



Canada Border
Services Agency

Agence des services
frontaliers du Canada

Departmental Performance Report

For the period ending March 31, 2005



The Honourable A. Anne McLellan, P.C., M.P.
Minister of Public Safety and Emergency Preparedness

Canada

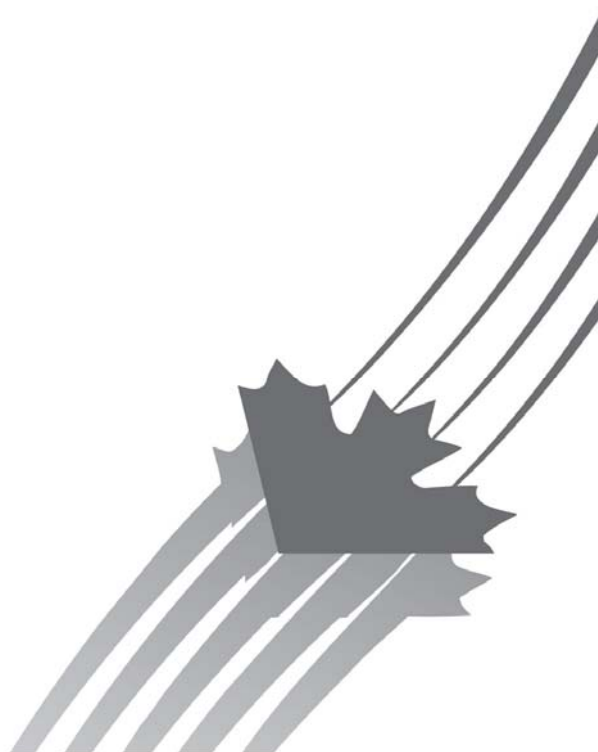


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SECTION I – OVERVIEW

Message from the Minister



I am pleased to table the Departmental Performance Report for the Canada Border Services Agency (CBSA). This report illustrates the CBSA's continued commitment to ensuring our country's security and prosperity by managing the movement of people and goods to and from Canada.

We continue to be vigilant and focused on the importance of protecting our borders. In support of Canada's National Security Policy, the CBSA has increased its efforts to safeguard the health, security and economic well being of Canadians by facilitating the movement of low-risk traffic in order to focus on unknown or high-risk travellers and goods. Of equal importance, the CBSA manages the border in a way that reflects our Canadian values of fairness, respect, equality and the rule of law.

As a key component of the Public Safety and Emergency Preparedness portfolio, the CBSA has accelerated trade facilitation and border protection initiatives, working side by side with the United States and other international partners, as well as with the private sector, to keep our borders open for business but closed to terrorism and criminals. This approach reflects the CBSA's belief that trade facilitation and security are equally essential and interdependent.

The health and safety of Canadians are of paramount importance to the Government of Canada. The alignment of complementary border management activities within one agency has proven to be an effective and efficient business decision, strengthening Canada's national security while promoting prosperity and competitiveness.

I would like to commend the employees of the CBSA for their commitment as portions of three legacy organizations have evolved into one cohesive agency. I wish to thank them for their dedication to building an effective border services organization that is well positioned to detect and respond to the new and emerging challenges of the 21st century.

The Honourable A. Anne McLellan, P.C., M.P.
Minister of Public Safety and Emergency Preparedness

Message from the President

Since its creation on December 12, 2003, the Canada Border Services Agency (CBSA) has made tremendous progress in building a new organization and progressing toward a fully integrated, multi-faceted border management agency.

We have created a solid corporate foundation through strong human resources, comptrollership and governance frameworks that maximize our ability to manage operations, fulfill our mandate and achieve our desired outcomes. We are developing clear and relevant planning and performance measures to assist the agency in setting priorities, allocating resources, and improving transparency, accountability and services in order to meet the needs and expectations of Canadians.



The CBSA has adopted a knowledge-based approach to border management, pursuing innovative training and learning techniques to support the application of science and technology to our business. This approach allows us to “push the borders out” and screen people and goods at several points along the travel continuum at the earliest opportunity, before they reach our borders.

In addition, the best practices adopted under the Canada–U.S. Smart Border Declaration have become international standards for security and facilitation of the trade supply chain. We are working closely with our colleagues in the Public Safety and Emergency Preparedness portfolio, as well as our private sector and international partners, to promote strong, collaborative relationships, to identify emerging trends, and to develop new and innovative approaches to managing our borders.

The CBSA can be proud of the considerable gains it has made thanks to the professionalism and dedication of its employees. We have succeeded in advancing our ambitious agenda while continuing to deliver seamless service to the public by facilitating legitimate cross-border traffic, supporting economic development, and stopping people and goods that pose a potential risk to our national security.

With a strong foundation now in place, I am confident the CBSA will continue to advance the national agenda of protecting Canadians’ health, safety and prosperity for years to come.

Alain Jolicoeur
President
Canada Border Services Agency

Management Representation Statement

I submit, for tabling in Parliament, the 2004-2005 Departmental Performance Report (DPR) for the Canada Border Services Agency.

This document has been prepared based on the reporting principles contained in the Treasury Board of Canada Secretariat's *Guide for the preparation of 2004-2005 Departmental Performance Reports*:

- It adheres to the specific reporting requirements;
- It uses an approved Program Activity Architecture;
- It presents consistent, comprehensive, balanced and accurate information;
- It provides a basis of accountability for the results pursued or achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

Alain Jolicoeur
President
Canada Border Services Agency

Summary Information

The Canada Border Services Agency (CBSA) is part of the Public Safety and Emergency Preparedness (PSEP) Portfolio, which has overall federal responsibility for protecting Canadians and for helping to maintain a peaceful and safe society. The Agency is responsible for providing integrated border services that support national security and public safety priorities and facilitate the free flow of persons and goods, including animals and plants that meet all requirements under the program legislation. It is our mission to ensure the security and prosperity of Canada by efficiently and effectively managing the access of people and goods to and from Canada. We work side-by-side with our partners and stakeholders, at home and abroad, to continue to enhance the safety and security of Canadians.

