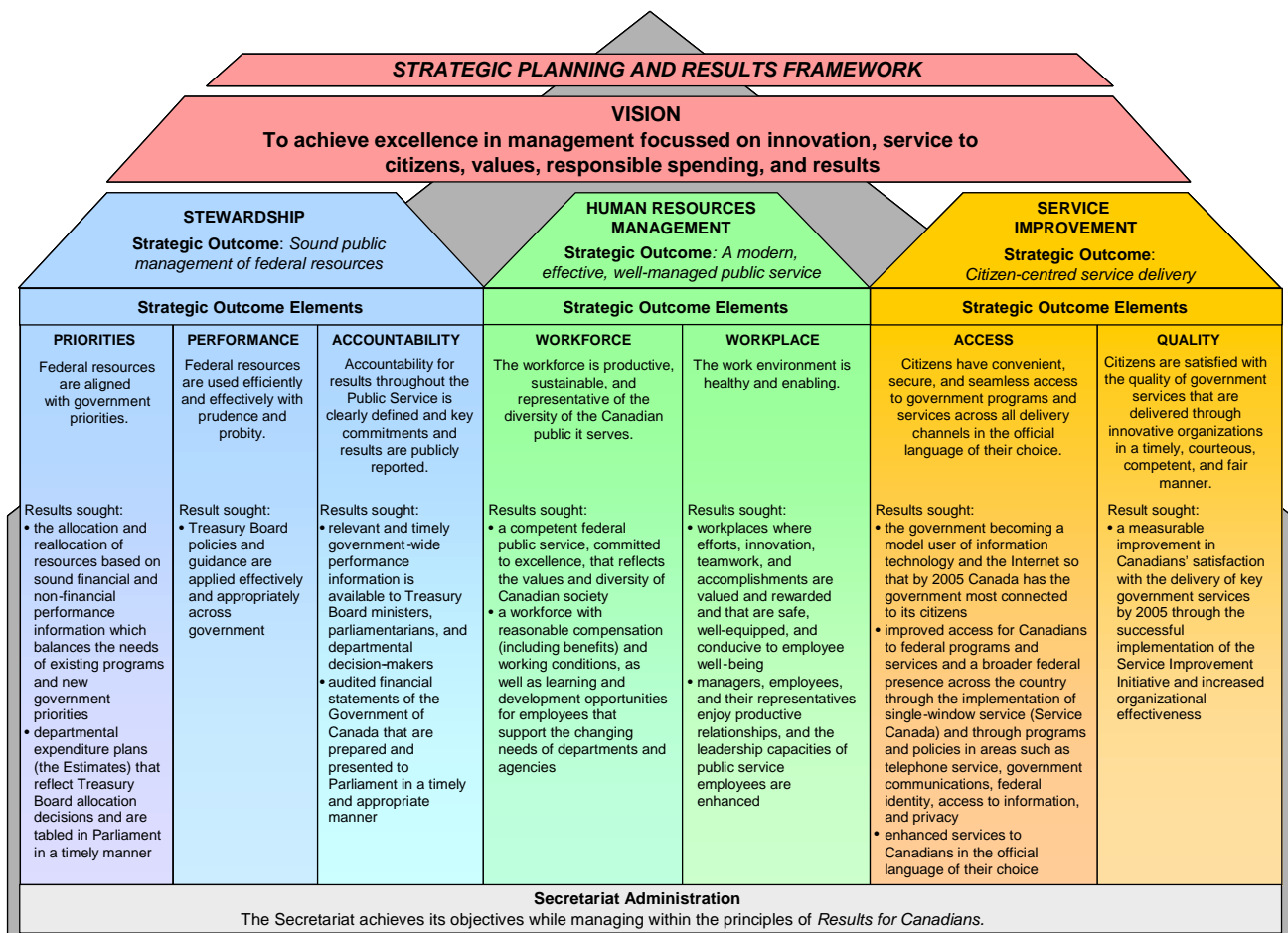
- acting as the government's "budget office" in managing resource allocation across government;
- establishing management practices and policies to promote prudent and accountable management of public resources;
- reporting to Parliament and Canadians on the expenditure of public funds and setting standards for departments and agencies to report on their programs, activities, and expenditures;
- helping departments and agencies to develop and deliver programs that best meet the changing needs of Canadians; and

¹ The Treasury Board's legal authorities include the *Financial Administration Act*, the *Federal Real Property Act*, the *Official Languages Act*, the *Privacy Act*, the *Access to Information Act*, the *Public Services Employment Act* and the *Public Service Staff Relations Act* (see Appendix D for a listing of legislation).

- acting as the employer of the Public Service and ensuring that Canadians are served by an effective, talented, and professional public service.

More information on the Treasury Board of Canada Secretariat can be found at the following Web site: www.tbs-sct.gc.ca. The document [*Results for Canadians: A Management Framework for the Government of Canada*](#),² released in 2000, is also important in understanding how, together, the Treasury Board and its Secretariat work with departments and agencies to improve management practices across government.

The following diagram represents the Secretariat's Strategic Planning and Results Framework that supports [*Results for Canadians*](#). This is also the structure on which this report is based.



² Underlined text indicates hyperlinks to Web sites in the on-line version of this document that provide related information. For a complete list of Web sites, see Appendix D.

B. Linkage of the Strategic Planning and Results Framework to Approved Business Lines

As indicated in the preceding diagram of the Strategic Planning and Results Framework, the Secretariat is organized around three strategic outcomes—Stewardship, Human Resources Management, and Service Improvement. This differs from the approved business line structure as presented in the Planning, Reporting, and Accountability Structure (PRAS) as follows:

Approved Business Lines

- 1) Expenditure Management and Planning—government-wide resource allocation that is consistent with government priorities and the fiscal framework
- 2) Comptrollership—management practices that focus on results and values, integrate financial and non-financial information for planning and reporting, respond to risks responsibly, and provide appropriate systems of control
- 3) Service and Innovation—an innovative, citizen-centred public service that responds to Canadians’ priorities for service improvement and is committed to the goal of delivering services that meet or exceed their expectations
- 4) Information Management and Information Technology—affordable and responsive delivery of government services through the strategic use of information management and information technology
- 5) Human Resources Management—a public service that is results-driven, values-based, representative, and learning-oriented
- 6) Corporate Administration—the provision of effective corporate services that support all business lines in meeting their objectives

Generally, the business lines fall under the following strategic outcomes:

- **Stewardship:** (1) Expenditure Management and Planning and (2) Comptrollership
- **Service Improvement:** (3) Service and Innovation and (4) Information Management and Information Technology
- **Human Resources Management:** (5) Human Resources Management
- **Secretariat Administration:** (6) Corporate Administration

C. Operating Environment

The Secretariat operates in a constantly evolving public policy environment. The October 2002 [Speech from the Throne](#) and the 2003 [budget](#) significantly impacted the work of the Secretariat during the fiscal year.

Some elements of the Speech from the Throne set out the government's commitment to implement its priorities in the context of more constrained fiscal circumstances through reallocation as a way of doing business. This had a significant effect on the resource allocation and program approval function of the Treasury Board and on the work of the Secretariat during the year, as the 2003 budget confirmed the Treasury Board's responsibility for two key measures:

- (i) the implementation of full accrual accounting to improve the transparency and day-to-day management of resources; and
- (ii) a rigorous expenditure and management review process to be conducted over a five-year cycle, challenging departments and agencies to more clearly justify the relationship of their programs to government priorities, the effectiveness of their management practices, and delivery of services to Canadians.

These Expenditure and Management Reviews will position the Secretariat to provide an overall assessment of departments and agencies and identify key horizontal issues for the government. The challenge for the Secretariat will be to make this new focus its core business.

Over the year 2002–03, the Secretariat took other important steps toward becoming the kind of Management Board anticipated in [Results for Canadians](#):

- In June 2002, the Prime Minister asked the President of the Treasury Board to propose measures for improving stewardship and strengthening the accountability of deputy ministers for the management of public resources. In response, the Secretariat worked intensively, in consultation with departments and central agencies, on three tracks:
 - (i) developing the new Management Accountability Framework to provide public service managers, especially deputy heads, with a clear picture of management expectations and a comprehensive tool for improving management and results;
 - (ii) elaborating the [Values and Ethics Code for the Public Service](#), which sets out the core values of the Public Service and affirms the essential role the Public

Service plays within the Canadian parliamentary tradition in supporting governance and in strengthening citizen trust and confidence in public institutions; and

- (iii) with the Privy Council Office, publishing the [*Guidance for Deputy Ministers*](#), which clarifies the roles and responsibilities of deputy ministers in supporting ministers and providing public service leadership.
- A review to streamline Treasury Board policies and reporting requirements launched in September 2002 will lead to a smaller and more strategic set of policies and reporting requirements aligned with the Management Accountability Framework.
- [*Results for Canadians*](#) explicitly recognized the importance of building an exemplary workplace for the Public Service of Canada. The [*Public Service Modernization Act*](#), tabled in February 2003, represents the first legislative reform of human resources management in 35 years and is the comprehensive centrepiece of the Secretariat's ongoing efforts to modernize the management of the government's human resources. These measures will have special significance for the Secretariat, as they propose a range of new responsibilities for the Treasury Board as the employer of the Public Service.
- Another component of building an exemplary public service is ensuring that government is a model of Canada's linguistic duality. The Secretariat's ongoing efforts have been strengthened by the [*Action Plan for Official Languages*](#) announced by the Prime Minister in March 2003.
- The Secretariat leads the Government On-Line and Service Improvement initiatives, which target measurable improvement in the delivery of government services. Good progress has been made, but the implementation process will impose significant challenges if the government's targets are to be achieved by the year 2005.

More information about performance is provided under each of the three strategic outcomes: stewardship, human resources management, and service improvement.

D. Performance Highlights

Stewardship: Sound public management of federal resources

In 2002–03, the Secretariat continued to focus on government-wide stewardship. The ongoing needs of Parliament and the Board were met through the provision of advice, the preparation and timely tabling of reports, and the revision of several policies to provide better guidance in the discharge of stewardship responsibilities government-wide. Accomplishments over the year include horizontal reviews for the Board; assessments of all departmental performance reports (DPRs) and several reports on plans and priorities (RPPs), using a risk-based approach; development of the Management Accountability Framework; review of the Expenditure Management System and the Information Management System that supports it; and plans to rationalize stewardship policies, such that they could be reduced by more than 50 percent in the near term.

The Secretariat continued to work with departments and agencies to assist them in better managing their programs, addressing emerging issues and challenges, and strengthening their ability to more effectively implement the longer-term management initiatives in the areas of modern comptrollership, integrated risk management, and evaluation and internal audit. Interim progress reports in each of these key areas were completed, all indicating that, while progress is being made, more work needs to be undertaken to achieve better stewardship of federal resources.

This assessment is shared by parliamentarians and Treasury Board ministers. As a consequence, in 2002–03, the Secretariat embarked on a program of renewal to dramatically change the way it supports the Treasury Board and Parliament. [The 2003 budget](#) and the [TBS RPP 2003–04](#) highlight many of the changes that will occur as a result of efforts and decisions made the previous year.

Human Resources Management: A modern, effective, well-managed public service

The 2001 [Speech from the Throne](#) specifically highlighted the importance to Canadians of having a public service that is “distinguished by excellence and equipped with the skills for a knowledge economy and society.” The Human Resources Management Office within the Secretariat is responsible for key elements of public service renewal and for the implementation of the government’s broader Human Resources Management Modernization Initiative (HRM Modernization).

Over the year, efforts to advance this initiative proceeded along two tracks. First, the Secretariat continued to support the work of the President of the Treasury Board and the

Modernization of Human Resources Management Task Force at the Privy Council Office as it finalized its consultations and completed recommendations for changes to the legislative framework for the management of human resources in the federal Public Service. As a result of this work, on February 6, 2003, the President of the Treasury Board introduced Bill C-25, the [*Public Service Modernization Act*](#) (PSMA), in Parliament.

At the same time, the Secretariat worked with the Task Force and other central agencies and departments to develop transition and implementation strategies for the new human resources management regime. The Secretary of the Treasury Board announced, in February 2003, in anticipation of the passage of Bill C-25, the establishment of the Implementation Secretariat with responsibility for ensuring coherence of the plans for the implementation of the PSMA. These plans will address new institutions, staffing and staffing recourse, labour relations and dispute resolution, accountability, performance reporting and performance management, learning, and cultural change.

Second, the Secretariat co-ordinated and monitored the development of human resources initiatives intended to complement the proposed legislative changes. For example, in 2002–03, the Secretariat completed its work on the [*Values and Ethics Code for the Public Service*](#). In June of 2002, the Secretariat implemented the revised [*Policy on the Duty to Accommodate Persons with Disabilities in the Federal Public Service*](#), including a government-wide information campaign to support the Policy's goal of achieving representative diversity. The Official Languages Branch launched an initiative to support the government's aims relating to the use of official languages in the workplace, encompassing an innovation component, a capacity-building component shared with the Public Service Commission of Canada, and the establishment of a centre of official languages excellence. In May of 2002, the President of the Treasury Board announced that the Secretariat would refocus its efforts on classification reform, aiming for specific, tailored solutions rather than a universal application.

Effort also continued on initiatives to improve systems which, although only indirectly related to HRM Modernization, are nevertheless important to its overall success. For example, as part of the government's ongoing efforts to modernize and streamline travel policies, processes, and practices, extensive work was carried out over the fiscal year to prepare for the 2003–04 release of the new *Travel Directive for the Public Service*. As a precursor to the announcement of the new directive and its subsequent implementation and management, the Government Travel Modernization Office was established in January 2003, as a separate organization within the Secretariat.

Service Improvement: Citizen-centred service delivery

Government On-Line (GOL), a Government of Canada initiative, entered its third year of implementation in 2002–03. The goal of this initiative is to use information and communication technologies to enhance Canadians' access to improved citizen-centred, clustered services, anytime, anywhere, and in the official language of their choice, by 2005. Progress to date has translated into higher levels of satisfaction and generally positive perceptions of government services.

The Secretariat continued to work with departments and agencies to meet the 2005 GOL goals and objectives. In 2001, nine services were completely available on-line. In 2002, this number increased to 31, representing almost 25 percent of the 130 key services to be available on-line by 2005. The Government of Canada also introduced an on-line authentication service known as "e-pass." It provides the same level of confidence in an Internet environment that face-to-face contact, sealed envelopes, and official documents provide. The first e-pass enabled services available to the public on the Government of Canada's common secure channel included the on-line address change at the Canada Customs and Revenue Agency and the on-line filing of records of employment at Human Resources Development Canada.

In 2002–03, policies, guidelines, and standards were developed in the areas of privacy, security, and information management, with a view to building Canadians' trust and confidence in the government's interactive electronic services. The [Action Plan for Official Languages](#) was also developed, with funding made available in the budget to pilot innovative services and activities. The Secretariat also modelled innovative approaches to build human resources capacity to support the GOL and Service Improvement initiatives.

The Secretariat continued to monitor and report to ministers on key IT projects. And in recognition of the need to increase its capacity to work with departments and agencies to achieve a government-wide approach to the management of IT and IM assets, the Secretariat began to develop a methodology and approach to business transformation enabled by information technology. It also significantly reorganized its core interdepartmental committees to improve governance and issue management.

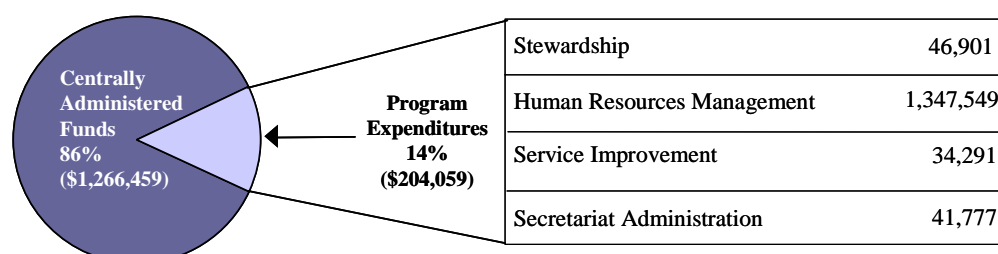
E. Expenditure Overview

Expenditures for the Secretariat for the fiscal year 2002–03 totalled approximately \$1,470,518,000.

