



NAFTA Secretariat, Canadian Section



For the
period ending
March 31, 1997



Improved Reporting to Parliament —
Pilot Document

Canada

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Foreword

On April 24, 1997, the House of Commons passed a motion dividing what was known as the *Part III of the Estimates* document for each department or agency into two documents, a *Report on Plans and Priorities* and a *Departmental Performance Report*. It also required 78 departments and agencies to table these reports on a pilot basis.

This decision grew out of work by Treasury Board Secretariat and 16 pilot departments to fulfil the government's commitments to improve the expenditure management information provided to Parliament and to modernize the preparation of this information. These undertakings, aimed at sharpening the focus on results and increasing the transparency of information provided to Parliament, are part of a broader initiative known as "Getting Government Right".

This *Departmental Performance Report* responds to the government's commitments and reflects the goals set by Parliament to improve accountability for results. It covers the period ending March 31, 1997 and reports performance against the plans presented in the department's *Part III of the Main Estimates* for 1996-97.

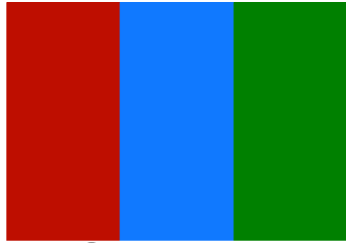
Accounting and managing for results will involve sustained work across government. Fulfilling the various requirements of results-based management – specifying expected program outcomes, developing meaningful indicators to demonstrate performance, perfecting the capacity to generate information and report on achievements – is a building block process. Government programs operate in continually changing environments. With the increase in partnering, third party delivery of services and other alliances, challenges of attribution in reporting results will have to be addressed. The performance reports and their preparation must be monitored to make sure that they remain credible and useful.

This report represents one more step in this continuing process. The government intends to refine and develop both managing for results and the reporting of the results. The refinement will come from the experience acquired over the next few years and as users make their information needs more precisely known. For example, the capacity to report results against costs is limited at this time; but doing this remains a goal.

This report is accessible electronically from the Treasury Board Secretariat Internet site:
<http://www.tbs-sct.gc.ca/tb/key.html>

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NAFTA Secretariat,
Canadian Section

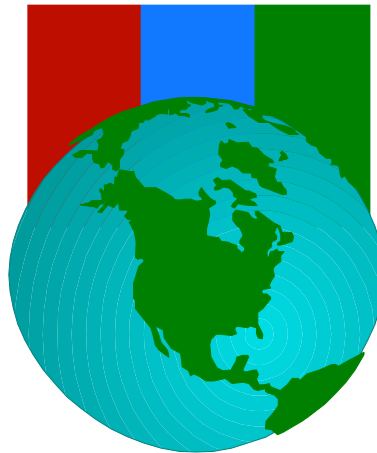


Performance Report

for the

period ending

March 31, 1997



Performance Report

NAFTA Secretariat,

Canadian Section

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The Honourable Sergio Marchi

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Section I: The Minister's Message

The NAFTA Secretariat, comprised of the Canadian, U.S. and Mexican Sections, is responsible for the administration of the dispute settlement provisions of the North American Free Trade Agreement (NAFTA). The mandate of the NAFTA Secretariat also includes the provision of assistance to the Commission and support for various non-dispute related committees and working groups.

This government recognizes that trade policy and trade relations are crucially important to the achievement of Canada's economic and social goals. Rules-based international trade dispute settlement systems are a critical part of our trade policy and trade relations.

In this regard, the Canadian Section of the NAFTA Secretariat plays a key role in the management of Canada's trading relationship with two major trading partners -- the United States of America and Mexico. Our bilateral trade with these two countries totals approximately \$388 billion. Of that total, five percent -- or \$19 billion -- is estimated to be in dispute at any one time. The NAFTA Secretariat manages the processes by which trade disputes between NAFTA partners may be settled through the rules-based mechanisms established in the Agreement.

In the 1996-97 fiscal year the NAFTA Secretariat administered 15 panel reviews under Chapter 19 and two arbitral panel proceedings under Chapter 20 of the NAFTA. Eight Chapter 19 panel decisions and one Chapter 20 panel report were issued by the NAFTA Secretariat in this period.

The major challenge faced by the Canadian Section over the last fiscal year was the administration of the first proceeding under Chapter 20, government-to-government, dispute settlement process. This proceeding was filed by the United States against Canada, in the matter of *Tariffs Applied by Canada to Certain U.S. - Origin Agricultural Products*.

Regarding the efficiency and affordability of the NAFTA Secretariat, Canadian Section operations, the \$2.085 million per annum cost to the Canadian government of administering the dispute settlement system may be compared to the \$19 billion which is estimated to be in dispute and directly impacted by this unique process. Further, the Canadian Section has achieved significant cost savings in the past several years through such innovative initiatives as co-location, contracting out, shared services, cost recovery and the use of information technologies.