Total Financial Resources for the CBSA (\$ millions)

Planned	Authorities	Actual
\$1,098.9	\$1,126.6	\$1,061.1

Total Human Resources for the CBSA

Planned	Actual	Difference
10,512	10,758	246 ¹

Benefits to Canadians

The Canada Border Services Agency is the first line of defence in managing the movement of people and goods into and out of Canada. In collaboration with other Portfolio partners, the Agency is also organized to react to national emergencies that would affect the health, security, and economic prosperity of Canadians.

The CBSA is responsible for:

- Ensuring that all people coming into Canada are admissible and comply with Canadian laws and regulations;
- Detaining and removing persons who are inadmissible to Canada, including those involved in terrorism, organized crime, or war crimes and crimes against humanity;

Some Acts and Regulations administered in whole or in part by the CBSA:

- *Citizenship Act*
- *Criminal Code*
- *Customs Act*
- *Customs Tariff*
- *Excise Act*
- *Excise Tax Act*
- *Export and Import Permits Act*
- *Food and Drugs Act*
- *Health of Animals Act*
- *Immigration and Refugee Protection Act*, including war crimes
- *Plant Protection Act*
- *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*
- *Special Import Measures Act*

¹ Relative to the portions of Citizenship and Immigration Canada transferred to the CBSA through the December 12, 2003 government re-organization, the planned number of FTEs published in the 2004-2005 RPP did not include 250 FTEs for Corporate and Regional support services activities since negotiations pertaining to these functions had not been concluded.

- Processing all commercial shipments to ensure that Canada's border and trade laws and regulations are adhered to, that no illegal goods enter or leave the country, and that related trade statistics are accurate;
- Making sure that all applicable duties and taxes are collected;
- Ensuring food safety and plant and animal health, by identifying and interdicting high-risk regulated commodities arriving at our air, land and sea ports;
- Negotiating and implementing border-related arrangements and agreements; and
- Assisting in combating money laundering.

With a workforce of almost 11,000 public servants, the CBSA provided services at about 1,200 service points across Canada and 39 locations abroad in 2004-2005. At over 60 land border crossings and nine international airports, we operate on a 24/7 basis. We administer more than 90 acts and regulations on behalf of other federal departments and agencies, the provinces and the territories, as well as many international agreements. In 2004-2005, we saw over 95 million individual travellers arriving in Canada – whether by road, air, water or rail – and processed over 2 million people referred for immigration reasons.

Canadians abroad and in Canada benefit from our efforts towards an efficient and effective border that leads to a secure and prosperous Canada.

In 2004-2005, the CBSA

- removed close to 12,000 people determined to be inadmissible to Canada under the provisions of the *Immigration and Refugee Protection Act* for reasons of irregular migration, criminality or security
- collected more than \$3 billion in import duties, almost \$25 billion in GST and over \$60 million in sales tax on behalf of the provinces and the territories
- helped prevent the spread of disease and pests through almost 38,000 interceptions of soil, plants and plant products, and over 55,000 interceptions of meat and meat products
- seized almost 70 tonnes of illegal meat and meat products as well as over \$290 million in drugs

The CBSA contributes to an efficient and effective border by:

- Simplifying border crossing for legitimate, low-risk people and goods through the implementation of risk-assessment programs using technological and science-based solutions;
- Implementing screening processes to interdict unsafe foods and unhealthy animals that could spread disease to humans, animals, food products, plants, etc.; and
- Searching for and preventing the smuggling of drugs, explosives, radioactive materials, and chemical and biological agents.

The security and prosperity of Canada are strengthened by CBSA activities in the areas of:

- Combating terrorism, organized crime, and war crimes or crimes against humanity;

- Detecting and preventing contraband smuggling;
- Disrupting people-smuggling and trafficking networks overseas and deterring related passport and visa fraud;
- Investigating and prosecuting criminal offences involving Canada's border legislation, including smuggling, evasion of duty, commercial fraud and other offences;
- Advancing and improving initiatives under the Smart Border Declaration (32-point action plan between Canada and the U.S. to address security threats) and the Security and Prosperity Partnership of North America;
- Sharing, where legislation allows, information and intelligence in a timely and coherent manner among PSEP Portfolio partners and, when appropriate, between countries;
- Establishing a level playing field for importers, exporters and travellers to enhance trade and tourism; and
- Promoting Canadian interests at international fora on issues such as international customs rules and requirements; asylum, refugee and migration policies and other immigration-related concerns; and other issues including health and food safety.

In 2004-2005, the CBSA

- concluded 186 criminal cases resulting in over \$2.1 million in fines and 19 jail sentences
- assessed approximately 100 civil actions totalling over \$2.7 million in penalties
- achieved a 90% success rate on prosecutions
- seized \$43 million in currency, of which \$11 million was forfeited to the Government of Canada as suspected proceeds of crime
- screened over 1,900 suspected impaired drivers, about 57% resulting in a warning or failure, and arrested or detained over 400 impaired drivers

In 2004, CBSA officers recovered 74 missing children, bringing the total to almost 1,400 children reunited with their parents or legal guardians since 1986.

Fiscal prudence is demonstrated to Canadians through the establishment of sound modern comptrollership practices, supported by objective internal audit and program evaluation functions. For example, the interim evaluation of the Customs Action Plan identified that significant progress has been made regarding high-priority initiatives, but that there were areas where shortfalls have occurred and recommendations have been presented.