The largest portion (86 percent or approximately \$1,266,459,000) of these expenditures was the contribution to employee benefit plans on behalf of all federal government departments and agencies. These contributions relate to the employer's share of health, income maintenance, and life insurance premiums (Vote 20, Public Service Insurance). Included in this amount are statutory payments under the [Special Retirement Arrangements Act](#). Also included are statutory pay equity payments and employer costs for pension, benefits, and social security plans to which local employees engaged outside of Canada are subject.

The Secretariat's key strategic outcomes, along with Secretariat Administration, are responsible for the remaining 14 percent, or about \$204,059,000 of total expenditures. These include Vote 1, Operating Expenditures; Vote 2, Grants and Contributions; and the following statutory payments: Employee Benefits Plans related to the Secretariat's Operating Vote 1, the President's salary and car allowance, and refunds of amounts credited to revenues in previous years. The key performance accomplishments and expenditures by strategic outcome are detailed on the following pages.

Figure 1
Treasury Board of Canada Secretariat
 Use of Resources 2002–03
 (\$ thousands)



Total Expenditures = \$1,470,518

F. Planned Spending

Reference Level Review 2002–03 and Planned Spending

In 2002–03, the Secretariat underwent a Reference Level Review (RLR) to realign resources with key priorities. The following crosswalk shows the difference between Planned Spending as reported in the 2002–03 RPP and the revised situation as presented in this DPR.

Elements of the Service and Innovation business line were realigned throughout the other business lines, and a Policy and Planning Secretariat was created.

The mapping of the Strategic Outcome has changed as a result of the reorganization within the Secretariat and to present the information more accurately.

Crosswalk mapping the Planned Spending 2002–03 as presented in the Reports on Plans and Priorities with the Revised Reference Levels as a result of the Reference Level Review (\$ thousands)

RPP 2002–03/RLR Review and Mapping Changes	Service Improvement		Stewardship		Human Resources Management		Secretariat Administration		RPP 2002–03 Planned	
	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$
Service Improvement										
Secretariat Operations	125	14,679							125	14,679
Stewardship										
Secretariat Operations			384	42,817					384	42,817
Centrally administered Funds				1,967,735					-	1,967,735
Human Resources Management										
Secretariat Operations					365	65,813			365	65,813
Centrally administered Funds						14,805			-	14,805
Secretariat Administration										
Secretariat Operations							286	29,263	286	29,263
Centrally administered Funds								10,000	-	10,000
Adjustments										
Secretariat Operations	(16)	(3,608)	18	541	(24)	(2,201)	22	5,268	-	-
Centrally administered Funds	-	-	-	(1,201,732)		1,201,732			-	-
Total Planned in DPR										
Secretariat Operations	109	11,071	402	43,358	341	63,612	308	34,531	1,160	152,572
Centrally administered Funds	-	-	-	766,003	-	1,216,537	-	10,000	-	1,992,540
	109	11,071	402	809,361	341	1,280,149	308	44,531	1,160	2,145,112

Section II: Departmental Performance by Strategic Outcome

A. Stewardship

Sound public management of federal resources

Summary of Spending in 2002–03 (\$ thousands)			
	Planned Spending	Total Authorities	Actuals
Secretariat Operations	43,358	47,680	46,901
Centrally Administered Funds	766,003	672,643	-
Total Planned Spending	809,361	720,323	46,901
Personnel			
Full-time Equivalents	402	412	393

Note: The increase in Authorities and Actuals over the Planned Spending includes the Supplementary Estimates, transfers in from government-wide initiatives, transfers in from collective agreements, and adjustments made to the statutory authorities.

Context

Sound public management is essential to the achievement of policy goals in every sector of society. Effective stewardship of federal resources is an essential component of sound public management. Good stewardship requires that activities critical to the public interest are appropriately resourced and aligned to priorities; programs are affordable, cost-effective, and properly managed; management frameworks and policies are developed and implemented to support due diligence and stewardship of public resources, and are monitored to ensure their effectiveness; and results are appropriately reported publicly in a timely, open, and transparent manner. Good stewardship within the federal government is important to all Canadians and to all public service employees.

Sound public management of federal resources depends on the actions of all departments and agencies. The Secretariat's role is to create and sustain an enabling environment for continual improvement. It does this by preparing reports for tabling in Parliament and by providing advice and support to the Treasury Board ministers. It assists the Management Board by developing and overseeing policy. It gives guidance and support to departments

and agencies in the discharge of their stewardship responsibilities and to other central agencies and functional specialists in the areas of finance, procurement, real property, and internal audit.

In any year, the activities and results related to stewardship focus on delivering ongoing work, introducing or fostering government-wide improvement initiatives, and addressing unforeseen issues that are inevitable in an organization as large and as complex as the federal government. By the very nature of its mandate, this means balancing the needs and concerns of many stakeholders, including Parliament and the Treasury Board, departments and agencies, other central agencies, and the Auditor General—all of whom play key roles in meeting the needs and expectations of Canadians with respect to good stewardship.

Through active monitoring, the Secretariat uses a variety of performance indicators to gauge performance with respect to each of its three strategic outcome elements relating to stewardship. Ongoing interactions with parliamentary committees, ministers, and representatives from government departments and agencies provide continual feedback. Other more concentrated mechanisms include reviews (e.g. for evaluation, risk management, modern comptrollership, and internal audit); assessments (e.g. DPRs, RPPs, and Treasury Board submissions); findings from audit and evaluation reports; learning events; and appearances before standing committees of Parliament. All of these provide an indication of what is working as expected and what is not. The newly developed [Management Accountability Framework](#)^{*} is expected to provide a more formal and consistent way of gauging performance and will become a key means of assessing and reporting stewardship performance in the coming years. It will also assist the Secretariat in making decisions to adjust its own programs and policies, and to reallocate resources.

The fiscal year 2002–03 was one of intense activity for the Secretariat, with a combination of high-profile activities, several major reviews, and a budget that focussed comprehensive change within the Secretariat.

Key Partners

- Because of its role in support of the Cabinet committee that is the Management Board for the federal government, virtually all of the Secretariat's work requires collaboration with all or some departments and agencies. For example, developing the Government Expenditure Plan and implementing policies and management initiatives

^{*} Underlined text indicates hyperlinks to Web sites in the on-line version of this document that provide related information. For a list of further Web sites, see Appendix D.

required close collaboration with almost 90 organizations and their representatives in many different areas and functions. Reviews to address specific issues or revise certain policies require working closely with organizations that are most affected by such actions.

- In the area of stewardship, the Secretariat works closely with other organizations that have government-wide responsibilities such as the Privy Council Office, the Department of Finance Canada, Public Works and Government Services Canada, and the Office of the Auditor General of Canada. The [Secretariat's Web site](#) provides more information on the contributions of these organizations to improve government-wide stewardship.

Performance by Strategic Outcome Element

Priorities: Federal resources are aligned with government priorities

The Secretariat sought two results:

- the allocation and reallocation of resources in a way that balances the needs of existing programs and government priorities;
- departmental expenditure plans (the Estimates) that reflect Treasury Board allocation decisions and government priorities and that are tabled in Parliament in a timely manner.

HIGHLIGHTS

- Main Estimates, Supplementary Estimates, and 87 RPPs were prepared and tabled as expected.
- Ministers were provided with advice on expenditure management and resource allocation, including a more risk-based approach to decision making.
- Feedback and reviews of current practices have resulted in a commitment to make some significant changes in the way in which the Secretariat supports Treasury Board ministers.

The allocation and reallocation of resources in a way that balances the needs of existing programs and new government priorities

- In consultation with other key stakeholders, the Secretariat provided advice to Treasury Board ministers and others on a range of items from the perspectives of resource allocation and improving expenditure management and accountability. This included presenting the results of horizontal reviews on several priority areas. Ministers welcomed this “whole-of-government” approach that indicated how various departments and programs relate to each other. Advice was also provided on items for inclusion in [the budget](#) to address key areas where improvements are required.

Departmental expenditure plans (the Estimates) that reflect Treasury Board allocation decisions and government priorities and that are tabled in Parliament in a timely manner

- The Secretariat managed the processes and provided the necessary guidance for the preparation and tabling of the Government of Canada's [Expenditure Plans](#) in a timely manner, thereby enabling departments and agencies to carry out their business with the approval of Parliament. The 2002–03 [Supplementary Estimates \(A\) and \(B\)](#) and the 2003–04 [Main Estimates Parts I and II](#) and Part III ([RPPs 2003–04 for 87 federal departments and agencies](#)) were all tabled in Parliament, as scheduled, and in accordance with Treasury Board allocation decisions and government priorities. The [2003–04 RPP guidelines](#) were strengthened with the addition of 11 major changes in reporting requirements and, on a risk basis, 15 departmental RPPs were assessed with appropriate feedback to those departments for future improvements.
- The operation of the Expenditure Management System is one of the key business functions for the Secretariat in support of government-wide expenditure management and planning. The Expenditure Management Information System (EMIS) is the core system used to support analysis and informed decision making regarding expenditure management. The Secretariat completed a major review of EMIS and is now undertaking a project to strengthen this system and the role the Secretariat plays in support of Treasury Board ministers as a budget office and the Management Board for the Government of Canada.

Challenges and Lessons Learned

To be more effective in an increasingly complex world, the Management Board requires advice that is strategic and risk-based. This requires better horizontal and comprehensive reviews, a better means of reallocating existing resources from lower to higher priorities, and a more robust EMIS.

- The Secretariat will build on the experiences of the past year to conduct more and better horizontal and vertical reviews, as articulated in [the budget](#), the [2003–04 Treasury Board of Canada Secretariat Report on Plans and Priorities](#) and will continue efforts to transform EMIS to be able to support these new requirements.
- The Secretariat will also seek ways to more effectively move from low-value transactions to a higher-value strategic role by using a risk-based approach. One means will be to reduce the amount of submissions it now processes for Treasury Board ministers (769 in 2002–03) by building on the Risk Management Assessment initiative it implemented in September 2002. This approach enables ministers to focus on areas of higher risk, enhance consistency in the evaluation of risk in Treasury Board submissions, and foster continuous improvement within both the Secretariat and client departments with respect to risk management and submission quality.

Performance: Federal resources are used efficiently and effectively with prudence and probity

The Secretariat sought the following result:

- Treasury Board policies and guidance are applied effectively and appropriately across government.

Progress reports on government-wide management initiatives

- During 2002–03, interim reports on progress for four long-term management initiatives that have been led by the Secretariat in recent years were completed. Each of these four reviews concluded that progress is being made in strengthening stewardship but that more sustained work is required to meet expectations for improved stewardship. All of these areas represent key elements of [*Results for Canadians: A Management Framework for the Government of Canada*](#).
 - [*Modern Comptrollership Initiative: A Progress Report on Government-wide Implementation*](#) provides an analysis of the elements of modern comptrollership, presents preliminary impacts, and outlines the work that remains for departments and agencies to do in order to incorporate modern comptrollership principles into the public service culture and modernize management practices.
 - [*Integrated Risk Management Framework: A Report on Implementation Progress*](#), a companion document to the report cited above, focuses on the 16 departments and agencies leading the implementation of the framework and presents a review of progress in implementing integrated risk management principles and practices across the federal government. Still in its early stages, the foundation is being laid to fully implement integrated approaches to corporate risk management through strategies that include developing the corporate risk profile, building risk management capacity (formalizing the infrastructure, developing tools and training), and linking risk management with strategic planning.

HIGHLIGHTS

- Government-wide progress reports
 - Modern Comptrollership
 - Integrated Risk Management
 - Evaluation
 - Internal Audit
- Revised policies and new operational security standards
- Launch of a major policy review
- New guidance and tools
 - Management Accountability Framework (MAF)
 - Modern Comptrollership Maturity Model
 - Managing for Results Self-assessment Tool

- The interim reviews of both the [evaluation](#) and [internal audit](#) functions led to Treasury Board approval for additional funding as part of a four-year investment strategy for implementation of the revised [Evaluation Policy](#) and the revised [Policy on Internal Audit](#). Approximately \$30 million will be allocated over the next two fiscal years to revitalize and reposition the federal government's audit and evaluation functions in support of policy implementation and to continue to fund the Secretariat's [centres of excellence for evaluation](#) and [internal audit](#). The reviews suggest that, while many departments have begun the process of redeveloping and strengthening their evaluation and internal audit functions, gaps in capacity remain, especially in smaller agencies. The Secretariat will continue to provide leadership in capacity building to departments in achieving policy objectives.
- The approved distribution and allocation of central funds by department and agency can be found for internal audit at http://www.tbs-sct.gc.ca/ia-vi/policies-politiques/funds_fonds/funds-fonds_e.asp, for evaluation at http://www.tbs-sct.gc.ca/eval/alloc_e.asp, and for modern comptrollership at http://www.tbs-sct.gc.ca/cmo_mfc/funding_e.asp.
- These four reports provide evidence of momentum, enhanced understanding, and early results, but in order to sustain progress it is necessary to consolidate achievements and progress to date, deepen commitment to management excellence, and broaden the agenda to build on modern comptrollership. The Secretariat will continue to provide leadership and support to departments and agencies in all of these areas.

New tools for assessing progress on government-wide management initiatives

- The Secretariat has developed a maturity model ([Modern Comptrollership Practices: Toward Management Excellence](#)) that outlines the three stages of maturity for achieving management excellence over a ten-year period. This model is intended to assist departments and agencies to assess their own current state of practices and map out strategies and plans to move from one stage to the next. While the 15 departments and agencies that piloted the modern comptrollership initiative have reached the second stage of the model, the other 73 modern comptrollership organizations have not yet had sufficient time to progress beyond the first stage. The [Managing for Results Self-assessment Tool](#) has also been developed. These tools provide a means for organizations to assess and report on their own progress in the area of management excellence.

- An array of guidance materials, learning opportunities, and tools have been made available to all departments and agencies implementing [modern comptrollership](#), [integrated risk management](#), [evaluation](#), and [internal audit](#), as well as other important stewardship functions such as [financial management and accounting](#), [procurement](#), [real property](#) and [materiel management](#), and [government security](#).

Revised policies to strengthen government-wide stewardship

- As part of the Secretariat's initiative to review and rationalize its policy suite, initial assessments indicate that the current number of stewardship policies could be reduced by more than 50 percent in the near term and steps have already been taken to do this. The intent is to eliminate outdated policies and revise and consolidate current ones, while enhancing their relevance, clarifying roles, responsibilities, and accountabilities to provide more coherent direction to departments and agencies in critical areas of sound management practices. The goal is to link these practices to priorities and results. During the year, a number of existing Treasury Board policies were revised to provide clearer guidance and improved stewardship across the federal Public Service.
- The [Contracting Policy](#) and the [Common Services Policy](#) have been amended to strengthen the areas of [advertising and public opinion research](#) in order to better manage sponsorship, advertising, and public opinion research activities.
- [The Treasury Board Federal Contaminated Sites Management Policy](#), one element of the [Federal Contaminated Sites Management Framework](#), and the [Policy on Accounting for Costs and Liabilities Related to Contaminated Sites](#) ensure a consistent approach to the management of federal contaminated sites, as well as appropriate accounting and reporting for the associated costs and liabilities. The Secretariat also worked with Environment Canada to outline the funding required to address contaminated sites, as announced in the [budget](#).
- The revised [Policy on Receivables Management](#) ensures that receivables, which are an important asset of the government amounting to billions of dollars, are prudently managed in a manner consistent with achieving the government's overall objective of responsible fiscal management.
- Two new operational standards were also developed under the [Government Security Policy](#)—one on the [Security of Information Act](#) and one on the [security preparedness levels for federal government facilities](#) which includes four levels of heightened security in case of terrorism and other emergency situations.