Regarding the performance accomplishments of the Canadian Section, the 1996-97 performance monitoring report, prepared by an independent consulting firm, indicates that client satisfaction with the services provided by the Canadian Section continues to be

outstanding. The overall result of the performance monitoring report was that **100%** of all clients are **very satisfied** (the highest possible rating), overall, with the Canadian Section.

As of January 1, 1997, the NAFTA Secretariat, Canadian Section's mandate was expanded to include the responsibility for the administration of the dispute resolution process under Chapter 8 of the Canada - Israel Free Trade Agreement.

Effective June 2, 1997, the NAFTA Secretariat, Canadian Section's mandate was further enhanced with the addition of responsibility for the administration of the dispute resolution process under Chapter N of the Canada - Chile Free Trade Agreement.

The Honourable Sergio Marchi

Section II: Departmental Overview

1. Mandate, Roles and Responsibilities

The NAFTA Secretariat is a unique organization created by the NAFTA for the administration of the dispute settlement provisions of the NAFTA. The mandate of the Secretariat is set out in Article 2002.3 of the NAFTA and reads:

The Secretariat shall:

- (a) *provide assistance to the Commission;*
- (b) *provide administrative assistance to:*
 - (i) *panels and committees established under Chapter Nineteen (Review and Dispute Settlement in Antidumping and Countervailing Duty Matters), in accordance with the procedures established pursuant to Article 1908, and*
 - (ii) *panels established under this Chapter, in accordance with procedures established pursuant to Article 2012; and*
- (c) *as the Commission may direct:*
 - (i) *support the work of other committees and groups established under this Agreement, and*
 - (ii) *otherwise facilitate the operation of this Agreement.*

The Secretariat has Canadian, U.S. and Mexican Sections which have been established as “mirror-images” of each other to carry-out this mandate. In the administration of the dispute settlement provisions, the NAFTA Secretariat provides legal, professional and advisory support to panels and committees, operates a court-like registry and coordinates all panel and financial aspects of the process.

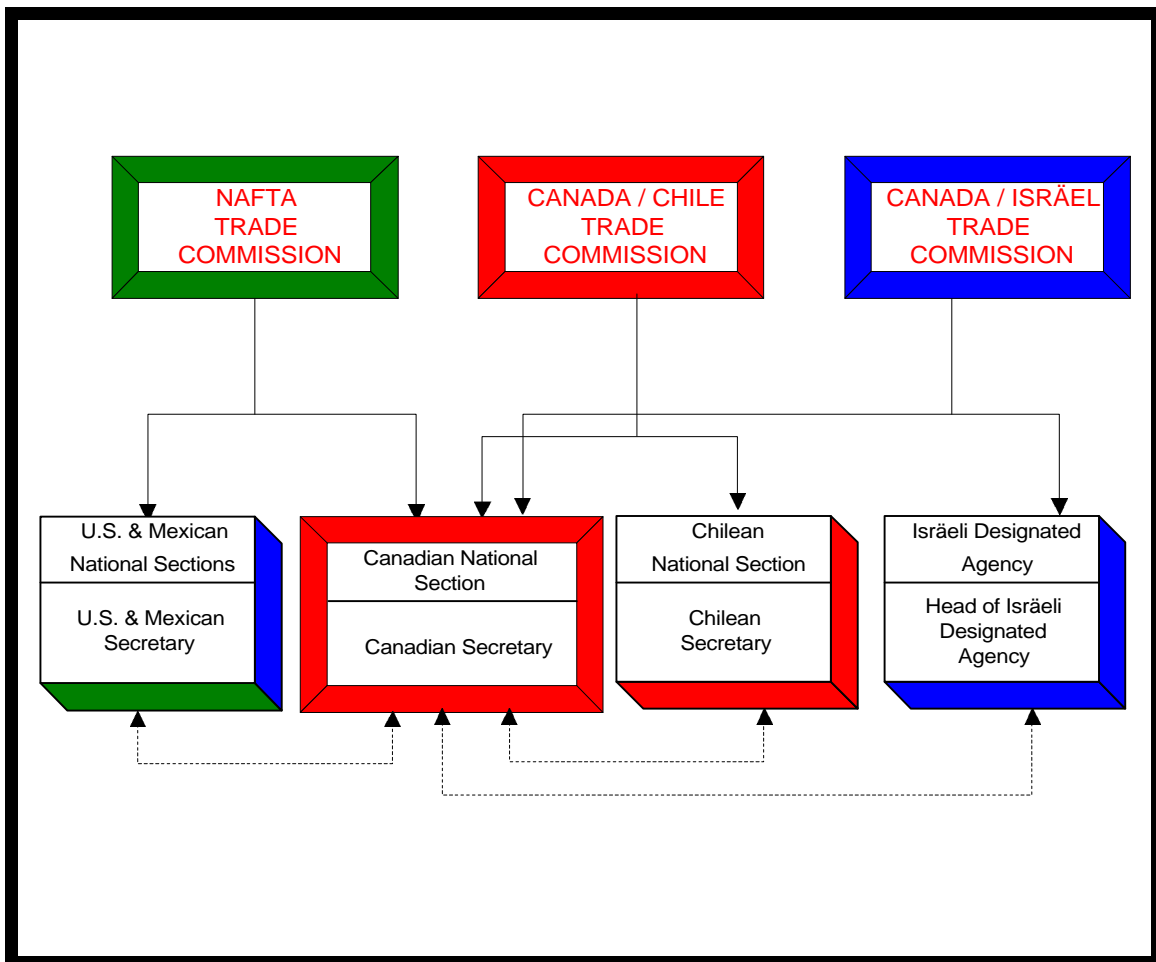
As of January 1, 1997, the NAFTA Secretariat, Canadian Section’s mandate was expanded to include the responsibility for the administration of the dispute resolution process under Chapter 8 of the Canada - Israël Free Trade Agreement.