For more statistics or additional information on the Agency and its mandate, please visit the CBSA Web site (<http://www.cbsa.gc.ca>). A list of CBSA-related acronyms and terms is provided in *Appendix B*.

CBSA values

Integrity: We will exercise our authority in a principled, open and fair manner. We will accept responsibility for our actions in order to build and maintain a reputation of trustworthiness and accountability.

Respect: We will show the utmost appreciation for the dignity, diversity and worth of all people. We will do this by listening to others to understand their positions and by behaving in a just, courteous and reasonable manner. We respect the privacy of Canadians and strongly uphold the Canadian Charter of Rights and Freedoms.

Professionalism: We will set high standards of achievement for all of our employees and strive for the provision of competent, quality service. In particular, we will be innovative and harness smart and modern technology to perform our mission.

Contribution of Others

Our partners and stakeholders play an essential role in our work. The CBSA works closely with partners at all levels of government, from local to the international, and outside government. Of particular value to the CBSA is how our non-governmental stakeholders let us know what issues and challenges they face in relation to border management and then work with us to find solutions. Stakeholder interest groups also provide information and assistance to their members in order to help ensure that travellers, traders, immigrants and refugees are aware of their obligations and to assist them in complying with border requirements.

In 2004-2005, CBSA scientists worked with the World Anti-Doping Agency (WADA) to confirm the identity of a new “designer” steroid – Desoxy-Methyl Testosterone (DMT). Samples of the steroid have been disseminated to WADA-accredited labs around the world for testing purposes during athletic events such as the Olympics.

Key partners and stakeholders

Government

- Department of Public Safety and Emergency Preparedness Canada (PSEPC) and other Public Safety and Emergency Preparedness (PSEP) Portfolio partners
- Other federal leads (e.g. Canada Revenue Agency; Citizenship and Immigration Canada; Canadian Food Inspection Agency; Passport Office; Foreign Affairs Canada; International Trade Canada; Health Canada; Public Health Agency of Canada; Justice Canada; Canadian International Development Agency; Department of Finance; Privy Council Office; Canadian International Trade Tribunal; Transport Canada; regional development agencies; etc.)
- Provinces and territories
- Municipalities
- Foreign governments and agencies, including the U.S. Department of Homeland Security and the U.K. Home Office

Law enforcement agencies

- Provincial and municipal police forces
- Foreign border and enforcement agencies, particularly U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement

Stakeholders

- Bridge, port and airport authorities
- Multilateral organizations (e.g. World Customs Organization; World Trade Organization; European Union; Asia-Pacific Economic Cooperation; G8; Four-Country Conference; Intergovernmental Consultations on Asylum, Refugee and Migration Policies; United Nations High Commissioner for Refugees; etc.)
- Industry, trade and tourism associations, chambers of commerce
- Non-governmental organizations (e.g. Canadian Red Cross; Canadian Council for Refugees; Cross-Cultural Roundtable on Security; ethno-cultural groups; etc.)

Overall Departmental Performance

2004-2005				
	Admissibility (Access)	Enforcement (Security)	Innovation and Technology (Science and Technology-Based Innovation)	Total
Related Financial Information: Border Operations	\$ millions	\$ millions	\$ millions	\$ millions
Main Estimates	493.2	158.7	14.8	666.7
Planned Spending	724.3	288.8	85.8	1,098.9
<i>Total Authorities</i>	735.2	290.3	101.1	1,126.6
Actual Spending	704.2	256.6	100.3	1,061.1

Departmental Performance Report Structure

The Canada Border Services Agency is reporting using the Program Activity Architecture (PAA) structure. During 2004-2005, the Agency was in the process of defining its PAA. In the fall of 2004, the CBSA submitted a PAA structure to the Treasury Board Secretariat (TBS) with one Strategic Outcome and four Program Activities. Since then, consultations with Agency management, and the refinement of the organizational structure, have resulted in a streamlined Strategic Outcome and the Program Activities were renamed to better reflect our operations. A crosswalk has been provided (*Figure 1*) to show the changes to the CBSA reporting structure and to ensure consistency on future planning and reporting documents. The 2004-2005 PAA was approved only at the Program Activity level. The Agency is in the process of developing performance indicators and expected results down to the lowest level of its PAA. The CBSA will gauge its success through the achievement of its Strategic Outcome.

Figure 1

2004-2005 Strategic Outcome

- Canada receives full social and economic benefits from the free flow of people and goods through secure, open borders.
- Canada's national security is maintained through our rapid reaction, interception, and interdiction of threats.
- Compliance with border laws remains strong.

2005-2006 Strategic Outcome

Efficient and effective border management that contributes to the security and prosperity of Canada.

2004-2005 Program Activities

Enforcement
Admissibility
Innovation and Technology
Corporate Services

2005-2006 Program Activities

Security
Access
Science and Technology-Based Innovation
Corporate Management and Direction

Program Activity Descriptions

Security (Enforcement)

Within the context of the government's security agenda, and through effective and efficient border management, ensure the safety and security of Canadians.

Access (Admissibility)

Ensure the lawful flow of people and goods while promoting compliance with border legislation/regulations.

Science and Technology-Based Innovation (Innovation and Technology)

Utilize CBSA's science and technology capacity to modernize border management and increase the effectiveness and efficiency of border operations.

Corporate Management and Direction (Corporate Services)

Provide the corporate direction, legal services, human resource management and comptrollership to support and manage CBSA.

Delivering on CBSA Commitments

In 2004-2005, the CBSA established six main priority areas for our work. We will achieve our Strategic Outcome through:

- *Ensuring business continuity*
- *Completing the transition*
- *Supporting our employees*
- *Ensuring responsiveness and flexibility*
- *Advancing interoperability*
- *Contributing to the Government's Agenda.*

In 2004-2005, the CBSA responded to almost 790,000 calls to its 1-800-461-9999 general enquiry telephone line (Border Information Service – BIS).