Challenges and Lessons Learned

- In [Chapter 5](#) of her December 2002 report, *Matters of Special Importance*, the Auditor General of Canada recognized that progress in advancing financial management and control practices is being made and noted full support for the government's plans and strategies for improving financial management practices in government. The report also noted that "financial management and control in the government still needs significant improvement." This is consistent with the findings of the Secretariat's own reviews, and the Secretariat will continue to take the actions necessary to achieve greater improvement.
- Time-limited funding for the Modern Comptrollership Office expires at the end of 2003–04 and for the Centres of Excellence for Evaluation and Internal Audit at the end of 2004–05. The interim reviews underscore the continued need for leadership in these areas by the Secretariat, so there will be challenges ahead in balancing the need for such leadership and the responsibility of departments and agencies to demonstrate results in these areas.
- While pursuing comprehensive efforts to strengthen stewardship, measures have been taken to address specific instances of concern. [Sponsorships and advertising issues](#) prompted the Secretariat to complete a value-for-money review, make necessary policy changes, and provide policy advice in support of the government-wide audit by the Office of the Auditor General of Canada. Addressing concerns with respect to the Canadian Firearms Program took time and effort to understand the issues and provide timely advice to all stakeholders. The Secretariat is assessing lessons learned from these occurrences with a view to making changes, as appropriate.
- Other areas of interest to Parliament, such as accountability of foundations, the use of the Treasury Board Contingency Vote (Vote 5) and user charging and cost recovery were assessed during 2002–03. Preliminary steps have been taken to address some of the concerns by adding mandatory requirements for reporting on these items in the 2002–03 DPR, and work in these areas continues, as outlined in the [budget](#). Future reviews of DPRs will pay special attention to the information provided on all aspects of the report, including key policies.

Accountability: Accountability for results throughout the Public Service is clearly defined, and key commitments and results are publicly reported.

The Secretariat sought two results:

- the audited financial statements of the Government of Canada are prepared and presented to Parliament in a timely and appropriate manner;
- relevant and timely government-wide performance information is available to Treasury Board ministers, parliamentarians, and departmental decision makers.

The audited financial statements of the Government of Canada are prepared and presented to Parliament in a timely and appropriate manner.

- The [Public Accounts](#) of Canada 2002, including the consolidated annual financial statements of the Government of Canada, were tabled in the House of Commons on October 24, 2002. The government received a fourth straight unqualified audit report from the Auditor General on its financial statements. This was the result of extensive collaboration with Public Works and Government Services Canada, the Department of Finance Canada, and the Office of the Auditor General of Canada on the accounting treatment of key items.

Relevant and timely government-wide performance information is available to Treasury Board ministers, parliamentarians, and departmental decision makers.

- Eighty-six 2001–02 DPRs were tabled in Parliament, as well as the second annual report on [Canada's Performance](#). The latter broke new ground through extensive electronic links to DPRs and RPPs and through the capacity to electronically analyze all government activity in [26 main horizontal areas](#).
- As was done for [DPRs for the period ending March 31, 2001](#), the Secretariat commissioned an independent overall [assessment](#) of the 86 DPRs for the reporting period ending March 31, 2002. The assessment was conducted against the six reporting principles and was not intended to validate the factual content of the reports.

HIGHLIGHTS

- Public Accounts 2002 tabled as expected with a 4th straight unqualified report
 - Accrual accounting now being implemented
- 86 DPRs for 2001–02 tabled in Parliament
 - Assessments for 86 DPRs
 - Improved guidelines for 2002–03 DPR
 - Reviews of current practices result in a commitment to change, as reported in the 2003 budget and the Secretariat's RPP for 2003–04
- Report on *Canada's Performance* 2002
- New and improved databases to support outcome-based reporting to Parliament
- Government-wide review of the Planning, Reporting, and Accountability Structure underway
- Continued collaboration with the Parliamentary Centre's initiative to improve accountability

Although instances of good practices were found, no single report can be identified as an overall model. Generally, there is still room for improvement in reporting performance against planned results, as well as in identifying shortcomings to provide a balanced performance record. Linking resources to results remains a challenge and measures that are reported are often about activities or inputs rather than results. To address these issues, the Secretariat has strengthened the [2003 DPR guide](#) by putting greater emphasis on the need for balanced reporting and by highlighting mandatory requirements. A template has been developed to enable the development of departmental and [program logic models](#) demonstrating the causal relationships between departmental activities and strategic outcomes. Departments have also been requested to report more systematically on horizontal initiatives to provide parliamentarians with an integrated view of major horizontal initiatives. The Secretariat will be investing more resources in reviewing a select number of DPRs in their draft form against the principles, as well as in verifying content.

- During 2002–03, the Secretariat worked to maintain, enhance, and integrate a number of databases to support improved reporting to Parliament. These include databases for the [Social Union Framework Agreement](#), [horizontal results](#), [audit, and evaluation](#). A [strategic outcomes database](#) was developed and fully integrated with the electronic version of [Canada's Performance](#) and a new database was created to provide additional information on the quality of the evaluation function in each department and the treatment of over 360 [Results-based Management and Accountability Frameworks](#) (RMAFs). The Secretariat also established an interdepartmental task team that developed a draft set of [proposals](#) for the renewal of the [Planning, Reporting, and Accountability Structure \(PRAS\)](#). These proposals will be tested with a view to putting in place better structures to assist federal organizations to more easily relate performance to outcomes in an open and transparent manner and actively use this information to improve organizational effectiveness.
- The Secretariat continued its efforts to improve accountability and reporting to Parliament by consulting parliamentarians and holding discussion sessions with parliamentary and Library of Parliament staff on the Estimates process and on planning and reporting documents. This builds on previous work in this area, such as the [Improved Reporting to Parliament Project](#).

Challenges and Lessons Learned

- The [2003 budget](#) announced that, beginning with the 2002–03 Public Accounts, the consolidated annual financial statements would henceforth be produced on a full accrual basis of accounting. This is consistent with the recommendations of the Auditor General. (See [section 5.52](#) of her December 2002 report, *Matters of Special Importance*.) In addition, the budget itself is also now produced on a full accrual basis of accounting.
- The use of accrual accounting concepts in ongoing decision making and for improved accountability will require awareness and understanding by public service employees and parliamentarians. This, combined with the need to determine the extent to which accrual concepts should be used in parliamentary appropriations, will increase the demands on the Secretariat and others for assistance in this area.
- During the year, the Secretariat made more than 15 appearances at parliamentary standing committees (e.g. standing committees on Government Operations and Estimates; Public Accounts; and the Senate Standing Committee on National Finance) to discuss various elements of stewardship. The interest level and demand for more information is increasing and the Secretariat will need to consider how best to meet these and other demands in an open and transparent manner, while ensuring that Cabinet confidences are maintained. To this end, the Secretariat has begun to reassess existing macro-level management and reporting systems and processes in the government. [Chapter 9](#) of the Auditor General's December 2002 report outlines many of the challenges associated with improving accountability. Building on the work accomplished in 2002–03, the Secretariat recognizes the need to more fully engage parliamentarians and other stakeholders to advance a management culture that supports transparency, learning, and innovation in the improvement of government programs and accountability for these programs. Implementing the [Management Accountability Framework](#), noted above, will also help to achieve this.
- Improving the content and meaningfulness of DPRs and RPPs remains an ongoing challenge. Guidelines for both will continue to be strengthened; individual documents will be assessed more often and with increased scrutiny; and more feedback will be provided to departments. It is expected that improvements resulting from such actions will also address some of the reporting concerns raised by the Auditor General in several reports, including the one cited above and in [Chapter 7](#) of the April 2002 *Status Report*.

Management Practices

As a budget office and through policy centres and centres of expertise and excellence, the Secretariat provides leadership and support to all departments in improving their management practices in the areas of stewardship, including modern comptrollership.

B. Human Resources Management

A modern, effective, well-managed public service

Summary of Spending in 2002–03 (\$ thousands)			
	Planned Spending	Total Authorities	Actual
Secretariat Operations	63,612	87,087	81,090
Centrally Administered Funds	1,216,537	1,306,005	1,266,459
Total	1,280,149	1,393,092	1,347,549
Personnel			
Full-time Equivalents	341	471	435

Note: The increase in Authorities and Actuals over the Planned Spending includes the Supplementary Estimates, transfers in from government-wide initiatives, transfers in from collective agreements, and adjustments made to the statutory authorities.

Context

The Secretariat supports the Treasury Board in its role as the employer for the Public Service of Canada. This business line includes the work of the Human Resources Management Office and the Government Travel Modernization Office, as well as portions of the work of the Official Languages Branch.

The 2001 [Speech from the Throne](#)^{*} indicated that:

“...the Government is committed to the reforms needed for the Public Service of Canada to continue evolving and adapting. These reforms will ensure that the Public Service is innovative, dynamic, and reflective of the diversity of the country—able to attract and develop the talent needed to serve Canadians in the 21st century.”

Several challenges face the Public Service. Chief among these is demographics; the public sector workforce is aging and many employees and managers are approaching retirement eligibility. The government is faced with the necessity of recruiting, hiring,

^{*} Underlined text indicates hyperlinks to Web sites in the on-line version of this document that provide related information. For a list of further Web sites, see Appendix D.

and retaining committed and talented people in large numbers. It must ensure effective and efficient knowledge transfer from one generation of public service employees to the next. Moreover, in order to provide a high quality of service, government employees—both newly recruited and longer-term—must reflect the diverse cultures, and perspectives of the public they serve. Employees must have access to continuous learning and development opportunities to allow them to adapt to today's ever-changing world in creative and innovative ways. Their work must be supported by co-operative effort and harmonious relations between management and employees.

It is these challenges that are driving ongoing efforts to modernize public sector human resources management. To that end, the employer leads various efforts, the high points of which are provided in this section.

Key Partners

In order to achieve its many strategic objectives as the employer for the Public Service of Canada, the Secretariat has developed a network of partners ranging from departmental managers to separate employers, central agencies, functional communities, and bargaining agents. A list of some of these partners and of selected Web sites is provided at the following address: http://www.tbs-sct.gc.ca/hr-rh/hrtr-or/partner-partenaires_e.asp.

Performance by Strategic Outcome Element

The Secretariat plays several roles in supporting people management to ensure the delivery of quality results to Canadians. Two overall strategic outcomes have been identified, focussing on the workforce and the workplace.

Workforce: A workforce that is productive, sustainable, and representative of the diversity of the Canadian public it serves

Under the “workforce” strategic outcome element, the Secretariat sought two key results:

- a competent federal public service committed to excellence that reflects the values and diversity of Canadian society;
- a workforce with reasonable compensation (including benefits) and working conditions, as well as learning and development opportunities for employees that support the changing needs of departments and agencies.

Values

2002–03 saw the final stages of development of the [Values and Ethics Code for the Public Service](#). This significant document, based on several years of dialogue and consultations throughout the Public Service, will provide an essential foundation for public administration. This *Code*, which came into force on September 1, 2003, sets out both the values and ethical standards by which public service employees are to be guided in their work and professional conduct.

HIGHLIGHT

Public Service employees themselves helped craft the Code—an important statement about the proud tradition of public service and its important role in parliamentary democracy.

The period under review was the first full year of operation for the [Policy on Internal Disclosure of Information Concerning Wrongdoing in the Workplace](#). The Secretariat provided enhanced support to departments in implementing the policy, including quarterly meetings of all departmental senior officers to improve knowledge and understanding of their responsibilities under the Policy.

As follow-up to the results of the 2002 [Public Service-wide Employee Survey](#) in the area of prevention and resolution of harassment in the workplace, preparations were made for in-depth focus-group testing to more fully explore the systemic issues of harassment and discrimination; an electronic employee survey was carried out; a course on prevention of harassment and discrimination was jointly developed with the Public Service Alliance of Canada; and the Interdepartmental Co-ordinators Network was resumed to provide more consistent support to staff who are responsible for the resolution of harassment complaints.

Consultations regarding the [Conflict of Interest and Post-Employment Code](#) were undertaken and refinements and revisions were incorporated into the [Values and Ethics Code for the Public Service](#).

In 2002–03, there was also a significant increase in the level of advice and counsel provided to departments and agencies, functional communities, human resources, and other specialists and managers on policy application, implementation strategies, frameworks and models, and leading practices in the values and ethics domain. More than 100 events either initiated or supported by the Secretariat reached thousands of public service employees through conferences, speaking engagements, dialogue and training sessions, and information booths. In addition, the Web site of the [Office of Values and Ethics](#) was improved by expanding content and functionality. Through work with partners, the number and variety of subjects was increased, with a view to reaching a wider audience and to enhancing usefulness.

Challenges and Lessons Learned

Increased attention to values and ethics is resulting in an increase in the demand for special learning events. In response, the Secretariat has sponsored formal, case-study dialogue sessions in the regions and a unique two-day workshop for the small agency community. In co-operation with the Canadian Centre for Management Development, an in-class and an on-line values and ethics course was developed, as was the major part of an on-line course on harassment prevention for managers and specialists.

Diversity

Employment Equity

The process of modernizing Human Resources Management has identified employment equity efforts to build a representative, diverse, and inclusive public service as integral to the renewal initiative.

HIGHLIGHT

There is improved representation of all designated groups in the federal Public Service. Three of the groups (persons with disabilities, Aboriginal peoples, and women) are represented at a higher rate than their labour market availability.

During 2002–03, work was carried out to revise the [Employment Equity Policy](#). Early drafts of this Policy will serve as a basis for consultations with departments and other stakeholders. Completion of the final version is projected for the fall of 2003.

The Treasury Board, as employer of the federal Public Service, provided input to the government response on the review of the [Employment Equity Act](#), reaffirming a continuing commitment to the achievement of a representative public service.

The revised [Policy on the Duty to Accommodate Persons with Disabilities in the Federal Public Service](#) came into effect on June 3, 2002. In early 2003, the Secretariat held information sessions across the country to communicate the new policy requirements to managers and employees. Twenty-five sessions were held in fifteen cities involving approximately 1,000 participants. In addition, the Secretariat has developed a survey instrument for use in determining the capacity of departments to implement the Policy. Information was collected from departments using the instrument and a focus group. The Secretariat has also enhanced its Web site to provide additional information for those requiring accommodation or receiving a request for accommodation.

The hiring of visible minorities is now more than double what it was two years ago. The overall representation has also risen, although the federal Public Service has not yet reached the 2003 [Embracing Change](#) benchmark of one in five for external recruitment, as outlined in the Embracing Change Action Plan. The Secretariat is continuing to support departments in achieving this target, as well as other benchmarks set for 2005. Information and tools profiling good practices were made available to departments to help in heightening awareness and, thereby, in implementing employment equity. For example, some of these tools supported managers in meeting the “one in five” Embracing Change benchmark for external recruitment of visible minorities. They range from products to assist managers in the recruitment, career development, and retention of the designated group members to those aimed at changing the corporate culture so that it is inclusive and welcoming. They include a manager’s tool kit with tips on how to recruit visible minorities, a training video on issues related to visible minorities and corporate culture change, and information on accommodations and how to arrange inclusive meetings and conferences. For more information, please see the [Employment Equity Web site](#), especially the [EE-ECSF project summary](#).

A group comprising representatives from the Public Service Alliance of Canada, the Professional Institute of the Public Service, and departments and central agencies is studying the results of the [2002 Public Service-wide Employee Survey](#) from an employment equity perspective and will be reporting its findings in the next reporting period.