Effective June 2, 1997, the Canadian Section’s mandate was further enhanced with the addition of the responsibility for the administration of the dispute resolution process under Chapter N of the Canada - Chile Free Trade Agreement.

a. Mandated Responsibilities Structure

The organization is headed by the Canadian Secretary who reports to the Minister for International Trade for Parliamentary accountability and to the appropriate Trade Commission for the administration of the dispute settlement processes under the NAFTA, the Canada - Israel Free Trade Agreement and the Canada - Chile Free Trade Agreement.

**Figure 1: -
Mandated Responsibilities Chart**



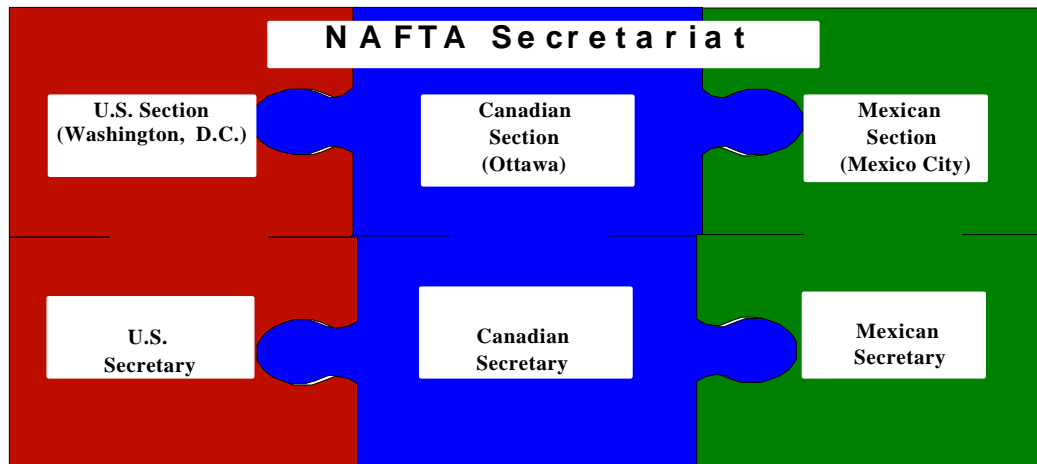
2. Background

In 1996, trilateral trade among the NAFTA partners, Canada, United States and Mexico was \$570 billion. While Canada's trading relationship with Mexico is

relatively small, \$7.2 billion in 1996, our trade relationship with the United States is the largest between any two countries in the world.

With this volume of trade, disputes are inevitable. It is estimated that about 5% of the \$381 billion in Canada's bilateral trade with the United States is currently under dispute.

A similar administrative body, the Binational Secretariat existed under the Canada - United States Free Trade Agreement (FTA). In 1994, pursuant to the Parties' obligation under the NAFTA to establish permanent, national Section offices in each country, the Binational Secretariat, Canadian and United States national Sections became the NAFTA Canadian and United States national Sections, and with the addition of the Mexican Section, make up the NAFTA Secretariat. The national Sections are located in Ottawa, Washington and Mexico City and are headed by the Canadian, United States and Mexican Secretaries.



3. Program Objective¹

The NAFTA Secretariat, Canadian Section's program objective is to implement the dispute settlement provisions of the North American Free Trade Agreement (NAFTA) by providing support to panels established under the NAFTA and by maintaining a court-like registry system relating to Chapters 11, 14, 19 and 20 panel, committee and tribunal proceedings.