We are committed to ensuring that our clients and stakeholders are treated fairly and receive the best possible service in all of their dealings with CBSA. The CBSA provides an accessible, impartial and transparent process to review disputed decisions through our redress system. Clients are advised of their right to the dispute-resolution process when decisions are made or actions are taken by the CBSA.

Figure 2 provides a summary of performance for each of the Departmental Priorities. Section II provides detailed performance information in support of the Agency's priorities and commitments.

Additional Priorities and Commitments

The world in which the CBSA operates to carry out its mandate and mission is constantly changing and, on a regular basis, we are faced with new and evolving demands and challenges. In order to respond to the needs of our clients, stakeholders and partners, the CBSA advanced various initiatives in the past fiscal year that were not explicitly noted in the 2004-2005 Report on Plans and Priorities. For example, in 2004-2005, the Agency moved forward on:

Land Preclearance – To improve security and relieve congestion at the land border, two land preclearance projects were announced in December 2004: a shared facility in Fort Erie, Ontario, and another on the U.S. side of the border. In March 2005, negotiations for a Canada-U.S. Land Preclearance Agreement were initiated.

CANPASS Air – (A Canadian program that is available to pre-approved, low-risk citizens and permanent residents of Canada and the U.S.) Members use a dedicated CANPASS kiosk to clear customs and immigration in lieu of reporting to a CBSA officer. In 2004-2005, the CANPASS Air program was expanded to five additional sites: Toronto, Montreal, Calgary, Winnipeg and Edmonton. Vancouver was the initial site for CANPASS Air.

Border Model – CanSim, a Canadian computer simulation border model, was developed under an agreement with the U.S. General Services Administration and in partnership with Transport Canada and Infrastructure Canada. CanSim will assist in the design of border facilities and border-corridor highway infrastructure to ensure the effective and safe management of traffic volumes. In addition to the generic border model, site models have been developed for six land border crossings, including the four major crossings in Southern Ontario.

Integrated Global Enrolment Program – Work was carried out to devise a single, integrated global enrolment program for North American traveller programs such as NEXUS, Free and Secure Trade (FAST) and Sentri (a US-CBP program), for travel by air, land and sea. Initial focus is on harmonization of bilateral Alternative Inspection Service (AIS) programs (such as NEXUS and FAST).

Integrated Border Enforcement Teams (IBETs) – Comprised of both intelligence and enforcement personnel from the RCMP and the CBSA, the U.S. Department of Homeland Security, Canadian and U.S. law enforcement agencies (local, provincial and state) and the intelligence community, these teams are strategically placed along the border and combine their efforts in gathering and sharing critical information to prevent, detect and interdict cross-border crime in order to maintain a safe border. Expansion in 2004-2005 has resulted in 23 teams in 15 regions.

POE Vision – A Port of Entry (POE) Vision was developed in 2004-2005. Ports of Entry are the first points of contact where foreign goods or persons enter legally into Canada. The Vision included recommendations concerning redefining the primary and secondary examination processes to more efficiently fulfill service and protection roles; innovative risk-management solutions using enhanced technology and system interoperability to target high-risk travellers; the provision of consistent and recognizable levels of service across Canada, delivered in ways to best respond to differing client and geographical needs; enhanced training and tools for officers required to address the multiple program priorities of complex border operations; and enhanced client service through a single window to public partners and stakeholders.

Movement of People and Movement of Goods Frameworks – In 2004-2005, significant progress was made towards the development of the frameworks regarding the movement of people and goods. These frameworks include the results and recommendations of various reviews that have been carried out in the commercial and travellers streams. The objective of the frameworks is to further integrate and harmonize customs, immigration and agricultural processes at the border and to establish a policy and regulatory framework that supports the new direction of the agency.

Security and Prosperity Partnership of North America – The Security and Prosperity Partnership of North America (Canada, United States and Mexico), announced on March 23, 2005, will have a significant impact on the border-security strategy of the CBSA.

More information regarding CBSA programs and services is available online at <http://www.cbsa.gc.ca>

Figure 2 – Summary of Performance in Relationship to Departmental Strategic Outcome, Priorities and Commitments

Strategic Outcome	2004–2005 Priorities	2004–2005 Objectives	Highlights of Achievements
<p>(2004-2005)</p> <ul style="list-style-type: none"> Canada receives full social and economic benefits from the free flow of people and goods through secure, open borders. Canada's national security is maintained through our rapid reaction, interception, and interdiction of threats. Compliance with border laws remains strong. 	1) Ensuring business continuity	To maintain service levels and stay on schedule implementing initiatives started by our legacy organizations.	Service levels to clients have been maintained through a Shared Service Agreement with the Canada Revenue Agency. The Administrative Monetary Penalty System was expanded to include Correction and Redress functions. In accordance with the <i>Special Import Measures Act</i> , the CBSA ensured the protection of almost \$13 billion in Canadian production. Priorities under the Compliance Improvement Plan (CIP) were carried over as the CIP was put on hold for 2004-2005. The Container Security Initiative (CSI) was formally agreed to in March 2005; under this agreement, CBSA has plans to implement CSI at high-risk marine ports over the next five years.
	2) Completing the transition	To have our legislation on track, to have operational corporate frameworks and services, and to have a confirmed funding base.	The legislation to create the CBSA is currently before the Senate. The Agency has identified and developed a Strategic Framework and Program Activity Architecture, as well as a reporting structure and integrated planning, budgeting and reporting framework. The CBSA has developed other frameworks that will assist the Agency in its delivery and management of programs. Additional funding of \$433 million over five years was received in the 2005 Federal Budget to augment our confirmed funding base. The Agency implemented new Collective Agreements for CBSA employees, including the majority of employees covered transitionally by separate employer collective agreements and differing terms and conditions of employment; work remains, however, with respect to the Management Groups transferred from the Canada Customs and Revenue Agency.
	3) Supporting our employees	To have employees integrated in one HR regime with one corporate culture, to make progress towards integrating Customs, Canadian Food Inspection Agency and Citizenship and Immigration Canada staff, and to have positive relationships with our employees and unions.	In 2004-2005, the Agency was able to finalize its mission, mandate and values, and to develop and communicate its new CBSA Corporate Identity. A Port of Entry Recruit Training (POERT) Program was implemented in 2004-2005. In Fall 2004, the transfer of the Ports of Entry (POE) functions was the last, essential instalment in the transition process. Action plans were developed to facilitate the implementation phase of Job Hazard Analyses (JHAs); the 2005 Federal Budget provided \$139 million over five years to this end. The Public Service Modernization (PSM) project team at the CBSA developed a comprehensive implementation strategy. Support for government-wide Human Resource priorities such as Employment Equity, Official Languages and values and ethics continues.
<p>(2005-2006)</p> <p>Efficient and effective border management that contributes to the security and prosperity of Canada.</p>			