Strategic investments were made using the Embracing Change Support Fund, which contributed to initiatives undertaken by youth and federal regional councils. In addition, the fund was used to address issues of corporate culture and efforts were also made to engage middle managers.

The approved distribution and allocation of central funds by department and agency for Embracing Change can be found at http://www.tbs-sct.gc.ca/ec-fpac/sf-fs-3_e.asp.

To ensure continued progress, the Secretariat is assessing how policies are being implemented and the capacity of departments to accommodate persons with disabilities, as well as ensuring that employment equity considerations form part of the broader human resources management agenda and are included in departmental business plans. Performance measurement is being effected by questionnaires, focus groups, and an evaluation of Embracing Change initiatives to date.

Official languages

As part of its efforts to achieve an exemplary public service in terms of official languages and as announced in the [Action Plan for Official Languages](#), the Secretariat has designed a three-part approach that spans a five-year period. This approach encompasses an innovation component, a capacity-building component shared with the Public Service Commission of Canada, and the establishment of an official languages centre of excellence.

On March 12, 2003, the government announced the [Action Plan for Official Languages](#) that outlines the commitments to ensure official languages objectives are met government-wide. More specifically, over the next five years, the Official Languages Branch at the Secretariat will be responsible for managing the Official Languages Innovation Program and establishing a centre of excellence. All this will help to achieve a public service that is exemplary in terms of official languages.

Executives were required to meet the language requirements of their position by March 31, 2003, in accordance with the [Policy Concerning Language Requirements for Members of the Executive Group](#).

The Secretariat analyzed the results of a study on current [attitudes towards the use of both official languages within the Public Service](#). This was the first study of its kind on official languages and the results will guide policy and communications work in the future.

In June 2002, the Secretariat launched a project in collaboration with the Canada Customs and Revenue Agency on the Quality Management System for Official Languages. The project makes available to employees the means to facilitate creating and maintaining an environment conducive to a more equitable use of French in the workplace. Workshops were held for 800 employees to increase awareness of the theme *Respect inspires...* In the fall, awareness workshops on this theme will be offered to nearly 3,000 new employees at the Agency working at headquarters, as well as in the regions of Quebec, northern and eastern Ontario, and New Brunswick.

To encourage a change in organizational culture and to move toward this objective, the Official Languages Branch works closely with its partners in the Office of the Commissioner of Official Languages, the Department of Canadian Heritage, Intergovernmental Affairs at the Privy Council Office, Communications Canada, as well as the standing House of Commons and Senate committees on official

languages. As well, the Official Languages Branch consults the Committee of Deputy Ministers of Official Languages, the Departmental and Core Advisory Committees, and the National Joint Council Official Languages Committee.

Compensation

A key building block in the modernization of human resources management is classification reform. The Secretariat will provide the leadership and stewardship to establish a modern classification system that empowers public service managers to design and implement more effective structures. The goal is to ensure that employees benefit from a system that captures the essence of their work, reflects labour market realities, treats women and men equally, and fosters career development and mobility.

HIGHLIGHT

The Secretariat launched initiatives respecting the modernization of standards that affected more than 57 percent of the Public Service.

In 2002–03, the Secretariat worked directly with departments and bargaining agents to modernize occupational group classification standards that impede effective business management.

The Secretariat contributed to the rebuilding of system capacity by providing training, working tools, and an active monitoring framework that ensures the integrity of the overall classification system.

The Secretariat is informing deputy ministers of the key elements of a draft classification monitoring framework and encouraging them to make capacity building in this area a priority. To assist in this endeavour, the Secretariat conducted a classification capacity survey across the Public Service, the results of which provided baseline information on departmental capacity and identified necessary supports.

Challenges and Lessons Learned

The key lesson learned from previous attempts at classification reform was that a mega-project, carried out in isolation of other human resource management functions, will not work. In response, the Secretariat adopted a balanced and incremental program that established direct linkages between classification, compensation, staffing, and the collective bargaining process. The Secretariat also reconfirmed the lesson that the rebuilding of a modern classification system must include the capacity to sustain it. The Secretariat is therefore providing upgraded training and working tools for the classification community. In addition, to ensure the integrity of the existing classification system, the Secretariat is implementing a monitoring program in 2003–04.

Although a strong compensation system cannot, by itself, ensure a productive work environment, it is an indispensable tool in obtaining, motivating, and retaining a competent workforce. In 2002–03, the Secretariat worked on the following projects in the area of compensation planning and analysis:

- It initiated the development of a new compensation costing procedure to assist in evaluating classification reform. In particular, the Secretariat developed techniques to model the cost of proposed changes to the Foreign Service classification system.
- It worked with the bargaining agents through the National Joint Council to develop external wage surveys. The results of these surveys will provide a common frame of reference for comparing federal wages to wages for similar occupations in the general Canadian economy. Statistics Canada has conducted a pre-test of a wage survey and is working on the development of a pilot survey.

Working Conditions

In 2002–03, the Secretariat updated and consolidated policy instruments governing the administration of salaries for the executive group and worked to develop continued improvements with respect to the [Executive Performance Management Program](#).

In a major departure from standard policy development practices, the Secretariat worked jointly with the Public Service Alliance of Canada to study the issues associated with term employment in the Public Service. This study, which included cross-country consultations with employees and managers, was published in August 2002. (See the *Joint Public Service Alliance of Canada and Treasury Board Secretariat* [Term Employment Study](#).) As a result of the study's recommendations, the Secretariat shortly thereafter introduced the new [Term Employment Policy](#). The Policy's objectives are to balance the fair treatment of term employees with the need for operational flexibility to match human resources needs to business priorities.

HIGHLIGHT

A policy was introduced to ensure sustainable hiring practices and fair treatment of term employees.

Challenges and Lessons Learned

The co-development approach to problem identification helped build trust and solid partnerships with unions and departments and set the stage for future joint undertakings on other employment policies and workforce renewal issues. Key success factors were the involvement of stakeholders early on; the fact that this initiative was a contributing factor in the broader human resources modernization agenda; and senior management's support, commitment, and flexibility in assigning human resources to the project.

Learning and Development

The Secretariat launched the new [*Policy for Continuous Learning in the Public Service*](#) in 2002 and collaborated with departments to implement the Policy's eight key commitments. The Policy defines roles and responsibilities for employees and departments, and the Secretariat makes several commitments, such as increasing investments in learning in order to enhance the development of the Public Service as a learning organization.

Together, the Secretariat and the Public Service Alliance of Canada implemented and administered the negotiated [Joint Learning Program](#) to build enhanced labour-management relations. As at March 31, 2003, the administrative office was well established and two courses had been piloted in the regions: a one-day workshop on Understanding and Interpreting the Collective Agreement and a two-day workshop on Union-Management Consultation.

In order to enhance the availability of learning services for all employees, the Secretariat, in partnership with the Canadian Centre for Management Development, launched an [E-Learning Services](#) pilot project.

Workplace: The work environment is healthy and enabling

Under the workplace strategic outcome element, the Secretariat sought two key results:

- workplaces where efforts, innovation, teamwork, and accomplishments are valued and rewarded and that are safe, well-equipped, and conducive to employee well-being; and
- a productive relationship between managers, employees, and their representatives and enhanced leadership capacities of public service employees.

Employee Well-Being

The results of the [1999 Public Service-wide Employee Survey](#) provided the first comprehensive snapshot of employees' workplaces, addressing such issues as diversity, career aspirations, learning, and developmental needs. The results of the survey provided a good baseline from which to work in order to improve the workplace and deliver better services to Canadians. In response to the survey, many workplace initiatives have been undertaken both by central agencies and line organizations.

HIGHLIGHT

The 2002 survey results indicated improvement in 36 areas since the 1999 survey.

In 2002, the Secretariat championed a [second survey](#) to help measure progress. The Interdepartmental/Union Survey Working Group developed the new questionnaire, with themes explored in the first survey reappearing in the second and new questions added to address previously unexplored issues such as official languages, health and safety, values and ethics, retention, and labour-management relations. The second survey indicated very clearly that much improvement has occurred but that challenges remain in some areas, including harassment and discrimination; careers and learning; workload/work-life balance; leadership; and labour-management relations.

The Survey Follow-up Action Advisory Committee (SFAAC) comprised of representatives from the Secretariat, departments and agencies, managers, unions, and consultants has been established to recommend initiatives that respond to survey findings over the short, medium, and long term.

The Secretariat is conducting further study into the issues of work-life balance and executive health to follow up on both the public service employee surveys and the health survey of executives conducted with the Association of Professional Executives of the Public Service of Canada.

To help managers improve their own well-being, as well as that of their staff, the Secretariat contributed to the publication [A Fine Balance: A Manager's Guide to Workplace Well-Being](#).

Productive Relationships

The Secretariat has developed a proposal for a comprehensive results-based human resources management accountability framework that will guide the human resources community and managers as they take on greater responsibility for human resources management. This framework is driven by strategic human resources management

outcomes and is designed to ensure continuous improvement. Initial thinking has been completed respecting the overall framework, including outcomes, measures, and an instrument suite encompassing policies, guidelines, and directives that are aligned to achieve targeted outcomes, evaluation of progress, clear accountability, reporting, and strategic planning.

The Secretariat has undertaken to develop a leadership-management continuum. There are draft communication and action plans for the project, as well as a draft governance and committee structure.

The Leadership Network at the Secretariat has initiated the Managers' Project. Under the auspices of the project, research is being conducted in four key areas: defining a manager, validating managerial competencies, finding ways to better value managers, and identifying and developing the tools needed to support managers. The project has involved the creation of an advisory committee, considerable research both within and outside the Public Service, and consultations with stakeholders across the country.

The Secretariat carried out a very successful awards and recognition program in the past year. The purpose of this program is to recognize, in a timely and appropriate way, significant contributions of public service employees through the excellence of the work they perform, the exemplary behaviour they demonstrate, and the positive results they achieve.

There are three Public Service of Canada awards that fall within this program:

- The Outstanding Achievement Award presented by the Prime Minister, aimed at senior-level employees (total of three awards in October 2002);
- The Head of the Public Service Award given by the Clerk of the Privy Council to exceptional public service employees (232 recipients in December 2002); and
- The Award of Excellence, presented by the President of the Treasury Board, which recognizes excellence throughout the Public Service (70 recipients in June 2002).

The Secretariat is identifying, with the support of the Committee of Senior Officials (COSO) subcommittee, Pride and Recognition champions at the Assistant Deputy Minister level and is providing two information sessions to help these champions develop an action plan to foster a culture of pride and recognition in their respective organizations.

To ensure managers, employees, and their representatives enjoy productive relationships, the Public Service Pension Plan Advisory Committee continued to study and discuss possible recourse mechanisms for plan members, with a view to making recommendations to the President of the Treasury Board. The objective is to improve the overall effectiveness and flexibility of the Public Service Pension Plan and to ensure that it is responsive to workforce changes.

Two new directors were appointed to the [Public Sector Pension Investment Board](#) and three others were reappointed in order to maintain a highly qualified and balanced board. This Board is charged with ensuring that pension assets grow over the long term at a rate sufficient to cover public service pension liabilities.

Management practices

The aforementioned activities are all designed to improve the overall workings of human resources management across government. The business line also undertook a variety of initiatives designed to advance other aspects of government-wide management reform.

Initiatives were undertaken to further the government's overall modern comptrollership efforts to provide more effective stewardship and greater transparency and completeness of financial information. Audited financial statements for the three major public service pension plans (Public Service, Canadian Forces, and the Royal Canadian Mounted Police) were produced for the first time and were included in the annual reports for each of the plans. In addition, employee and employer contribution rates under the government's disability insurance plans were increased to ensure their financial viability. Finally, the contribution rates under the government's employee pension plans were increasingly monitored in order to keep assets in line with plan liabilities.

On-line resources and new technologies were better exploited to improve service delivery and overall management rigour. The Public Service-wide [E-Learning Services](#) pilot project was introduced, for example, to facilitate accessible e-learning for all public service employees. In addition, the Web was used to deliver a greater number of [e-HR services](#), information and work tools to federal public service employees, managers, and human resources professionals. Changes were introduced to existing tools, such as the [leadership.gc.ca](#) Web site to improve accessibility and ease of use for users both within and outside of the Public Service.

C. Service Improvement

<i>Citizen-centred service delivery</i>

Summary of Spending in 2002–03 (\$ thousands)			
	Planned Spending	Total Authorities	Actual
Secretariat Operations	11,071	35,202	34,291
Total	11,071	35,202	34,291
Personnel			
Full-time Equivalents	109	234	212

Note: The increase in Authorities and Actuals over the Planned Spending includes the Supplementary Estimates, transfers in from government-wide initiatives, transfers in from collective agreements, and adjustments made to the statutory authorities.

Context

Service Improvement is one of the three business lines of the Secretariat. It comprises all activities performed by the Chief Information Officer Branch (CIOB), the service-related activities of the Official Languages Branch, and the relevant policy elements of Communications and Executive Services and of the Government Operations Sector.

The Government On-Line (GOL) and Service Improvement (SI) initiatives are the key and most visible activities of the Service Improvement business line. They are led and co-ordinated by the CIOB, which is also responsible for the stewardship of the government's IT and IM assets, including oversight of the related human, financial, and information resources, as well as policies and standards.

The GOL initiative was announced in the [1999 Speech from the Throne](#): *

“The Government will become a model user of information technology and the Internet. By 2004, our goal is to be known around the world as the government most connected to its citizens.”

* Underlined text indicates hyperlinks to Web sites in the on-line version of this document that provide related information. For a list of further Web sites, see Appendix D.

Central funds in the amount of \$280 million were allocated in 2000 for two years to launch and map out the initiative. [Budget 2001](#) allocated \$600 million over four years to implement the GOL initiative and the target date was extended to 2005. The central funding (\$880 million) for the GOL initiative has been allocated as follows:

**Approved allocation of central funds for GOL by component—government-wide
(\$ thousands)**

	2000–01	2001–02	2002–03	2003–04	2004–05	2005–06	Total
Common Secure Infrastructure	32,490	107,299	115,731	92,012	62,000	62,000	471,532
Portals, Gateways and Subject/ Audience Clusters	5,341	23,945	16,400	19,600	15,000	15,000	95,286
On-line Service Delivery	8,672	89,216	48,235	86,062	15,000	15,000	262,185
Policies and Standards	5,063	3,934	13,000	13,000	8,000	8,000	50,997
Total	51,566	224,394	193,366	210,674	100,000	100,000	880,000

The approved distribution and allocation of central funds by department and agency can be found in the 2003 GOL annual report at http://www.tbs-sct.gc.ca/report/gol-ged/2003/gol-ged_e.asp.

As part of the restructuring of the Secretariat in January 2002, the SI initiative was added to CIOB's mandate, with some funds to partially cover additional full-time staff requirements. The objective of the initiative is to improve the level of satisfaction of Canadians with federal services by 10 percent by 2005.

These two initiatives are managed horizontally, as they apply to federal departments and agencies with significant service delivery responsibilities. The GOL and SI initiatives, along with the official languages component, form the government's service agenda and are reported as the SI business line in this report. This does not include reporting on electronic service delivery projects conducted by departments and agencies. In 2002, 31 departments and agencies were asked to report on their GOL services and related activities on their respective Web sites and, as of February 2003, 21 had done so. These organizations are also encouraged to report on GOL initiatives in their DPR.

The government's GOL and SI initiatives aim to improve the quality, effectiveness, and efficiency of Government of Canada services in both official languages and across all delivery channels (in person, by mail, by telephone, and on the Internet). They also aim

to improve citizen and business access to these services. Important elements of these initiatives are the effective use of information and communications technology, provision of services on the Internet, and the development and maintenance of appropriate policy frameworks and tools. These two initiatives are also focussed on setting targets for citizen and business satisfaction with Government of Canada services and on-line service delivery and measuring and communicating the federal government's performance against these targets.