¹ As noted *infra*, the Canadian Section's mandate has been enhanced to include the administration of the dispute settlement provisions of the Canada - Israel Free Trade Agreement and the Canada - Chile Free Trade Agreement. Therefore, a revised Program Objective will be submitted to the Treasury Board for approval to reflect these changes.

Chapter 19	disputes relating to anti-dumping, countervailing duty, injury final determinations	can be referred to a binding review process as an alternative to judicial review
Chapter 20	disputes concerning the interpretation or application of the Agreement	can be referred to arbitral panels
Chapter 14	disputes relating to financial services provisions	can be referred to Chapter 20 dispute settlement procedures
Chapter 11	disputes regarding investment matters	can be referred to certain international arbitral mechanisms

4. Corporate Objectives

In support of the Program Objective of the NAFTA Secretariat, Canadian Section, the following five corporate objectives have been developed.

- ***Commitment to an Unbiased and Equitable Administrative Process*** - the NAFTA Secretariat, Canadian Section, is committed to administering the dispute settlement provisions of the relevant Free Trade Agreements² in a manner which ensures unbiased administrative processes, equity, security and fairness.
- ***Commitment to Quality*** - the NAFTA Secretariat, Canadian Section, is committed to maintaining the highest quality of administration of all dispute settlement proceedings.
- ***Support to Stakeholders*** - the NAFTA Secretariat, Canadian Section, is committed to supporting and providing services to its stakeholders in a manner that is impartial, responsive, accessible and timely.
- ***Openness and Accountability*** - the NAFTA Secretariat, Canadian Section, is committed to ensuring openness and accountability to the Government, the relevant Free Trade Commissions³ and to the public.

² For the purposes of this document, the Free Trade Agreements are the North American Free Trade Agreement, the Canada - Israel Free Trade Agreement and the Canada - Chile Free Trade Agreement.

³ For the purposes of this document, the Free Trade Commissions are the (NAFTA) Free Trade Commission, the Canada - Israel Trade Commission and the Canada - Chile Free Trade Commission.

- *Innovative Uses of Information Technologies* - in keeping with the *Blueprint for Renewing Government Services Using Information Technology*, the NAFTA Secretariat, Canadian Section, is committed to employing new information technologies to develop and enhance systems and processes to improve overall effectiveness and efficiency.

5. Strategic Priorities

To assist in fulfilling the above noted Program and Corporate Objectives, the Canadian Section, in collaboration with the Mexican and the U.S. Sections, established the following strategic priorities for fiscal year 1997-98:

- Implementation of a searchable (word and phrase) World Wide Internet Web Site which will facilitate access to required information, including FTA and NAFTA decisions, by primary stakeholders (see details supra primary stakeholders sub-section 7. b., at page 10) and other interested parties.
- Redesign of the NAFTA Secretariat Integrated Information Systems, which are essential to the efficient performance of the NAFTA Secretariat's mandated functions. These systems include the NAFTA Secretariat Registry Information System, the Motions and Orders Research Database and the Trilateral Financial System. Enhanced compatibility of information systems between national Sections will promote information sharing and result in improved productivity gains. This redesign will utilize current information technologies and will address Year 2000 concerns. Further, this strategic priority initiative is in line with the Federal Government's *Blueprint for Renewing Government Services using Information Technology*.

In addition, due to the new responsibilities and enhanced mandate under the Canada - Israeli and Canada - Chile Free Trade Agreements, the Canadian Section also has set the following strategic priorities for this fiscal year:

- Assist with the start-up of the Chilean national Section, for the administration of the dispute settlement provisions of the Agreement. The Chilean national Section is required to be established pursuant to Article N.02 of the Canada - Chile Free Trade Agreement. The Canadian Section will extend to the Chilean national Section an offer of professional support to assist them with the development of procedures, the implementation of the registry function, the design of other information systems and the drafting of appropriate accounting procedures.
- Assist with the establishment of the designated Israeli Agency, for the administration of the dispute settlement provisions of the Agreement. The

Israeli designated Agency is required to be created pursuant to Article 8.3 of the Canada - Israel Free Trade Agreement. The Canadian Section will extend to the Israeli designated Agency an offer of professional support to assist them with the development of procedures, the implementation of the registry function, the design of other information systems and the drafting of appropriate accounting procedures.

Finally, with the anticipated creation of the North American Free Trade Co-ordinating Secretariat in Mexico City, the following strategic priority will be launched in the 1997-98 fiscal year:

- Establish liaison relationship to assist fulfillment of the Co-ordinating Secretariat's mandate, in particular its role of supporting the national Sections of the NAFTA Secretariat.