Strategic Outcome	2004–2005 Priorities	2004–2005 Objectives	Highlights of Achievements
(2004-2005) <ul style="list-style-type: none"> Canada receives full social and economic benefits from the free flow of people and goods through secure, open borders. Canada's national security is maintained through our rapid reaction, interception, and interdiction of threats. Compliance with border laws remains strong. 	4) Strengthening responsiveness and flexibility	To effectively interdict inadmissible people and goods before they reach our border, and respond to threats once they reach our border.	The CBSA has been successful in the high interception rate of improperly documented travellers attempting to enter Canada. The 45 Migration Integrity Officers working abroad continued to interdict irregular migrants before they arrive in Canada, including those linked to people smuggling and trafficking activities. MIOs interdicted 5,648 persons in 2004. Advances have been made in the implementation of two Vehicle and Cargo Inspection System (VACIS™) sites and in the area of marine and rail security. Enhancement of existing, and the development and implementation of new innovative solutions enhanced border operations (eg. Advance Commercial Information, CANPASS, NEXUS, Free and Secure Trade, etc.).
	5) Advancing interoperability	To develop and implement protocols and interoperable systems for information sharing with our PSEP partners.	The CBSA worked with Citizenship and Immigration Canada to advance the Global Case Management System. Steps were initiated towards connecting to an Integrated Border Query Tool with the Royal Canadian Mounted Police. An Information Sharing Statement of Mutual Understanding (SMU) with the U.S. was implemented in January 2005. Further agreements are being cultivated with additional countries, such as the U.K. and the Netherlands.
	6) Contributing to the Government's Agenda	To demonstrate that we have the foundation in place to fully leverage the potential of integrated border service delivery to the benefit of Canada's economy and Canada's place in the world.	The additional funding of \$433 million over five years in the 2005 Federal Budget demonstrated the Government's continued support of the CBSA as an innovative, integrated border-management agency. Significant progress has been made towards the implementation of several initiatives attached to the Smart Border Declaration. The CBSA contributed to Government of Canada outcomes in the areas of a secure and fair marketplace, safe and secure communities, and a strong and mutually beneficial North American partnership.
(2005-2006) Efficient and effective border management that contributes to the security and prosperity of Canada.			

Note:

For further details on performance towards the CBSA Strategic Outcome by Program Activity, refer to Section II.

**SECTION II – ANALYSIS OF
PERFORMANCE BY
STRATEGIC OUTCOME**

Program Activity: Enforcement (Security)

The Enforcement (Security) program activity supported our Strategic Outcome by ensuring efficient and effective enforcement of Canadian legislation related to border management, by providing sound intelligence to decision-makers, and by acting as a focal point for the CBSA's relations with partners in the security, intelligence, and law enforcement communities.

Financial Resources (\$ millions):

Planned Spending	Authorities	Actual Spending
\$288.8	\$290.3	\$256.6

Human Resources

Planned	Authorities	Actuals
2,496	2,553	2,522

Meeting our 2004-2005 Priorities and Commitments

Phased implementation of Advance Passenger Information and Passenger Name Record (API/PNR)

At the March 9, 2005 Shared Border Accord Coordinating Committee (SBACC) meeting, Canada and the U.S. signed an MOU on the sharing of Advance Passenger Information and Passenger Name Records (API/PNR) and lookouts on high-risk travellers destined to either country. Through this initiative, high-risk air travellers are identified while in transit before they reach Canada's borders and airports. It allows the CBSA and other enforcement agencies the opportunity to assess information and make decisions on whether to detain or interview travellers prior to their arrival at the border.

In June 2005, the API/PNR Project Team, composed of employees of the CBSA's Innovation, Science and Technology Branch and the Enforcement Branch, received the Public Service Award for Excellence in Citizen-focussed Service Delivery.

Related to this commitment, the Integrated Primary Inspection Line (IPIL) system is an additional tool used to process the movement of travellers into Canada. In 2004-2005, IPIL was implemented at the International Ferry Terminal in Toronto (June 2004) and in Kelowna, B.C. (August 2004), bringing the number of operational sites as of March 2005 to 47, including all major airports, as well as selected bus, cruise ship, ferry and rail locations with 3,000 IPIL users.

IPIL is integral to assessing traveller risk and making a release or referral decision by providing CBSA officers with the ability to query travellers against CBSA and immigration databases for previous enforcement, lookouts and lost/stolen/fraudulent documents in real time, to display valuable intelligence information; and to record a

release or referral decision at the primary inspection line. Further information related to this commitment can be found under the Innovation and Technology (Science and Technology-Based Innovation) program activity.