Two operating principles guide GOL and SI:

- Citizens and businesses must be at the centre of service delivery, which means that services are tailored to meet their needs and interests.
- A “whole-of-government” approach is essential to drive citizen- or user-centric service delivery.

While all departments and agencies are responsible for the quality and range of services they provide, as well as for improving access to them, the Secretariat leads and co-ordinates the articulation and implementation of the government-wide service agenda.

Many factors are putting pressure on the government to improve its services and take a more user-centric and government-wide approach to services and service delivery. These include the steadily increasing demand for government information and services, the increased volume of transactions due in part to the aging of the population, and growing expectations of individuals and business for electronic services and faster service delivery. Canadians want “seamless” services that cross jurisdictions and do not require in-depth knowledge of governmental organization. They want access to government services anytime, anywhere. They want those services available in person, by mail, by telephone, and through the Internet using home, work, or public access computers or mobile devices of all types. They also expect their government to consult them on the scope and delivery of these services.

There are many challenges associated with achieving significant service improvement. Change of any kind that includes extensive use of information technology, multiple partners and shared accountabilities, rethinking of business processes, and constant validation with users and clients (who can change their behaviours quickly) is risky, particularly in the public sector. However, the risks of not undertaking change are greater, as obsolete and inefficient processes and systems cannot sustain increased demand. Canadians expect faster, better, transparent, and more effective information and transaction services. Their engagement and satisfaction with public institutions are often

determined by their service experience; as a result, meeting service improvement goals is key to a relevant, effective, and dynamic public sector.

Key partners

- The Secretariat provides leadership to and works in close collaboration with federal departments and agencies to deliver the [GOL](#) and SI initiatives and to ensure the sound management of the government's IT and IM assets. The Secretariat works closely with organizations that provide government-wide services such as Public Works and Government Services Canada; with departments and agencies that have high volumes of transactions with citizens and businesses, such as Human Resources Development Canada and the Canada Customs and Revenue Agency; as well as with the four organizations leading the development of the clustered approach to service delivery: Communication Canada, Industry Canada, the Department of Foreign Affairs and International Trade, and Human Resources Development Canada.
- The Secretariat also provided [strategic leadership](#) and focus for the three communities of practice (Information Technology, Information Management, and Service Delivery) that play a key role in realizing the GOL and SI objectives.
- The Secretariat continues to work in co-operation with [provinces and territories](#). There are an increasing number of inter-jurisdictional projects designed to offer more integrated services.
- The private and voluntary sector, academia, and the high technology sector are represented on the [Government On-Line Advisory Panel](#). They provide advice to the President of the Treasury Board on the implementation of GOL.

Performance by Strategic Outcome Element

Access: Citizens have convenient, secure, and seamless access to government programs and services across all delivery channels in the official language of their choice

The Secretariat sought three results under this strategic outcome element:

- The government will become a model user of information technology and the Internet: by 2005, Canada will have the government most connected to its citizens.
- The government will provide improved access for Canadians to federal programs and services, and a broader federal presence across the country through the implementation of the Service Canada initiative and through programs and policies in areas such as telephone service, government communications, federal identity, access to information, and privacy.
- Enhanced services will be made available to Canadians in the official language of their choice through the renewal of the Official Languages Program and policies and through education and awareness campaigns.

HIGHLIGHTS

The Secretariat achieved the following:

- made 31 key services of the Government of Canada completely available on-line;
- launched the first e-pass-enabled services with on-line authentication using the Government of Canada's common secure channel:
 - Change of address on-line (CCRA)
 - On-line filing of records of employment (HRDC)
- developed policies, guidelines, and standards in the areas of privacy, security, and information management;
- monitored and reported to ministers on key IT projects;
- initiated the development of a methodology and approach to business transformation enabled by information technology; and
- improved the governance and issues management of core interdepartmental committees.

Challenges and Lessons Learned

The GOL initiative started with the concept of using the Internet to improve government services and Canadians' access to them. Its implementation focussed on making the most commonly used services available on-line by 2005, building the common electronic infrastructure to support these services, and renewing or developing the appropriate policy and standards framework. Good progress has been made, but the implementation process will impose significant challenges if the government's targets are to be achieved by the year 2005.

Essentially, the Secretariat and its key GOL partners recognize that the electronic channel can become the enabler for an integrated approach to multi-channel service delivery (e.g. by Internet, telephone, mail, or in person) and improvement. This would require a shift towards the adoption of a comprehensive service vision for the Government of Canada, which would demand a much higher degree of co-ordination and integration across the whole of government. Such an approach could lead to the transformation of government services through, for example, a government-wide management of service delivery infrastructure, the integration of services across departments, the rethinking of business processes, and the rigorous implementation of a government-wide information technology architecture and governance. The challenges of setting out and achieving such a comprehensive agenda are significant, ranging from the government's capacity to deliver, the availability of the information required to effect change, and the time, effort, and resources required to implement such an agenda.

This year, work to develop this comprehensive service vision has begun in partnership with Human Resources Development Canada, Industry Canada, the Department of Foreign Affairs and International Trade, and Public Works and Government Services Canada.

Model User of Information Technology

International recognition

For the third year in a row, an international consultancy has singled out Canada as the world leader in [e-government](#), based on the number and quality of on-line services, our emphasis on client relationship management, and our increasing focus on multi-channel service improvement.

Generally, Canada's GOL initiative and implementation approach are ranked high by international surveys and reports. For example, a recent [report](#) published by the United Nations states: "Possibly more than any other country, Canada has demonstrated an uncanny prescience and intrinsic understanding of e-government's potential and reality. Co-ordination among departments is perhaps stronger than in any other industrialized nation. This could be attributed to the leadership demonstrated by the Treasury Board, which is the focal point for the national e-gov program."

On-line services

As part of its GOL initiative, the Government of Canada has committed to making the most commonly used [services available on-line](#) by 2005. GOL by 2005 was defined in 2002–03 as including over 130 services from 30 federal departments and agencies. In 2001, nine of the services were completely on-line. In 2002, this number increased to 31, almost 25 percent of the GOL target. All services are now available at least partly on-line. Achievement of full interactivity for more than half the targeted services depends on the availability of the secure channel.

Canada site and gateways

The [Canada site](#) is a single point of access to information and services that are relevant to Canadians in their everyday lives, such as jobs, taxes, health, and immigration. The site is organized around three client-centred points of access or gateways: Canadians, international clients, and Canadian business. Under each of these gateways, related services are grouped or clustered according to subject areas (e.g. health, employment, taxes) or audiences (e.g. seniors, youth). The Canada site and three gateways are becoming the service delivery platform of choice for integrated on-line services.

In 2002–03, a number of new features were added to the gateways. On the [Canadians gateway](#), a benefits finder was developed to assist Canadians in identifying available federal and provincial benefits to which they may be entitled. The [business gateway](#) was expanded so that entrepreneurs have one-stop access to business support programs offered by provincial and territorial governments, as well as the Government of Canada. The [non-Canadians gateway](#) now offers information and services in four additional languages: Spanish, German, Portuguese, and Chinese.

Challenges and Lessons Learned

The development of gateways and clusters is fostered by a horizontal approach from both a management and an operational perspective. Horizontality requires working across departments toward the common goal of improving service delivery to clients by integrating and transforming services to meet client needs and expectations. However, establishing horizontal governance structures and providing funding to gateways and clusters have been key challenges in the context of vertical departmental accountability and funding structures.

In order to address these challenges, the gateways and clusters community established a series of interdepartmental or cross-cluster committees. These committees develop a corporate approach to service integration and transformation through gateways and clusters that recognizes and yet also transcends traditional departmental lines of business. Co-operation and cross-jurisdictional relationship building are key elements in the success of the gateway and cluster initiative.

Similarly, funding issues were, in part, addressed by investments in common tools and supports that are currently available to all gateways and clusters. Common tools were recognized as enabling a corporate approach with the added benefit of achieving economies of scale through common planning, management, reporting and, where appropriate, administrative and financial management mechanisms.

Leadership, accountability frameworks, and common infrastructure are key to the success of the horizontal approach of the gateways and clusters initiative.

Infrastructure

The secure channel is the supporting infrastructure for Canada's vision for electronic service delivery and is critical to achieving the overall GOL goals and objectives. It provides highly secure access to government services to assure Canadians that the information they provide and the transactions they conduct with the government are protected. The secure channel has been designed as a government-wide infrastructure, thus eliminating the need for departments and agencies to build their own security, network, and applications services and ensuring an integrated approach to on-line authentication. Public Works and Government Services Canada is the secure channel's delivery and implementation organization, under the direction of the Secretariat. More than half of the 130 services to be made available on-line by 2005 require the authentication services provided by the secure channel.

The year 2002–03 was critical in the secure channel development and field trial. In September 2002, the Government of Canada introduced the [e-pass](#) authentication

service. It provides the same level of confidence in an Internet environment that face-to-face contact, sealed envelopes, and official documents provide.

The Government of Canada now has the capacity to issue millions of digital certificates to authenticated clients (businesses and individuals) who provide key information that is validated against existing data and transmitted securely through encryption services. This service allows citizens and businesses to be authenticated once and use their digital certificates with as many departments and agencies as they wish. Two interactive transactions are currently supported by the secure channel authentication services: Canada Customs and Revenue Agency's on-line address change and Human Resources Development Canada's on-line filing of records of employment.

The secure channel also allows departments to provide Internet-based services that connect their clients to their systems, through an exchange service. For example, Industry Canada clients can now pay their licences, purchase patent registrations, and pay incorporation fees through a single program using credit cards; payments are transmitted through the secure channel service exchange directly to the Receiver General. This allows for immediate accounting and reconciliation and provides a standard Government of Canada interface to all clients for credit card payments.

In 2002, the secure channel incorporated enhanced Internet Protocol (IP) perimeter defence capabilities, including intrusion detection and managed firewalls. These services ensure that the secure channel is not compromised. In addition, departments and agencies began to migrate to a new, government-wide Extranet, which connects individual networks and facilitates access to common government applications as well as the Internet.

There are three major interrelated challenges associated with the secure channel: its continued availability (which is dependent on sustained funding), its adoption by departments and agencies as the common e-infrastructure, and the establishment of a manageable and responsive governance structure. Mitigation strategies were developed for all three, but 2003–04 will be the decisive year to fully address the challenges.

Stewardship

The Secretariat continued to work with departments and agencies to improve the government-wide stewardship of IT and shared administrative systems; it worked closely with a small number of departments and agencies to realign IT projects; and it

monitored the government's key IT projects and reported to ministers on their progress. In 2002–03, Treasury Board ministers were provided with a draft framework against which IT projects could be measured and reviewed to ensure a whole-of-government approach, sustainability of common and shared infrastructure, effectiveness of IT and corporate services, enablement of client-centred services, leveraged investments, and enablement of service transformation. The Secretariat recognized that more work would be required to provide ministers with a government-wide view of IT assets and a more comprehensive reporting framework on IT projects.

Improved Access

Access

The Government of Canada made substantial progress in putting information and transaction services on-line. All federal laws, regulations, and policies were made available through the Internet, as well as information about significant programs. Similarly, all key forms are available on-line.

Challenges and Lessons Learned

The Industry Canada Community Access Program (CAP) has been very popular, giving people access to the Internet at 8,800 sites across Canada. But while information and computers are available at CAP sites (primarily community centres, libraries, and schools), 15 percent of the population cannot read regular print, whether on screen or paper, because of literacy challenges or disabilities. [Web-4-All](#), a GOL pilot led by Industry Canada, has created a customizable computer interface based on universal design principles so each user can select, save, and deploy his or her own interface preferences using smart card technology. A smart card is a plastic card with an embedded integrated circuit for storing information. Web-4-All technology is making it possible for the approximately 3.3 million print-handicapped Canadians, the aging senior population, and new Canadians to access the same electronic services as other Canadians. Web-4-All is also attracting a lot of interest from private sector organizations and the government is working with them in the development of smart cards and card readers. Some provincial ministries responsible for library and educational services are also interested in building this technology into their procurement process specifications for standardized library and school services.

Service Canada

During 2002–03, Service Canada successfully made the transition from a Secretariat-led, multi-faceted pilot project to a more clearly defined and focussed information service, integrated into host partners' in-person service delivery operations. There are 223 access centres with a presence in every province and

territory of Canada, half of them in small and rural communities. This past year, Human Resources Development Canada led and co-ordinated the management and operation of the Service Canada in-person network, and Communication Canada continued to manage the telephone and Internet access services. The development of longer-term sustainability strategies was initiated in 2002–03.

Policy and Standards

In May 2002, the Secretariat introduced the [Privacy Impact Assessment Policy](#). This Policy requires departments and agencies to conduct assessments for any new or redesigned service that may raise privacy issues. It ensures that services are available on-line, or through more traditional service channels, only when they provide good privacy protection. A practical tool kit that includes templates, fact sheets, and best practices was developed and provided to departments to facilitate their assessment and implementation of the Policy.

The Secretariat also issued [guidelines](#) for departments and agencies on the use of cookies and on providing proper notice and obtaining informed consent with regard to the possible collection and use of personal information.

In 2003, the Secretariat finalized revisions to the [Policy on the Management of Government Information](#), the result of collaboration with a wide range of government institutions. The Policy seeks to ensure that federal institutions manage the information under their control efficiently and effectively throughout its lifecycle.

The Secretariat continued to develop the [Framework for the Management of Information in the Government of Canada \(FMI\)](#). The FMI is a key initiative aimed at modernizing and mapping the strategic direction and landscape for the management of information in the Government of Canada. It will assist government departments and agencies by providing authoritative, comprehensive, and integrated guidance on how to best manage information to support service delivery. The FMI will also provide a focus for the implementation of information-related legislation and policies, including the *Policy on the Management of Government Information*.

The Secretariat issued several guidelines on [metadata](#) for departments, clusters, and gateways. These guidelines accompany the 2001 Treasury Board Information and Technology Standard (TBITS) 39.1: GOL Metadata Standard and help federal institutions comply with the Common Look and Feel Standard 6.3, which stipulates that all government Web sites must apply five mandatory metadata elements to describe their Web resources. Metadata are necessary to support navigation, searching, information sharing, and the interoperability goals of GOL. The common

standard adopted, the Dublin Core, ensures that a core set of elements are shared across disciplines or within any type of organization needing to organize and classify information.

In June 2002, a review of the policy requirements concerning the use of the Social Insurance Number and data matching was initiated. Consistent with the Secretariat stewardship of the policy governing these two important privacy considerations, the review is intended to modernize the policies and provide clear direction to all federal institutions subject to the [Privacy Act](#).

The Secretariat continued to develop the Management of Information Technology Security Standard under the revised [Government Security Policy](#). This standard was extensively reviewed with departments and agencies and work will conclude in 2003-04.

January 2003 was the implementation target for all departments and agencies to be compliant with the [Common Look and Feel](#) (CLF) standards for federal Web sites. Federal sites now incorporate a common layout, graphic standards, and symbols. CLF best practices were developed throughout the year by departments and agencies under the auspices of the interdepartmental Internet Advisory Committee. These best practices touch on accessibility, official languages, navigation and format, cybersquatting, collaborative arrangements, e-mail, and important notices.

Challenges and Lessons Learned

The Secretariat faced two major challenges from a CLF perspective—the Treasury Board ministers' direction of a common look and feel for all Government of Canada Web sites, and the GOL strategic objective that all Canadians, regardless of their Internet ability, geographic location, or official language, should have equal access to government on-line services and information. The risk of failure in satisfying these two objectives was appreciable given the dozens of federal institutions and, hundreds of Web sites involved, as well as the short time frame and lack of precedent.