6. Business and Service Lines, Organization Composition, and Resource Plans

The NAFTA Secretariat, Canadian Section has one business line which is identical to its program objective. It has five service lines related to the performance of its mandate.

a. Service Lines

The NAFTA Secretariat, Canadian Section's service lines are as follows:

- **Professional Support to Panels;**
(legal advisory and administrative role of the Secretaries)
- **Registry Operations and Document Control;**
(administer and operate a court-like registry for the filing and processing of legal pleadings in the panel reviews)
- **Panel Planning and Co-ordination of Panel Reviews;**
(co-ordinate and provide administrative support to all dispute panels established under the relevant Free Trade Agreements)
- **Panel Financial Administration; and**
(provide financial administration support for all panelists and their assistants and co-ordinate payment and reimbursements of panel review expenditures to and from other national Sections)

- Liaison and Co-ordination with NAFTA-related Organizations.
(the NAFTA Secretariat, Canadian Section is part of the international Secretariat created by the NAFTA and therefore must liaise and co-ordinate with other national Sections and the North American Free Trade Agreement Co-ordinating Secretariat in fulfilling the mandate of the Secretariat, including the preparation of status and annual reports and the administration of other inter-related activities)

7. Operating Context and Key Initiatives

There are three key aspects related to the operations and administration of all departments and agencies that must be taken into account when reporting on performance, resources, reach (environment), and results.

The following is a report on the NAFTA Secretariat, Canadian Section's operations and performance relating to each of these key areas:

a. Resources:

By way of explanation of the resources appropriated to the NAFTA Secretariat, Canadian Section, 63% of the 1996-97 budget of \$2.085 million relates to direct costs of panel reviews. This includes remuneration of panelists and their assistants plus direct out-of-pocket expenditures (such as travel, accommodation and meal allowances). In this regard, it is important to note the following external factors that influence these operational expenditures of the NAFTA Secretariat, Canadian Section:

- the Secretariat has no ability to control the direct costs of panel reviews as they represent non-discretionary costs;
- the Secretariat has no ability to control the number of panels to be formed in any given year;
- the Secretariat has no discretion to accept or refuse a request for panel review; and
- despite a substantial expansion of its mandate, the Secretariat has not received incremental resources since its operations under the original FTA mandate.

Also, regarding the efficiency and affordability of the NAFTA Secretariat, Canadian Section operations, the Canadian Government appropriated \$2.085 million in the 1996-97 fiscal year for the administration of the dispute settlement systems under the NAFTA. This appropriation may be compared to the \$19 billion which is estimated to be in dispute and directly impacted by this unique process.

Canadian Section resource level 1996-97 =	\$2,085,000
<hr/>	
Estimated value of trade in dispute =	\$19,000,000,000

b. Reach:

In general terms, the Canadian Section's stakeholders are exporters and importers involved in trade related matters in the NAFTA countries and, as of 1997, in Israel and Chile, who wish to take advantage of and utilize the relevant trade dispute-settlement processes.

More particularly, however, the NAFTA Secretariat, Canadian Section's Primary Stakeholders include:

- panelists and their assistants;
- NAFTA:
 - Chapter 19 roster members
 - Extraordinary Challenge Committee roster members
 - Chapter 14 roster members (when appointed)
 - Chapter 20 roster members (when appointed)
 - Free Trade Commission (NAFTA) and
 - representatives of the Parties (the Governments of Canada, Mexico and the United States of America)
- Canada - Chile Free Trade Agreement:
 - Chapter N roster members (when appointed)
 - Free Trade Commission (Canada - Chile) and
 - representatives of the Parties (the Governments of Canada and Chile); and
- Canada - Israel Free Trade Agreement:
 - Chapter 8 roster members (when appointed)
 - Free Trade Commission (Canada - Israel), and
 - representatives of the Parties (the Governments of Canada and Israel).

Other Stakeholders include:

- legal counsel who represent exporters and importers in the dispute settlement processes, particularly panel and committee reviews;
- government agencies (for example, in Canada, Revenue Canada, the CITT and DFAIT);
- university academics;
- the media; and
- the general public.

c. Results:

In 1994, in conjunction with the Treasury Board Secretariat, the Canadian Section completed a comprehensive benchmark survey of its services and stakeholder satisfaction with them. The results were published in the Canadian Section's Service Standards Survey Report dated February 1994. After reviewing the results, the Canadian Section developed service standards and set performance targets for each aspect of these standards.

The Canadian Section provides a copy of its service standards to all primary stakeholders. In particular, the Canadian Section distributes the services standards to panelists and panel assistants upon their appointment to a panel.

Since the benchmark survey in 1994, the Canadian Section has been monitoring the satisfaction with its services by requesting that primary stakeholders complete a monitoring questionnaire at the completion of each panel review. This on-going feedback enables the Section to evaluate its services on an on-going basis and to maintain its high service standards.