Enhance Migration Integrity Officer program and implement the United Nations Protocol on Trafficking in Persons

The CBSA's 45 Migration Integrity Officers abroad continue to work closely with airlines, security companies, foreign partners and Canadian agencies in order to disrupt human smuggling and trafficking schemes, deter the misuse or abuse of travel documents, prevent the travel to North America of criminals or those who may pose a threat to national security and investigate fraudulent applications for immigration to Canada. Their work, in 39 strategic international locations, is consistent with Canada's strategy of "pushing the borders out". The CBSA succeeded in intercepting, prior to their departure, over 70% of improperly documented travellers destined for Canada in 2004-2005. Moreover, MIO efforts have assisted in reducing improperly documented arrivals at Canadian airports to the lowest level since statistics were first recorded in 1989.

The CBSA denied entry to almost 95,000 people who were determined to be inadmissible in 2004-2005.

The CBSA continued to participate in a working group, led by the Department of Justice and PSEPC, which is developing a federal strategy for implementing the UN Protocols on Trafficking in Persons. In this context, the CBSA continues to work with Citizenship and Immigration Canada (CIC) to develop guidelines for the protection of trafficking victims. In addition, CBSA's MIO network continues to interdict irregular migrants destined for Canada, including those linked to people smuggling and trafficking activities.

Implement security of marine cargo containers – Container Security Initiative (CSI)

In March 2005, Canada formally agreed to partner with the U.S. in their Container Security Initiative (CSI). Under this partnership, the CBSA agreed to deploy officers to foreign marine ports to work with local authorities in the targeting and verification of shipping containers, and to identify high-risk containers before they are loaded onto vessels destined for North America.

CSI will use a phased-implementation approach to deploy CBSA officers abroad and establish partnership agreements with foreign customs administrations. The initiative is a multi-year project with plans to implement at high-risk marine ports over the next five years.

Develop a targeting tool for Advance Commercial Information (ACI) and implement advance cargo reporting for air, highway and rail shipments

Over the past fiscal year, the Agency made significant progress on the Advance Commercial Information (ACI) initiative, a multi-phase project involving advance electronic reporting coupled with the concurrent development of a sophisticated automated risk assessment tool called TITAN™. One of only two automated risk-

The TITAN™ system processes about 3 million cargo documents annually.

assessment systems in the world, TITAN™ provides the CBSA with the ability to automatically screen all marine commercial shipments for indications of risk prior to departure for Canada; marine carriers no longer submit paper documents as shipments are assessed electronically. By using risk management as the guiding principle for border management, TITAN™ identifies high- or unknown-risk cargo while promoting the flow of legitimate low-risk trade. This provides the CBSA the time to assess risk more effectively and to make informed decisions on directing resources to shipments posing the highest risk to Canada's health, safety and security. TITAN™ forms the cornerstone of CBSA's risk-management regime.

As part of ACI Phase I, work carried out by the CBSA in 2004-2005 included the implementation of the mandatory requirement to provide electronic transmission of marine-cargo data 24 hours prior to loading in the foreign port; the development and implementation of TITAN™; advising carriers and freight forwarders of policy and program requirements for future implementation of ACI in the air and marine modes; and expanding the Mandatory Harmonized System to allow the CBSA to make appropriate admissibility, examination and release decisions. Work is ongoing to implement advance cargo-reporting requirements for the air-cargo mode for 2005 and the rail and highway commercial modes for 2006.

Further information related to this commitment can be found under the Innovation and Technology (Science and Technology-Based Innovation) program activity.

Install Vehicle and Cargo Inspection System (VACIS™) for rail cargo

VACIS™ technology is a gamma-ray scanning system used to capture an image similar to a X-ray. This state-of-the-art technology assists operators in examining heavily-loaded containers in order to detect suspected contraband, weapons, and other potentially dangerous goods while minimizing disruptions and costs for importers.

In September 2004, the U.S. Department of Homeland Security (DHS) deployed two Rail Vehicle and Cargo Inspection Systems (VACIS™) on Canadian soil for scanning U.S. bound trains; two additional Rail VACIS™ units are being deployed in Canada by DHS and will be operational by August 2005. The CBSA's involvement with these four VACIS™ installations is in compliance with the Declaration of Principles with Canadian National Railway (CNR) and Canadian Pacific Railway (CPR). The Rail VACIS™ units are operated and maintained by U.S. Customs and Border Protection and CBSA officers provide support in the event that high-risk security threats are detected.

Advance intelligence work under the Public Security and Anti-terrorism Agenda (PSAT)

The CBSA sees intelligence as a cornerstone of our capacity to respond effectively to threats. The Agency is developing new intelligence training and intelligence-research capacity, promoting information sharing and data quality, and improving communication within and across its intelligence network. With our partners, the Agency continues to pursue interoperability options to improve information sharing. Advancing intelligence

work is a key priority of the Government under the Public Security and Anti-terrorism Agenda and continues to be a priority under the National Security Policy.

The CBSA provides analysts to the Integrated Threat Assessment Centre (ITAC), which became operational in October 2004 as an intelligence/security community-wide resource working in conjunction with the National Security Advisor to the Prime Minister. ITAC conducts comprehensive analysis of available information on potential terrorist threats to Canada. The CBSA also participates in ITAC's Assessment Management Committee that meets on a monthly basis to provide advice on the focus, effectiveness and efficiency of ITAC activities.

Enhance Detentions and Removals

The CBSA is working to reduce the backlog of individuals who are under removal order and still in Canada. Two initiatives were established in 2004-2005.

The CBSA operates three detention facilities and uses provincial facilities where no Agency-run facility exists, or where the individual has been identified as a high-risk detainee.

The Removals Working Inventory was established to identify the number of cases in the removals stream by country. This has allowed the CBSA to focus efforts on improving cooperation from foreign governments in facilitating removals and issuing travel documents.