The Secretariat drew upon the considerable expertise of the existing communities of practice within the Public Service through an interdepartmental co-ordinating council and working groups. It was determined that common standards that applied to every government Web site were the only way to provide a recognizable federal identity, a common user experience, and the flexibility that institutions required to address the unique service needs of their individual clients. Development time of the standards was shortened by the adoption of proven international guidelines for accessibility. This adoption also had the benefit of making readily available software products and tools from major IT suppliers that helped departments to defray the costs of making their Web sites more accessible to persons with disabilities. Common software and implementation tools developed by communities of practice are maintained in a depository available for use by any department at no cost.

There were a number of setbacks, for example, due to vendors failing to provide promised products that would provide access for those clients with special needs to much of the legacy information found on government Web sites. The Secretariat worked with departments to find practical solutions by setting priorities for the conversion of legacy information to accessible format based on client interests and by providing access to legacy information by alternative means. Some of the lessons learned confirm that public service employees possess considerable expertise that can resolve complex service and technical issues and implement cost-effective solutions. This can be done by using a less traditional, more collaborative, cross-departmental structure to manage initiatives. These approaches will be used in the future to sustain the effectiveness and viability of the standards in the face of continuous changes to Internet technologies and increasingly sophisticated services, including individualized and cross-jurisdictional offerings.

Official Languages

Service to Canadians in the official language of their choice remains elusive in too many of the offices and service areas where it is required. To improve this situation, during 2002–03, the Secretariat, with partner departments and agencies, developed an action plan for the renewal of the program and the modernization of official languages policies and practices. In this regard, the [2003 budget](#) allocated additional resources to implement the action plan. These resources will enable the Secretariat to strengthen its monitoring capacity and make progress towards its objective to create an exemplary public service in the area of official languages.

The action plan also allocated \$14 million over the next five years to support targeted activities that will help federal regional councils and federal institutions to design and implement innovative projects that will foster improved services to the public in both official languages and focus on other key issues and objectives of the program. The Secretariat's Official Languages Branch will manage the fund.

In 2002–03, a survey was conducted in British Columbia on Francophones' perception of services available in their official language. It arose from a consultation project that aimed to sensitize managers of federal institutions to the delivery of bilingual services. The project and the survey were carried out in collaboration with the Fédération des francophones de la Colombie-Britannique (British Columbia Federation of Francophones) and federal institutions. This concerted action stimulated dialogue and is seen as a successful outcome to improve services.

A telephone survey was begun in March 2003 to determine the extent to which offices and service points of federal institutions actively offer their services in both official languages to minority official language communities. The results, which will be broken down by province or territory and by institution, will serve to inform institutions of deficiencies and to suggest solutions. The report should be complete by fall 2003.

A check of the delivery of services in French and in English was carried out at seven airports in Canada: Vancouver, Calgary, Winnipeg, Toronto (Pearson), Montréal (Dorval), Moncton, and Halifax. The Secretariat looked at the active and passive offer of services in both official languages. At the same time, it evaluated the capacity of institutions to offer their services to a comparable degree in each official language. The results of this exercise will be available in the fall of 2003.

Quality: Citizens are satisfied with the quality of government services that are delivered through innovative organizations in a timely, courteous, competent, and fair manner

HIGHLIGHTS

The Secretariat:

- contributed to higher levels of satisfaction and generally positive perceptions of government services among Canadians;
- developed a performance measurement framework for the GOL and SI initiatives;
- adopted and published telephone service standards;
- implemented the new *Communications Policy of the Government of Canada*; and
- modelled innovative approaches to building human resources capacity to support the GOL and SI initiatives.

The Secretariat sought the following result:

- A measurable improvement in Canadians' overall satisfaction with the delivery of key government services by 2005 through the successful implementation of the Service Improvement initiative and increased organizational effectiveness.

Measurable Improvement in Canadians' Satisfaction

Client satisfaction

According to the most recent [Citizens First study](#), Canadians rated their overall satisfaction with federal services in 2002 at 64 percent; their satisfaction with on-line services is 68 percent. Their satisfaction with federal services has increased steadily (7 percent) since 1998.

Citizens First Survey Year	1998	2000	2002
Service Reputation Score (global)	46	51	56
Service Experience Score (service-specific)	60	61	64

- The second annual report on the GOL initiative, [Government On-Line 2003](#), highlights progress to date on electronic service delivery improvement and points the way to 2005 and beyond.
- On-line use of federal services has increased significantly from 61 percent of Canadian Internet users who visited a Government of Canada Web site at least once in 2000 to 70 percent in 2002. Health, taxes, and employment are some of the most popular on-line services.

Measurement

In 2002–03, the Secretariat developed a performance measurement framework for the GOL and SI initiatives, which encompasses three main outcomes—citizen- or client-centred government; better, more responsive service; and capacity for on-line service delivery. For each of these outcomes, specific indicators have been developed and work is underway to develop performance measures. One of the most significant developments over the past year was the revision of the [Common Measurements Tool](#) that now provides a consistent approach for collecting client satisfaction information across departments and agencies, no matter which delivery channel is used (e.g. in person, Internet, mail, or telephone).

Adoption and publishing of service standards

The Secretariat led an interdepartmental discussion with the federal telephone service delivery community that resulted in a consensus on the approach to be taken for the expression of telephone service standards. While arriving at a common standard across all government departments and agencies was determined not to be feasible, there was agreement on the use of common language and metrics to express and report on standards, thus permitting a comparison across organizations and making results more meaningful. The Secretariat will take a similar approach to service standards across the other delivery channels. The Secretariat encouraged departments and agencies to follow best practices in posting their service standards and results measured against them on their Web sites.

Communications

2002–03 was the first year in which the new [*Communications Policy of the Government of Canada*](#) was in effect. Its goal is to ensure well co-ordinated and effective communications management that is responsive to the diverse information needs of Canadians. The Policy establishes standards for all departments and agencies in providing information services that meet the needs and interests of citizens. A formal review of the Policy will take place within five years of its effective date.

The [*Federal Identity Program \(FIP\)*](#), which complements and supports the Policy, also aims to improve service to Canadians. FIP facilitates public access to government programs and services through clear and consistent identification that helps citizens to recognize them at a glance. In March 2003, the new FIP Web site went on-line to better assist departments and agencies in their application of the government's corporate identity standards.

Reporting to Parliament

Information on the Service Agenda and the GOL and SI initiatives are consistently included in the Secretariat's RPP and DPR. In addition, senior officers regularly appear before parliamentary committees to discuss developments and challenges related to GOL and SI. Officers of Parliament are also consulted on policy and standards in development. (For example, the Office of the Privacy Commissioner was extensively consulted on the development of the [*Privacy Impact Assessment Policy*](#); that office, the Office of the Commissioner of Official Languages, and the Office of the Information Commissioner were consulted on the revisions to the [*Policy on the Management of Government Information*](#).)

Departments and agencies subject to SI are required to report on their service improvement activities in their respective DPRs. The Secretariat monitors the level of reporting government-wide. A review of 2001–02 DPRs indicated that SI was noted in only 22 of 47 reports; ten of the reporting organizations had conducted a client satisfaction survey during the year. In an effort to simplify and standardize reporting by departments and agencies, the Secretariat began work to revise the SI-DPR reporting template. A focus on implementation of the initiative should be reflected in increased levels of SI reporting in 2002–03 DPRs.

Organizational readiness in human resources

The implementation of GOL and SI is beginning to drive a better understanding of the need for an agile public service workforce with significant adaptive capacity. To support this direction, the Secretariat continued to enhance its community of practice, competency-based strategy to help departments and agencies identify and address recruitment, retention, development, and other human-capacity issues related to change management in the Information Technology, Information Management, and Service Delivery communities of practice. In 2002–03, the Secretariat continued to provide the training program for the management development of IT professionals; developed the first-ever competency profiles and tools for IM professionals and front-line service delivery personnel and their managers intended for application on a whole-of-government basis; and continued to enhance its Web-based services and self-assessment tools. (See http://www.cio-dpi.gc.ca/oro-bgc/index_e.asp.)

Management Practices

The GOL and SI initiatives are managed through five key interdepartmental committees, as well as working groups and issue- and expertise-related committees. Over the past year, changes have been made in the GOL and SI [governance](#) structure to promote the shift towards a comprehensive multi-channel service vision and pave the way for long-term governance of a more integrated, enterprise-wide service delivery agenda.

The evolution of the gateways and clusters has shifted from a Secretariat-led process to a more horizontal interdepartmental approach. For example, funding decisions are increasingly focussed on supporting common tools and have evolved to an interdepartmental horizontal co-management of funds. The Secretariat continues to identify shared accountability frameworks and is exploring the establishment of common mechanisms to improve operational efficiency.

The [Organizational Readiness Office](#) is a centre of expertise in nurturing informal workplace learning and knowledge sharing networks commonly referred to as communities of practice. Its leadership development programs are anchored in the IT and IM domains and are strategically aligned with GOL and SI.

Service improvement and new directions in government services and business processes are largely driven through projects that rely extensively on information technology. In recognition of this, and as part of its ongoing stewardship role, the Secretariat monitors all key IT projects, from the initial business cases through the project definition phase (preliminary project approval) to design, development, and implementation (effective project approval); it also reports to Treasury Board ministers on key IT projects.

In 2002–03, the Business Transformation Enablement Program (BTEP) was developed and piloted. The BTEP will provide strategies, methods, models, and frameworks, as well as strategic alignment tools to facilitate the mapping, analysis, and design of programs and services across government. This includes the standards, federated designs, and enterprise architecture capabilities to allow the Government of Canada to achieve technical, information, and business interoperability.

D. Secretariat Administration

Summary of Spending in 2002–03 (\$ thousands)			
	Planned Spending	Total Authorities	Actual
Secretariat Operations	34,531	45,183	41,777
Centrally Administered Funds	10,000	10,000	-
Total	44,531	55,183	41,777
Personnel			
Full-time Equivalents	308	319	314

Note: The increase in Authorities and Actuals over the Planned Spending includes the Supplementary Estimates, transfers in from government-wide initiatives, transfers in from collective agreements, and adjustments made to the statutory authorities.

Context

Reflecting the values outlined in *Results for Canadians*, the Secretariat's administration is focussed on managing resources; supporting a modern, effective, and representative workforce; and constantly improving client-centred corporate service delivery. These efforts are being carried out within the government-wide efforts to implement modern comptrollership, improve human resources management, and put government services on-line.

Key Partners

The Secretariat works in close collaboration with other federal government departments, as well as provincial governments, academia, and the private and voluntary sector to ensure that the Secretariat is equipped to meet its mandate and goals.

Performance

The Secretariat sought the following result:

- To achieve its objectives while managing within the principles of [*Results for Canadians*](#).

The Secretariat has established and carried out during 2002–03 a new strategic planning cycle, including the production of an Environmental Scan, which allowed it to make informed decisions on priorities and resources and to complete the Strategic Planning and Results Framework, which was shared with all Secretariat employees. The Framework is

built around three major strategic outcomes: Stewardship, Human Resources Management, and Service Improvement and constitutes the logic model used to structure the DPR and the RPP. The Secretariat is continuing to further refine its Strategic Planning and Results Framework. Included in this work is the development of performance measurement strategies which will assist in determining the degree to which desired strategic outcomes and elements have been achieved over time. The Secretariat has also begun to build an integrated approach to risk management into the strategic planning cycle. The completed Information Management and Information Technology Strategy will serve to guide management improvement plans over the next three to five years.

The internal audit and evaluation functions continued to be strengthened during the past year. The risk-based audit plan was updated, two audits were conducted, and a three-year plan was approved. The Internal Audit and Evaluation Committee was active throughout the year making the connection between audit and evaluation activity and executive decision making in the department. A project was completed late in the year that recommended a more strategic approach to evaluation in the department. The Internal Audit and Evaluation Division also played the role of liaison with the Office of the Auditor General. This role is very important to the department, due to the high level of activity of the Office of the Auditor General at the Secretariat. It is estimated that at least one-third of the division's resources is dedicated to this function and that there are many more resources invested each year throughout the Secretariat as it supports the work of the Auditor General.

A Human Resources Plan for the Treasury Board of Canada Secretariat, published in the fall of 2001, focusses on the key human resources challenges facing the Secretariat: workload management and work-life balance, recruitment and retention, leveraging knowledge and learning, and ongoing public service human resources policies and programs. Executive-level champions provided leadership and direction for a wide range of initiatives in 2002–03, including a commitment for all executives to participate in the Leadership Development Program and 360° feedback exercise by November 2004; consultations and branch follow-up on the results of the Duxbury-Higgins study on work-life balance; a new strategic planning cycle to improve priority setting and work planning; simplification of the Treasury Board submission process; a study of staff mobility and implementation of the resulting recommendations; a mentoring program; a study and recommendations on informal learning; and implementation of our employment equity, official languages, and awards and recognition programs.

The Secretariat began the development of an IM/IT strategic plan in 2002–03. This is a significant initiative, in that the Secretariat needs to have leading-edge and innovative

IM/IT capabilities to reflect its leadership role in this area within the government and to support it in assisting the Management Board. Internal business needs and external regulatory pressures are driving the need to assess the way the Secretariat manages electronic information. The IM/IT strategic plan will enable the Secretariat to set clear goals and to have a plan to guide the achievement of these goals. The IM/IT vision calls for the Secretariat to have a modern, business-enabling IM/IT environment helping to make it exemplary in its use and management of IM/IT.

The Secretariat has started the development of a new Salary Management System which will provide managers with better financial information on salary expenditures. As well, planning of the SAP Enterprise upgrade has started and is scheduled for completion in the fall of 2004 or spring of 2005.

The Secretariat continued to manage its international and regional activities effectively through its [International Relations Office](#). Some 50 visiting international delegations were managed in 2002–03, as well as roundtables and work plans for bilateral relations under existing MOUs with the U.K. and France. In addition, major presentations were made at several international organizations and conferences (including the Commonwealth Association of Public Administration and Management in Glasgow, a special roundtable at the Canadian Embassy in France, and presentations made by the Chief Information Officer in Singapore, Belgium, France, and Italy). Ongoing effective national secretariat support was provided for continuing development of the [federal regional councils](#), including support to engage the Secretariat representatives and the other central agencies with each of the 12 councils to ensure effective two-way communication and regional participation regarding government-wide initiatives and challenges. In support of the follow-up to the Task Force on the Co-ordination of Federal Activities in the Regions, a [guide](#) on managing collaborative arrangements is available on the Web. The guide was developed in collaboration with Secretariat officials, regional financial officers, and program managers and has been very well received by the regions.

Section III: Financial Performance

Table 1: Summary of Voted Appropriations (\$ thousands)

Table 1 details the way Parliament votes resources to the Secretariat, including voted appropriations and statutory authorities, and details the actual usage of those resources by the Secretariat.

Financial Requirements by Authority

Vote	Planned Spending	Total Authorities	Actual
Management Board Program			
1 Operating Expenditures ¹	119,109	179,503	170,142
2 Grants and Contributions ²	18,600	18,850	17,117
(S) President of the Treasury Board – Salary and motor car allowance ³	65	70	70
(S) Contributions to Employee Benefits Plans	14,798	16,713	16,713
(S) Court awards	-	-	-
(S) Refunds of amounts credited to revenues in previous years	-	17	17
(S) Spending proceeds from the disposal of surplus Crown Assets	-	-	-
5 Government Contingencies ⁴	740,000	670,146	-
10 Government-wide Initiatives ⁴	40,808	13,538	-
15 Collective Bargaining ⁴	-	-	-
20 Public Service Insurance	1,201,702	1,205,177	1,166,673
(S) <i>Public Service Pension Adjustment Act</i>	30	13	13
(S) <i>Special Retirement Arrangements Act</i>	-	-	-
(S) Unallocated employer contributions made under the <i>Public Service Superannuation Act</i> and other retirement acts and the <i>Employment Insurance Act</i> .	-	83,753	83,753
(S) Payments for the pay equity Settlement pursuant to section 30 of the <i>Crown Liability and Proceedings Act</i>	-	16,020	16,020
Total⁵	2,145,112	2,203,800	1,470,518

¹ Planned Spending is the amount included in the department's 2002–03 RPP and indicates amounts planned at the beginning of the year.