The 1996-97 performance monitoring report indicates that **100%** of all clients have stated that they are **very satisfied** (the highest possible rating), overall, with the operations of the Canadian Section. More detailed results appear in the Performance Accomplishments Section of this report.

Section III: Departmental Performance

1. Performance Expectations

**Figure 2: -
Authorities for 1996-97 - Part II of the Estimates
Financial Requirements by Authorities**

	Main Estimates (\$M)	Actual (\$M)
Business Line Expenses	2.085	1.415
Contributions to Employee Benefit Plans (EBP)	0.099	0.099
Total	2.184	1.514

**Figure 3: -
Net Cost Comparison of Total Planned Spending to Actual Expenditures
for 1996-97**

	Planned (\$M)	Actual (\$M)
Business Line Expenses	2.085	1.415
Contributions to EBP	0.099	0.099
Sub-Total	2.184	1.514
Revenues (Credited directly to the Consolidated Revenue Fund):		
From Other national Sections	-0.4	-0.406
Other Operating Expenses:		
Accommodation (note 1)	0.13	0.13
Services received without charge (note 2)	0.01	0.01
Sub-total Revenues and Other Operating Expenses	-0.26	-0.266
Net Cost of Program	1.924	1.248

**Figure 4: -
Departmental Expenditures from 1993-94 to 1996-97 by Business Line**

	Actual 1993-94	Actual 1994-95	Actual 1995-96	Total Planned 1996-97	Actual 1996-97
Business Line Expenses	1.607	1.896	1.625	2.085	1.415
Contributions to EBP	0.067	0.09	0.089	0.099	0.099
Total	1.674	1.986	1.714	2.184	1.514

Notes: 1. Accommodation received without charge from Public Works and Government Services Canada (PWGSC).
2. Services received without charge from PWGSC for the cost of compensation administration of the pay processing function.

2. Results Commitments

The NAFTA Secretariat, Canadian Section has a budget of \$2,063,000 in 1997-98 (excluding Employee Benefit Plans - EBP)	
to provide Canadians with:	to be demonstrated by:
appropriate administration of the dispute settlement provisions of the North American Free Trade Agreement (NAFTA), the Canada - Israel Free Trade Agreement and the Canada - Chile Free Trade Agreement in a manner which ensures unbiased administrative processes, equity, security and fairness.	<ul style="list-style-type: none"> • stakeholder feedback;
	<ul style="list-style-type: none"> • client satisfaction surveys; and
	<ul style="list-style-type: none"> • provision of information including decisions, reports and statistics in accessible formats.

3. Summary of Performance Commitments and Indicators

In support of the above results commitments the NAFTA Secretariat, Canadian Section has developed the following performance commitments and indicators. The commitments and indicators outlined below reflect how the NAFTA Secretariat, Canadian Section manages the agency's activities and hold itself accountable.

Performance Commitments:	Performance Indicators:
the appropriate administration of the dispute settlement provisions of the North American Free Trade Agreement (NAFTA), the Canada - Israel Free Trade Agreement and the Canada - Chile Free Trade Agreement in a manner which ensures unbiased administrative processes, equity, security and fairness	at least 75% ⁴ of stakeholders indicating that they are fully satisfied that the NAFTA Secretariat, Canadian Section, administered the dispute settlements provisions of the Free Trade Agreements in a manner which ensures unbiased administrative processes, equity, security and fairness
the appropriate administration of a court-like registry for the panel review process at a level comparable to other registries of superior courts of record in Canada	at least 75% of stakeholders indicating that they are very satisfied with all aspects of the administration of the NAFTA Secretariat's court-like registry
the ongoing development and the implementation of programs, systems and procedures which are relevant to clients, impartial, responsive, accessible, timely and independent	at least 75% of stakeholders indicating that they are fully satisfied with the systems and procedures provided by the NAFTA Secretariat, Canadian Section and that they are relevant, accurate, impartial, responsive, accessible, timely and independent

⁴ The 75% target was set based on a comprehensive benchmark survey, conducted in 1994, adjusting for anticipated impacts on performance of increased responsibilities with decreasing resource levels.

the required information and support to panels to ensure their work is accurate, impartial, responsive, accessible, timely and independent	at least 75% of panelists and their assistants indicating that they are fully satisfied with the information and support provided to panels by the NAFTA Secretariat, Canadian Section
open and accountable management and administration of the NAFTA Secretariat, Canadian Section	providing access to decisions, reports and statistical information prepared by this agency and by the reduction in expenditures in selected areas through progressive management initiatives
improved overall effectiveness and efficiency through the use of new information technologies	<p>facilitating greater access for the primary stakeholders through the establishment of a searchable (word and phrase) World Wide Web Internet Site</p> <p>implementation of an enhanced NAFTA Secretariat Integrated Information System, which includes the redesign of the:</p> <ul style="list-style-type: none"> - Registry Information System; - Motions and Orders Research Database; and - Trilateral Financial System. <p>This system is being designed taking into account the Year 2000 issues.</p>