A National Strategic Review of the CBSA Removals Program was launched in 2004-2005 to assess the effectiveness of the program and to examine potential program improvements.

In addition, the CBSA continued to work closely with the U.S. Department of Homeland Security (DHS) on joint removals by charter airplane, resulting in the removal of 20 individuals from Canada and 234 from the U.S. in 2004-2005.

Implement intelligence-based document integrity

In 2004-2005, the CBSA established an interdepartmental Working Group on Document Integrity and coordinated discussions on document issues, particularly relating to the formation and adoption of government-wide consistent best practices relating to documents.

The Working Group catalogued all federal status, travel and identity documents and collected specimens of many of these documents for its document repository. It worked with partners to enhance the security and design of several status documents in the past year and performs quality control on the permanent resident card and the citizenship certificate. It continued to improve the tracking of lost and stolen travel documents to enable their detection and removal from circulation, and developed and implemented formal curricula for one and five-day document examination training.

The CBSA is also involved in the production and distribution of Document Alerts to our officers, CIC and other partners, and in partnership with the Netherlands, Australia and

the USA provides input to the Electronic Data Imaging System on Network (EDISON) database.

Establish the Integrated Immigration Enforcement Teams

The CBSA, with the RCMP, established Integrated Immigration Enforcement Teams (IETs) in Toronto, Montreal, and Vancouver. The purpose of the teams was to enhance the CBSA's capacity to investigate and remove individuals subject to immigration warrants who may pose a threat to public security.

Although the IETs were disbanded at the end of the 2004-2005 fiscal year, the resources were strategically placed back into the respective operations of RCMP/CBSA to continue to fulfill this mandate. The CBSA and the RCMP continue to work in partnership on those cases that pose a threat to public security.

Assist in the preparation of the Annual Report on the War Crimes Program

The CBSA helped prepare the Seventh Annual Report on Canada's War Crimes Program, which was released in September 2004. The War Crimes Section of the RCMP, the Department of Justice, and the Modern War Crimes Unit of the CBSA jointly manage the Modern War Crimes program to ensure that those who have been involved in war crimes or crimes against humanity are prevented from eluding justice. The Agency helps to achieve this objective by: providing screening support to CIC's visa operations abroad; refusing entry to persons suspected of war crimes; seeking to exclude such persons from the refugee determination process in Canada; and removing failed refugee claimants involved in war crimes or crimes against humanity.

Enhance Case Management System

The CBSA and CIC worked together to integrate the National Case Management System (NCMS) into the Global Case Management System (GCMS). GCMS will replace 11 legacy systems to provide users with a single access point to all electronically recorded information concerning a client in support of analysis and intelligence work. It will also provide a set of common functions, including: client identification, case tracking, record and file management, operational reporting and analysis, trend analysis, and interfaces with partners.

GCMS was deployed to all of CIC's Citizenship offices in September 2004, and further deployments to CIC and CBSA offices will take place in 2005-2006.

Connect to the RCMP integrated query tool

The CBSA has received legal advice from the Charter section of the Department of Justice and is currently assessing the impact with the RCMP prior to finalizing the signature of the Memorandum of Understanding that will allow this pilot to be initiated. The concept of the Integrated Query Tool is to provide the user with a single query "window" into multiple external agency sources to query data regarding travellers, conveyances, or businesses.

Implement information sharing agreements

Canada officially implemented the Information Sharing Statement of Mutual Understanding (SMU) with the U.S. in January 2005. A bi-national working group has undertaken a mapping exercise to determine how, and with whom, immigration-related information is shared between the two countries as well as to identify any information sharing gaps.

The implementation of an information sharing agreement with Australia is complete. Some modifications to delegations are presently being contemplated. Information sharing agreements with the United Kingdom, the Netherlands and New Zealand have been signed.

Program Activity: Admissibility (Access)

The Admissibility (Access) program activity contributes to the security and prosperity of Canada through the development of national programs and operational policies related to admissibility, processing and recourse mechanisms for the import and export of goods and the movement of people, and investigating complaints related to unfair trade practices.

Financial Resources (\$ millions):

Planned Spending	Authorities	Actual Spending
\$724.3	\$735.2	\$704.2

Human Resources

Planned	Authorities	Actuals
7,232	7,416	7,410

Meeting our 2004-2005 Priorities and Commitments

Enhance efficiency and effectiveness of the refugee-determination process

In collaboration with CIC, the Department of Justice, and the Immigration and Refugee Board, CBSA is actively involved in efforts to enhance the integrity and effectiveness of the refugee determination process in Canada, including the removal of failed refugee claimants in a timely manner.

In December 2004, the Safe Third Country Agreement between Canada and the United States was implemented at land border operations by the CBSA. This agreement is intended to promote the sharing of responsibility for providing protection to those in need, to reduce abuse of our refugee programs, and to strengthen public confidence in the integrity of Canada's refugee determination system. There are early indications that the Safe Third Country Agreement has succeeded in achieving these objectives, and the CBSA will continue to monitor the effectiveness of the refugee determination process in Canada.

Expand NEXUS programs

The CBSA works with the United States on several NEXUS programs that allow pre-approved, low-risk members to clear customs and immigration, using dedicated lanes.

NEXUS programs allow low-risk, pre-approved travellers of either country the opportunity to clear border services by using either dedicated lanes or the Telephone Reporting Centre (TRC) feature. As a result, border officials from Canada and the U.S. are able to concentrate their efforts on unknown or high-risk travellers and goods.

In 2004-2005, integrated proximity-card and license-plate-reader technology was implemented at seven NEXUS Highway sites. Travellers simply wave their proximity-cards in front of proximity card readers as they

enter a NEXUS lane, and their card number is queried against our enrolment database. This query identifies the traveller, and then sends the traveller's information to our enforcement databases for an automated risk assessment at every passage. Any enforcement hits or membership-status problems will then be displayed to the CBSA officer.