Total Authorities include \$118,007 thousands reported in the 2002–03 Main Estimates, plus additional funding of \$61,496 thousands as follows: \$54,615 thousands from the 2002–03 Supplementary Estimates, transfers in from Vote 10, Government-wide Initiatives (\$3,917 thousands) for initiatives such as the Employment Equity Embracing Change Programs, the Internal Audit Policy, Comptrollership Modernization and Human Resources Modernization, and for transfers in from Vote 15, Collective Agreements (\$2,449 thousands), a transfer in of the Crown Corporation Policy (\$514 thousands).

Actual expenditures were \$9,361 thousands less than anticipated. This is primarily due to a major re-organization in the area of the Human Resources Management Office and delays in the litigation process of two important court cases within the Pension Benefit Division.

² Actual expenditures were less than anticipated with the Youth Internship Program.

³ Planned Spending is \$65,218. Authorities and Actual Spending are \$69,521.

⁴ Centrally financed votes reflect permanent transfers to other departments that reduced the Secretariat's Authorities. The DPRs of recipient departments show these authorities and actual expenditures.

⁵ The large difference between Total Authorities and Actual is largely due to \$670,000 thousands lapsing in Vote 5, Government Contingencies. This Vote has two main purposes: to supplement other

appropriations for payroll requirements and to provide temporary funding for miscellaneous, minor, and unforeseen requirements. Sums temporarily allotted for non-payroll purposes are repaid to this Vote by departments when Parliament approves funding. At the end of the fiscal year, the balance of this Vote is lapsed.

Table 2: Departmental Planned Spending versus Actual Spending by Business Line (\$ thousands)

Table 2 details resources used by business line, in comparison to the resources voted by Parliament as indicated in Table 1.

Business Lines	FTEs	Operating ²	Grants & Contri- butions	Total Gross Expendi- tures	Less: Respend- able Revenues	Total Net Expendi- tures
EXPENDITURE MANAGEMENT AND PLANNING						
Secretariat Operations						
(Planned Spending)	188	19,215	-	19,215	-	19,215
(Total Authorities)	198	21,297	20	21,317	-	21,317
(Actuals)	192	20,810	20	20,830	-	20,830
Centrally administered Funds¹						
(Planned Spending)	-	750,000	-	750,000	-	750,000
(Total Authorities)	-	670,146	-	670,146	-	670,146
(Actuals)	-	-	-	-	-	-
COMPTROLLERSHIP						
Secretariat Operations						
(Planned Spending)	220	24,739	-	24,739	-	24,739
(Total Authorities)	220	26,959	-	26,959	-	26,959
(Actuals)	207	26,661	-	26,661	-	26,661
Centrally administered Funds¹						
(Planned Spending)	-	16,003	-	16,003	-	16,003
(Total Authorities)	-	2,497	-	2,497	-	2,497
(Actuals)	-	-	-	-	-	-
INFORMATION MANAGEMENT/ INFORMATION TECHNOLOGY						
Secretariat Operations						
(Planned Spending)	82	8,416	-	8,416	-	8,416
(Total Authorities)	202	31,487	-	31,487	-	31,487
(Actuals)	181	31,037	-	31,037	-	31,037
HUMAN RESOURCES MANAGEMENT						
Secretariat Operations						
(Planned Spending)	358	52,646	18,600	71,246	6,021	65,225
(Total Authorities)	493	73,784	18,830	92,614	2,854	89,760
(Actuals)	456	68,293	17,097	85,390	2,029	83,361

¹ Centrally financed votes reflect permanent transfers to other departments that reduced the Secretariat's Authorities. The DPRs of recipient departments show these authorities and actual expenditures

² Includes capital expenditures.

(Table 2, *cont'd*)

Business Lines	FTEs	Operating ²	Grants & Contributions	Total Gross Expenditures	Less: Respendable Revenues	Total Net Expenditures
Centrally administered Funds¹						
(Planned Spending)	-	1,333,537	-	1,333,537	117,000	1,216,537
(Total Authorities)	-	1,441,564	-	1,441,564	135,559	1,306,005
(Actuals)	-	1,402,018	-	1,402,018	135,559	1,266,459
CORPORATE ADMINISTRATION						
Secretariat Operations						
(Planned Spending)	312	34,977	-	34,977	-	34,977
(Total Authorities)	323	45,629	-	45,629	-	45,629
(Actuals)	318	42,170	-	42,170	-	42,170
Centrally administered Funds¹						
(Planned Spending)	-	10,000	-	10,000	-	10,000
(Total Authorities)	-	10,000	-	10,000	-	10,000
(Actuals)	-	-	-	-	-	-
Total						
(Planned Spending)	1,160	2,249,533	18,600	2,268,133	123,021	2,145,112
(Total Authorities)	1,436	2,323,363	18,850	2,342,213	138,413	2,203,800
(Actuals)	1,354	1,590,989	17,117	1,608,106	137,588	1,470,518
Other Revenues and Expenditures						
Non-respendable Revenues						
(Planned Spending)						8,500
(Total Authorities)						9,577
(Actuals)						9,577
Cost of Services provided by other departments						
(Planned Spending)						13,120
(Total Authorities)						13,799
(Actuals)						13,799
Net Cost of the Secretariat						
(Planned Spending)						2,149,732
(Total Authorities)						2,208,022
(Actuals)						1,474,740

¹ Centrally financed votes reflect permanent transfers to other departments that reduced the Secretariat's Authorities. The DPRs of recipient departments show these authorities and actual expenditures.

² Includes capital expenditures.

Table 3: Historical Comparison of Departmental Planned Spending Versus Actual Spending by Business Line (\$ thousands)

Table 3 provides an historical perspective on how resources are used by the Secretariat.

	2002–03				
	Actual	Actual	Planned	Total	
Business Lines	2000–01	2001–02	Spending	Authorities	Actual
Expenditure Management and Planning					
Secretariat Operations	15,875	17,920	19,215	21,317	20,830
Centrally administered Funds ¹	-	-	750,000	670,146	-
Comptrollership					
Secretariat Operations	21,413	26,985	24,739	26,959	26,661
Centrally administered Funds ¹	-	-	16,003	2,497	-
Service and Innovation ²					
Secretariat Operations	9,790	10,871	-	-	-
Information Management and Information Technology					
Secretariat Operations	25,334	35,776	8,416	31,487	31,037
Human Resources Management					
Secretariat Operations	56,385	79,904	65,225	89,760	83,361
Centrally administered Funds ¹	4,004,033	1,336,700	1,216,537	1,306,005	1,266,459
Corporate Administration					
Secretariat Operations	39,535	38,205	34,977	45,629	42,170
Centrally administered Fund ¹	-	-	10,000	10,000	-
Total	4,172,365	1,546,361	2,145,112	2,203,800	1,470,518

¹ Centrally financed votes reflect permanent transfers to other departments that reduced the Secretariat's Authorities. The DPRs of recipient departments show these authorities and actual expenditures.

² The Service and Innovation business line was dismantled and services were realigned throughout other business lines.

Table 4: Crosswalk between Strategic Outcomes and Business Lines
(\$ thousands)

Table 4 identifies the resource relationship between Strategic Outcomes and Business Lines.

Management Board Program

Strategic Outcomes/ Business Lines	Steward- ship	Service Improve- ment	Human Resources	Secretariat Administra- tion	Total
Expenditure Management and Planning					
Planned	768,619	596	-	-	769,215
<i>Authorities</i>	690,867	596	-	-	691,463
Actuals	20,240	590	-	-	20,830
Comptrollership					
Planned	40,742	-	-	-	40,742
<i>Authorities</i>	29,456	-	-	-	29,456
Actuals	26,661	-	-	-	26,661
Information Management/ Information Technology					
Planned	-	8,416	-	-	8,416
<i>Authorities</i>	-	31,487	-	-	31,487
Actuals	-	31,037	-	-	31,037
Human Resources Management					
Planned	-	1,613	1,280,149	-	1,281,762
<i>Authorities</i>	-	2,673	1,393,092	-	1,395,765
Actuals	-	2,271	1,347,549	-	1,349,820
Corporate Administration					
Planned	-	446	-	44,531	44,977
<i>Authorities</i>	-	446	-	55,183	55,629
Actuals	-	393	-	41,777	42,170
Total					
Planned	809,361	11,071	1,280,149	44,531	2,145,112
<i>Authorities</i>	720,323	35,202	1,393,092	55,183	2,203,800
Actuals	46,901	34,291	1,347,549	41,777	1,470,518

Table 5: Revenues by Business Line (\$ thousands)

Table 5 identifies revenues received by the Secretariat from sources both internal and external to government.

Business Lines	Actual 2000–01	Actual 2001–02	2002–03		
			Planned Revenues	Total Authorities	Actual
Respendable Revenues					
Expenditure Management and Planning	14	-	-	-	-
Comptrollership	34	-	-	-	-
Information Management and Information Technology	124	-	-	-	-
Human Resources Management					
Secretariat Operations	2,359	1,745	6,021	2,854	2,029
Centrally administered Funds	69,352	136,607	117,000	135,559	135,559
Corporate Administration	27	-	-	-	-
Total Respendable Revenues	71,910	138,352	123,021	138,413	137,588
Non-respendable Revenues					
Revenue from Parking Fees	8,164	8,510	8,500	9,577	9,577
Total Non-respendable Revenues	8,164	8,510	8,500	9,577	9,577
Total Revenues	80,074	146,862	131,521	147,990	147,165

Table 6: Statutory Payments by Business Line (\$ thousands)

Table 6 identifies statutory payments made by the Secretariat.

Business Lines	Actual 2000–01	Actual 2001–02	2002–03		
			Planned Spending	Total Authorities	Actual
Expenditure Management and Planning¹	1,793	1,920	2,770	3,048	3,048
Comptrollership¹	2,087	2,070	3,077	3,048	3,048
Service and Innovation¹	898	560	-	-	-
Information Management and Information Technology¹	1,559	1,399	1,134	2,352	2,352
Human Resources Management					
Contributions to Employee Benefit Plans	4,591	4,375	4,809	6,175	6,175
<i>Public Service Pension Adjustment Act</i>	50	39	30	13	13
Unallocated employer contributions made under the <i>Public Service</i> <i>Superannuation Act</i> and other retirement acts and the <i>Employment</i> <i>Insurance Act</i>	13,754	287,982	-	83,753	83,753
<i>Special Retirement Arrangements Act</i>	-	4,700	-	-	-
Payments for the pay equity settlement pursuant to section 30 of the <i>Crown</i> <i>Liability and Proceedings Act</i>	3,020,926	55,497	-	16,020	16,020
Total	3,039,321	352,593	4,839	105,961	105,961
Corporate Administration					
President of the Treasury Board – Salary and Motor car allowance	52	68	65	70	70
Contributions to Employee Benefit Plans	2,598	2,778	3,008	2,090	2,090
Court Awards	133	4	-	-	-
Refunds of amounts credited to revenues in previous years	33	218	-	17	17
Total	2,816	3,068	3,073	2,177	2,177
Total Statutory Payments	3,048,474	361,610	14,893	116,586	116,586

¹ Contribution to Employee Benefits Plans.

Table 7: Transfer Payments by applicable Business Line (\$ thousands)

Table 7 summarizes the transfer of resources to individuals or organizations.

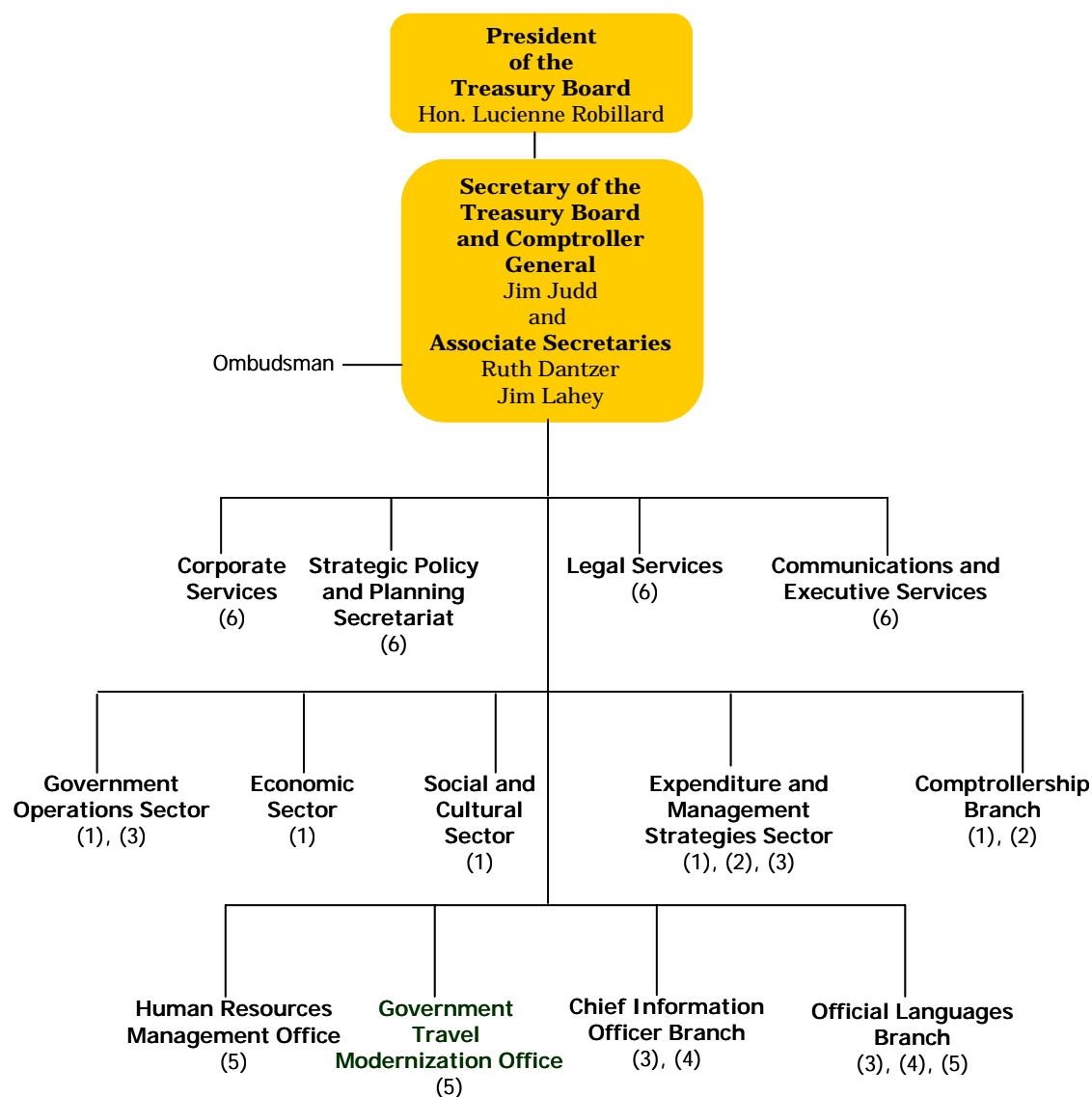
Business Lines	Actual 2000-01	Actual 2001-02	2002-03		
			Planned Spending	Total Authorities	Actual
GRANTS					
Expenditure Management and Planning					
Grant to the Organisation for Economic Co-operation and Development (OECD) Reallocation Project.	-	-	-	20	20
Service and Innovation					
Centre Francophone d'informatisation des organisations	50	-	-	-	-
Comptrollership					
CCAF-FCVI (formerly the Canadian Comprehensive Auditing Foundation)	75	-	-	-	-
Human Resources Management					
Public Service Alliance of Canada	-	-	-	250	250
Total Grants	125	-	-	270	270
CONTRIBUTIONS					
Human Resources Management					
Youth Internship Program	8,754	17,645	18,600	18,580	16,847
Conference Board of Canada	50	-	-	-	-
Information Management and Information Technology					
Canadian Standards Association	10	-	-	-	-
Total Contributions	8,814	17,645	18,600	18,580	16,847
OTHER TRANSFER PAYMENTS					
Human Resources Management					
Public Service Insurance ¹	266	327	500	500	302
Public Service Pensions	50	40	30	13	13
Total Other Transfer Payments	316	367	530	513	315
Total Transfer Payments	9,255	18,012	19,130	19,363	17,432

¹ Benefit Plan for survivors of employees slain on duty and Special Indemnity Plan for spouses of Canadian Forces attachés.