4. Performance Accomplishments

a. Departmental Performance

The departmental performance section of this report provides a perspective on the long term performance of the NAFTA Secretariat, Canadian Section. It addresses corporate outputs, change management initiatives and performance results.

i. Departmental Outputs

From January 1, 1989 until March 31, 1997, a total of 73 FTA and NAFTA Chapter 19 panel reviews (49 panel reviews under the FTA and 24 under the NAFTA) were filed with the Secretariat. Three Extraordinary Challenge Committee (ECC) requests have been filed (all under the FTA). Additionally, five FTA Chapter 18 and two NAFTA Chapter 20 (formerly Chapter 18 under the FTA) arbitral panel reviews have been filed with the Secretariat. Since the inception of the FTA, to March 31, 1997, 74 decisions and reports have been issued.

In 1996-97 fiscal year, the NAFTA Secretariat administered 15 panel reviews under Chapter 19 and two arbitral panel proceedings under

Chapter 20 of the NAFTA. Eight Chapter 19 panel decisions and one Chapter 20 panel report were issued by the NAFTA Secretariat in this time period.

ii. Change Management Initiatives

In line with the Treasury Board’s philosophy regarding the implementation of “change management initiatives”, the Canadian Section has instituted, over the past few years, alternative service delivery mechanisms that have contributed to annually recurring cost savings in excess of 8% of this Agency’s total budget. While the reduction represents 8% of the overall budget, since approximately 63% of that budget is non-discretionary⁵, it represents a far deeper cut in that part of the budget over which the Canadian Section has some control. Essentially, the overhead costs of operating the Canadian Section have been reduced by almost 20%, without any reduction in service.

The implementation of these change management initiatives, have been required because of cost pressures relating to:

	<ul style="list-style-type: none"> • The operation of the Canadian Section in a trilingual environment (versus the bilingual environment of the Federal government).
	<ul style="list-style-type: none"> • A burgeoning body of case law (from Chapters 18 and 19 under the FTA to Chapters 11, 14, 19 and 20 under NAFTA and Chapters 8 and N under the Israël and Chile agreements, respectively).
	<ul style="list-style-type: none"> • Increasing volume of documents.
	<ul style="list-style-type: none"> • More complex procedural issues upon which to provide advice.
	<ul style="list-style-type: none"> • The necessity to provide electronic access to materials in all three national Sections of the NAFTA Secretariat in a convenient and timely way.

⁵ In total, 63% of the 1996-97 planned expenditures were allocated to “Panel Financial Administration”. These expenditures are non-discretionary and include remuneration of panelists and their assistants plus direct out-of-pocket expenditures (such as travel, accommodation and meal allowances).

The Canadian Section has been able to achieve these cost savings through a combination of initiatives including, co-location, contracting-out, shared services, cost recovery and improved information technologies. Successful cost-saving initiatives include:

<p><i>Shared Services</i></p>	<p>Personnel services → administered by another Department</p> <p>The Canadian Section negotiated a Memorandum of Understanding with the Department of Western Economic Diversification for the provision of personnel services, including the processing of the pay and benefits for this Agency.</p>
<p><i>Contracting-Out</i></p>	<p>Accounts payable services → contracted-out</p> <p>The processing of the accounts payable was contracted out, resulting in the reassignment of one FTE to the registry unit, which is facing increasing service demands.</p>
<p><i>Co-Location</i></p>	<p>Hearing rooms → borrowed facilities</p> <p>The Canadian Section negotiated a co-location agreement with the Competition Tribunal, which has excellent court room facilities located one floor below the Canadian Section's offices. With the increasing number of panel reviews, this represents substantial ongoing cost savings.</p>
<p><i>Cost-Recovery</i></p>	<p>Panel decision publications → cost recovery through Canada Communications Group</p> <p>The Canada Communications Group Inc. has been authorized to publish and distribute FTA and NAFTA panel decisions. This has enable the government to recover the costs of printing and distributing these decisions and has enabled the Canadian Section to reassign personnel within the Agency.</p>
<p><i>Improved and Shared Information Technology</i></p>	<p>Information systems development</p> <p>The NAFTA Secretariat, is in the process of implementing a searchable (word and phrase) World Wide Web Internet Site which will facilitate access to required information.</p> <p>A major project to redesign the NAFTA Secretariat Integrated Information Systems was initiated in the past fiscal year. These systems are essential to the efficient performance of the NAFTA Secretariat's mandated functions and include the NAFTA Secretariat Registry Information System, the Motions and Orders Research Database and the Trilateral Financial System. Enhanced compatibility of information systems between national Sections will promote information sharing and result in improved productivity gains. This redesign will utilize current information technologies and will address Year 2000 concerns. It is also in line with the Federal Government's <i>Blueprint for Renewing Government Services using Information Technology</i>.</p>

iii. Performance Results

The highlights of the 1996-97 performance monitoring report indicate that:

- **100%** of all clients are **very satisfied** (the highest possible rating), overall, with the Canadian Section;
- between 89% and 100% of clients **fully believe** (the highest possible rating) that the Canadian Section has the appropriate support services in place to ensure that programs, systems and procedures developed for administering the dispute settlement process are accurate (100%), impartial (94%), responsive (94%), timely (94%), independent (94%) and accessible (89%);
- 89% of clients believe that the Canadian Section is **very important** to the dispute settlement processes of the NAFTA; and
- 100% of panelists and assistants to panelists would want to serve again in that role. 94% would serve again because of their positive experience working with the Canadian Section.

**Figure 5: -
Summary of Performance Results by Service Line for 1996-97**

Performance Commitments:	Performance Indicators:	Actual Performance Results:
the appropriate administration of the dispute settlement provisions of the North American Free Trade Agreement (NAFTA), the Canada - Israël Free Trade Agreement and the Canada - Chile Free Trade Agreement in a manner which ensures unbiased administrative processes, equity, security and fairness	at least 75% ⁶ of stakeholders indicating that they are fully satisfied that the NAFTA Secretariat, Canadian Section, administered the dispute settlements provisions of the Free Trade Agreements in a manner which ensures unbiased administrative processes, equity, security and fairness	100% very satisfied that unbiased administrative processes provided 100% very satisfied that fair and equitable service policy in place 89% very satisfied with accessibility of the staff
the appropriate administration of a court-like registry for the panel review process at a level comparable to other registries of superior courts of record in Canada	at least 75% of stakeholders indicating that they are very satisfied with all aspects of the administration of the NAFTA Secretariat's court-like registry	100% of all clients are very satisfied, overall, with the NAFTA Secretariat, Canadian Section between 83% and 100% of clients are very satisfied with all aspects of the administration of the dispute settlement proceedings 89% of clients believe that the Canadian Section is very important to the dispute settlement processes of the NAFTA
the ongoing development and the implementation of programs, systems and procedures which are relevant to clients, impartial, responsive, accessible, timely and independent	at least 75% of stakeholders indicating that they are fully satisfied with the systems and procedures provided by the NAFTA Secretariat, Canadian Section and that they are relevant, accurate, impartial, responsive, accessible, timely and independent	between 89% and 100% of clients are very satisfied with the impartiality (94%), responsiveness (94%), accessibility (89%) and timeliness (94%) of the services

⁶ The 75% target was set based on a comprehensive benchmark survey, conducted in 1994, adjusting for anticipated impacts on performance of increased responsibilities with decreasing resource levels.

Performance Commitments:	Performance Indicators:	Actual Performance Results:
the required information and support to panels to ensure their work is accurate, impartial, responsive, accessible, timely and independent	at least 75% of panelists and their assistants indicating that they are fully satisfied with the information and support provided to panels by the NAFTA Secretariat, Canadian Section	between 94% and 100% of clients are very satisfied with the support provided to panels. Clients stated that the Secretariat provided accurate (100%) impartial (100%) and timely (100%) information to support the process and 94% of clients reported that they were very satisfied with the Canadian Section's control and distribution of documents
open and accountable management and administration of the NAFTA Secretariat, Canadian Section	providing access to decisions, reports and statistical information prepared by this agency and by the reduction in expenditures in selected areas through progressive management initiatives	8% cost reduction of the overall budget through co-location, contracting-out, shared services, cost recovery and improved information technologies
improved overall effectiveness and efficiency through the use of new information technologies	<p>facilitating greater access for the primary stakeholders through the establishment of a searchable (word and phrase) World Wide Web Internet Site</p> <p>implementation of an enhanced NAFTA Secretariat Integrated Information System, which includes redesign of the:</p> <ul style="list-style-type: none"> - Registry Information System; - Motions and Orders Research Database; and - Trilateral Financial System. <p>This system is being designed taking into account the Year 2000 issues</p>	<p>the NAFTA Secretariat has been developing a comprehensive World Wide Web Internet Site that is designed to provide its clients with required information including FTA and NAFTA decisions</p> <p>a major project to redesign the NAFTA Secretariat Integrated Information Systems was initiated in the past fiscal year. These systems are essential to the efficient performance of NAFTA mandated functions</p>

Section IV: Supplementary Information

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