Table 8: Contingent Liabilities (\$ thousands)

List of Contingent Liabilities	Amount of Contingent Liability		
	March 31, 2001	March 31, 2002	March 31, 2003
Pending and Threatened Litigation	30,014,139	30,014,167	33,533,971

Appendix A: Organization of the Secretariat



* These numbers refer to business line accountabilities. (See following page.)

Approved Business Lines

- 1) Expenditure Management and Planning—government-wide resource allocation consistent with government priorities and the fiscal framework
- 2) Comptrollership—management practices that focus on results and values, integrate financial and non-financial results information for planning and reporting, respond to risks responsibly, and provide appropriate systems of control
- 3) Service and Innovation—an innovative, citizen-centred public service that responds to Canadians’ priorities for service improvement and is committed to the goal of delivering services that meet or exceed their expectations
- 4) Information Management and Information Technology—affordable and responsive delivery of government services through the strategic use of information management and information technology
- 5) Human Resources Management—a public service that is results-driven, values-based, representative and learning-oriented
- 6) Corporate Administration—the provision of effective corporate services that support all business lines in meeting their objectives

Appendix B: Reporting on Government-wide Initiatives

Departments are required to report on certain government-wide themes and initiatives. This section provides information on the Secretariat's progress in implementing its Sustainable Development Strategy and its approach to procurement and contracting. Modernizing comptrollership within the Secretariat and efforts to address key human resources issues and put information on-line are an integral part of the administration of the Secretariat. Progress on these initiatives can be found in Section D, Secretariat Administration.

Sustainable Development

During 2002–03, implementation of the Secretariat's second Sustainable Development Strategy continued, directed by the detailed work plan developed the previous year. Each Assistant Secretary responsible for specific activities had endorsed the work plan. This concrete show of support from senior management helped ensure activities were carried out as planned to achieve the goals laid out in the strategy.

Facilitating solutions and supporting departments in achieving Sustainable Development goals

Achievements:

- The [*Contaminated Sites Management Policy*](#) came into effect on July 1, 2002.
- A draft *Green Procurement Policy* was prepared by the Treasury Board Advisory Committee on Contracts Working Group on Green Procurement and provided to the interdepartmental Sustainable Development in Government Operations Directors General Co-ordinating Committee in January 2003.

Enhancing the Secretariat's capacity to take sustainable development into account in its programs and activities

Achievements:

- Materials from a Sustainable Development Learning Forum for the Secretariat Executive Cadre in March 2002 have been made available on the Secretariat's Learning and Knowledge Management intranet site.

- Note: In response to workload issues, communication strategy activities associated with this goal were rescheduled for the period of March through December 2003.

Reducing the environmental impact of our operations

Achievements:

- Earth Day and Environment Week events were successfully promoted.
- A framework for an inventory of regulated substances was developed through consultations with Environment Canada.

The 2001–03 Sustainable Development Strategy includes an additional goal focussed on enhancing the green contribution of government investments in infrastructure to improve Canadians' quality of life. Responsibility for this goal and related activities has been shifted to Infrastructure Canada under the Minister of Industry, in response to the realignment of responsibilities within the federal government.

A more detailed reporting of progress toward achieving the Secretariat's Sustainable Development goals can be found at http://www.tbs-sct.gc.ca/report/TBSPerf/sd-dd/sdpr-redd_e.asp.

Procurement and Contracting

The Secretariat's approach to the management of contracting and procurement furthers its modern comptrollership objectives by ensuring that the goods and services needs of the Secretariat are met in a timely manner and that policies and guidelines are respected.

Contracting and procurement activity within the Secretariat is centralized. While managers have delegated authority to enter into contracts, a centralized contracting section provides advice and guidance on all aspects of the contracting process and creates contract documents and financial commitments. The Secretariat also has a Contract Review Committee that reviews all contracts with an estimated value of \$10,000 or more. To encourage compliance and processing time, the process for issuing service contracts with an estimated value of \$10,000 or less was streamlined. Procurement of goods is also carried out centrally with the exception of purchases made using acquisition cards for low dollar-value items.

Appendix C: Transfer Payments

The Federal Public Sector Youth Internship Program

The Federal Public Sector Youth Internship Program is delivered in partnership with the YMCA through a contribution agreement.

This Program was renewed on a permanent basis and successfully launched in 2000–01, so that unemployed and under-employed youth continue to have an opportunity to acquire the experience and skills they need to enter and fully participate in the labour market.

Between April 1, 2002, and the end of March 2003, more than 1098 new internship opportunities have been identified in host departments, agencies, and Crown corporations across Canada for nine-month terms and over 1208 young interns have been placed. Approximately 50 percent of these interns are youth at risk who receive pre-internship training and have regular contact with a YMCA counsellor.

\$17 million was spent in 2002–03 for the remuneration of interns and youth support services. The planned spending for 2002–03 was \$18 million.

Through ongoing surveys, mentors and interns in host organizations report a high degree of satisfaction with all aspects of the Program. (See <http://yip.gc.ca/>.)

Appendix D: Additional Resources

Key Legislation Administered by the Secretariat

Alternative Fuels Act

Employment Equity Act

Federal Real Property Act

Financial Administration Act

Official Languages Act

Public Service Employment Act

Public Service Staff Relations Act

Public Service Superannuation Act

The responsibilities under the *Access to Information Act* and the *Privacy Act* are shared between the President of the Treasury Board as minister and the Minister of Justice.

List of Statutory Annual Reports

Administration of the *Members of Parliament Retiring Allowances Act*

Administration of Part II of the *Public Service Superannuation Act*

Administration of Part I and Part III of the *Public Service Superannuation Act*

Administration of the *Supplementary Retirement Benefits Act*

Application of the *Alternative Fuels Act*

Employment equity in portions of the Public Service referred to in paragraph 4(1)(b) of the *Employment Equity Act*

Annual Report on Crown Corporations and Other Corporate Interests of Canada

Cost certificates, valuation reports, and assets reports filed pursuant to the *Public Pensions Reporting Act*

The Secretariat's annual report on the *Access to Information Act* and the *Privacy Act*

Annual Report on Official Languages

Useful Internet Addresses for Treasury Board Reports and Policy Documents

Treasury Board of Canada Secretariat Web site: <http://www.tbs-sct.gc.ca>

Stewardship

More information can be found at the following Web sites:

Federal resources are aligned with government priorities

- Tabling of the 2002–03 Supplementary Estimates A
http://www.tbs-sct.gc.ca/media/nr-cp/2002/1031_e.asp
- Tabling of the 2002–03 Supplementary Estimates B
http://www.tbs-sct.gc.ca/media/nr-cp/2003/0226_e.asp
- Tabling of the 2003–04 Main Estimates
http://www.tbs-sct.gc.ca/media/nr-cp/2003/0226A_e.asp
- Tabling of Eighty-Seven 2003–04 Reports on Plans and Priorities for the Government of Canada
http://www.tbs-sct.gc.ca/media/nr-cp/2003/0327_e.asp
- Announcement of Expenditure and Management Reviews
http://www.tbs-sct.gc.ca/media/nr-cp/2003/0529_e.asp
- Budget 2003
<http://www.fin.gc.ca/budtoce/2003/budliste.htm>
- Budget 2003: Improving Expenditure Management and Accountability
<http://www.fin.gc.ca/budget03/bp/bpc7e.htm>
- 2003–04 Estimates: Treasury Board Secretariat *Report on Plans and Priorities*
http://www.tbs-sct.gc.ca/est-pre/20032004/TBS-SCT/TBS-SCTr34_e.asp
- Speech from the Throne <http://www.pco-bcp.gc.ca/sft-ddt/sft.htm>

Federal resources are used efficiently and effectively with prudence and probity

- *Interim Evaluation of the Implementation of the Revised Policy on Internal Audit*
http://www.tbs-sct.gc.ca/ia-vi/presentations/report-rapport/report-rapport_e.asp
- *Interim Evaluation of the Treasury Board Evaluation Policy*
http://www.tbs-sct.gc.ca/eval/tools_outils/int-prov_e.asp#exsum
- *Modern Comptrollership Practices: Toward Management Excellence* draft
http://www.tbs-sct.gc.ca/cmo_mfc/Toolkit2/comptrollership_practices/cp01_e.asp
- Management Accountability Framework
http://www.tbs-sct.gc.ca/maf-crg/index_e.asp
- *Values and Ethics Code for the Public Service.*
http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/TB_851/vec-cve_e.asp
- Modern Comptrollership
http://www.tbs-sct.gc.ca/CMO_MFC/index_e.asp
- Risk Management
<http://publiservice.tbs-sct.gc.ca/rm-gr/home-accueil.asp?Language=EN>,

- Evaluation
http://www.tbs-sct.gc.ca/eval/eval_e.asp
- Internal Audit
http://www.tbs-sct.gc.ca/ia-vi/home-accueil_e.asp
- Secretariat policies and guidelines—grouped by topic
http://www.tbs-sct.gc.ca/common/policies-politiques_e.asp
- The Government of Canada Announces Changes to Sponsorship, Advertising, and Public Opinion Research Activities
http://www.tbs-sct.gc.ca/media/nr-cp/2002/1217_e.asp
- Contract Policy Notice 2003-1—Revised Policies Related to Contracting for Advertising and Public Opinion Research Services
http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/ContPolNotices/cpn-apm-03-01_e.asp
- Real Property
http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/RealProperty/siglist_e.asp
- Professional Development and Certification Program
<http://publiservice.tbs-sct.gc.ca/pd-pp/home-accueil.asp?Language=EN>
- *Government Security Policy*
http://www.tbs-sct.gc.ca/pubs_pol/gospubs/TBM_12A/gsp-psg_e.asp
 - Operational Standard on the *Security of Information Act*
http://www.tbs-sct.gc.ca/pubs_pol/gospubs/TBM_12A/sia-lpi_e.asp
 - Operational Security Standard—Readiness Levels for Federal Government Facilities
http://www.tbs-sct.gc.ca/pubs_pol/gospubs/TBM_12A/oss-nos_e.asp
- Materiel Management
http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/MaterielManage/siglist_e.asp
- Contract Management
http://www.tbs-sct.gc.ca/pubs_pol/dcgpubs/Contracting/siglist_e.asp
- Financial Management and Accounting
http://www.tbs-sct.gc.ca/fin/common/c_main_e.asp
- December 2002 Report of the Auditor General of Canada: Chapter 9, “Modernizing Accountability in the Public Sector”
<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20021209ce.html>
- December 2002 Report of the Auditor General of Canada: Chapter 5, “Financial Management and Control in the Government of Canada”
<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20021205ce.html>

Accountability for results throughout the Public Service is clearly defined and key commitments and results are publicly reported

- Public Accounts of Canada
<http://www.pwgsc.gc.ca/recgen/text/pub-acc-e.html>
- Tabling of 86 Departmental Performance Reports for 2001–02
http://www.tbs-sct.gc.ca/media/nr-cp/2002/1107_e.asp
- Review and Assessment of the 86 Departmental Performance Reports for 2001–02
http://www.tbs-sct.gc.ca/rma/dpr/01-02/assess_e.asp
- Announcement of Expenditure and Management Reviews
http://www.tbs-sct.gc.ca/media/nr-cp/2003/0529_e.asp

- Guidance: Departmental Performance Reports 2002–03
http://www.tbs-sct.gc.ca/rma/dpr/02-03/guidance/gl-ld_e.asp
- April 2002 Report of the Auditor General of Canada: Chapter 7, “Strategies to Implement Modern Comptrollership”
<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/0207ce.html>

Human Resources Management

Modernization of Human Resources Management

http://www.tbs-sct.gc.ca/mhrm-mgrh/index_e.asp

Various reports on Modern Comptrollership

http://www.tbs-sct.gc.ca/search/results-résultats_e.asp?radio=radio2&TextRestriction=Modern+Comptrollership&selLang=1&radioType=phrase&scope=&who=mhrm-mgrm&home=%3E&TextRestriction1=+%26+%28%23vpath+*.htm*++OR+%23vpath+*.pdf%29+%26%21+%23vpath+*%5C_vti_*&TextRestriction2=

Canadian Centre for Management Development Learning Events

http://www.ccmd-ccg.gc.ca/events/index_e.html

Public Service Leadership

http://www.ccmd-ccg.gc.ca/leadership/index_e.html

Managing Collaborative Arrangements: A Guide for Regional Managers

http://www.tbs-sct.gc.ca/rc-cr/guide_rm/index_e.asp

A Policy for Continuous Learning in the Public Service of Canada

http://www.tbs-sct.gc.ca/pubs_pol/hrpubs/tb_856/pclpsc-pacfp_e.asp

Embracing Change site map

http://www.tbs-sct.gc.ca/ec-fpac/common/map-carte_e.asp

Youth Internship Program

<http://yip.gc.ca>

National Public Service Week 2002 created a stronger awareness of public service pride. It created strong community links with partners such as Canadian Blood Services. It fostered a greater understanding of the Public Service within the younger generation of public service employees and it raised their capacity as employees. Relevant links and reports:

Youth Day Report

http://www.tbs-sct.gc.ca/hr-rh/ar-pr/other-autre/ydc-cji_e.asp

National Public Service Week 2002 Web site

<http://www.proud-fiers.gc.ca/>

Service Improvement

Government On-Line report—*Government On-Line and Canadians*

www.gol-ged.gc.ca/rpt/gol-ged-rptpr_e.asp

Official Languages

<http://www.tbs-sct.gc.ca/ollo/english/>

Service Improvement Initiative

http://www.tbs-sct.gc.ca/rma/dpr/01-02/guidance/templates/serv-serv_e.asp

GOL Project Proposals and Contacts for 2000–2002

http://www.ged-gol.gc.ca/pathfinder-expl/contact/contact00_e.asp

Government On-Line Advisory Panel

http://www.ged-gol.gc.ca/pnl-grp/index_e.asp

Serving Canadians Better

http://www.ged-gol.gc.ca/index_e.asp

Privacy and Government On-Line

<http://www.cio-dpi.gc.ca/pgol-pged/>

Policy on the Management of Government Information

http://www.tbs-sct.gc.ca/pubs_pol/ciopubs/TB_GIH/mgih-grdg_e.asp

Framework for the Management of Information in the Government of Canada

http://www.cio-dpi.gc.ca/im-gi/fmi-cgi/fmi-cgi_e.asp

Metadata

http://www.cio-dpi.gc.ca/im-gi/meta/meta_e.asp

Common Look and Feel for the Internet

<http://www.cio-dpi.gc.ca/clf-upe/>

Federal Identity Program

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

Governance

http://www.ged-gol.gc.ca/governance/gov-gouv_e.asp

Organizational Readiness Office

http://www.cio-dpi.gc.ca/oro-bgc/index_e.asp