Delays in construction at the Queenston/Lewiston Bridge between Niagara Falls, Ontario and Niagara Falls, New York resulted in a postponement of NEXUS technology installation at this site until 2006-2007. As well, a Shared Border Accord Coordinating Committee decided not to extend NEXUS Highway to Coutts, Alberta and Sweetgrass, Montana due to low enrolment.

NEXUS Air, a bi-national pilot project of the CBSA and U.S. Customs and Border Protection (US-CBP) was piloted at Vancouver International Airport in 2004-2005. This facilitated the efficient and secure entry of pre-approved, low-risk air travellers who are citizens or permanent residents of Canada or the U.S. As with the CANPASS Air program, NEXUS Air uses iris-recognition biometric technology, which identifies an individual based on the unique pattern of the eye's iris.

As of March 31, 2005, CANPASS Air was in place at four major airports with 5,934 members and there were 2,362 NEXUS Air participants.

In 2004-2005, the CBSA undertook several marketing and outreach activities for the NEXUS Marine program, which was met with much interest from the boating public, marina operators and yacht club owners. The NEXUS Marine Program is a recreational boat reporting initiative to facilitate border crossings for pre-approved, low-risk travellers entering either Canada or the United States via private boat. This program allows recreational boaters the opportunity to clear customs and immigration of either country via telephone reporting.

Iris recognition biometric technology is non-invasive and considered the most accurate and fastest in the world. In just a few seconds, the iris image is captured with a digital black-and-white camera from a comfortable distance, without bright lights or lasers.

Expand Free and Secure Trade (FAST)

The Free and Secure Trade (FAST) program is a joint Canada-U.S. initiative that expedites border clearance and reduces delays for pre-approved, low-risk truck drivers, carriers, and importers. The program promotes free and secure trade by using common risk-management principles, supply chain security, industry partnership and advanced technology. In 2004-2005, FAST availability was increased from 12 to 19 high-volume land border crossings along the Canada-U.S. border. In 2004, dedicated lanes opened at the Blue Water Bridge in Sarnia, Ontario and Port Huron, Michigan, and at the Ambassador Bridge between Windsor, Ontario and Detroit, Michigan. Broad-based consultations were initiated in January 2005 with the trade community on possible modifications to the current FAST program to make it more widely available to low-risk importers.

The Customs Self Assessment (CSA) program is a streamlined accounting and payment process for all goods imported by approved importers. The CSA program provides pre-approved importers, carriers and Commercial Driver Registration Program-registered drivers with the benefit of expedient CBSA clearance of CSA-eligible goods.

CSA committed to accounting for 50% of the value of all commercial imports by March 31, 2005. Progress as of March 31, 2005 was approximately 22% of goods (based on value) accounted for under CSA trade data and accounting process.

Further information related to this commitment can be found under the Innovation and Technology (Science and Technology-Based Innovation) program activity.

Conduct Special Import Measures Act (SIMA) investigations

Under the Anti-dumping and Countervailing Program, investigations and reviews are carried out when claims are filed alleging that foreign manufacturers are selling goods to Canada at unfairly low prices, thereby possibly harming Canadian producers of those goods. Over the past year, investigations were initiated on imports of laminate flooring, steel fasteners, and outdoor barbeques. During the same time period, six investigations were concluded in accordance with the *Special Import Measures Act*. SIMA investigations ensured compliance with 30 findings of injury concerning imports of 22 imported products from 31 different countries.

The CBSA's work in this area helped to ensure the protection of about 36,000 jobs and almost \$13 billion in Canadian production in 2004-2005.

Implement bilateral border wait time data

Over the last fiscal year, the CBSA worked with U.S. counterparts on joint projects to implement a bilateral approach to measuring and reporting wait times for commercial and non-commercial traffic at land borders, and to establishing performance standards for operating under normal security-alert conditions. Border-wait time data are used by a number of departments to assess the impact of trade restrictions, new initiatives, U.S. alerts, and infrastructure and resource issues on border-traffic flows.

Develop methods for determining client satisfaction

In 2004-2005, we initiated the development of a national Client Satisfaction Measurement program to provide a mechanism to receive feedback from our clients and stakeholders to ensure that we are doing what we can to meet their needs. We were unable to meet the commitment of a more enriched research program that would allow for

In 2004-2005, the CBSA

- handled over 12 million commercial transactions
- processed over 26 million courier shipments
- served about 200,000 commercial importers and exporters
- faced almost 8,000 disputes of trade administration decisions or enforcement actions
- resolved 91% of trade disputes and 98% of adjudications without resorting to courts

client satisfaction surveys, and other tools due to funding issues. However, as part of the Partnership for Fairness launched in the summer of 2005, the CBSA will be consulting with clients and stakeholders to ensure that they are treated fairly and receive the best possible service in all of their dealings with the CBSA.

Implement measures for Compliance Improvement Plan (CIP)

The Compliance Improvement Plan (CIP), which set out yearly national priorities and determined how resources would be earmarked for border verification, client services and post-release verification, was put on hold in 2004-2005 to allow for an overall plan for the Agency to be established. As a result, we carried over our 2004-2005 priorities to the 2005-2006 reporting period.

In 2004-2005, we completed the business requirements for an interim solution for the Compliance Management System. The ultimate goal is to implement an automated post-release verification system that would allow the collection and analysis of all types of compliance verifications results conducted under the Post Release Verification Plan. The business requirements will be analyzed and a development plan will be carried out over 2005-2006.

Program Activity:
Innovation and Technology (Science and Technology-Based Innovation)

The Innovation and Technology (Science and Technology-Based Innovation) program activity supports efficient and effective border management and plays an important role in protecting Canadians from existing risk and emerging threats, through the design, development, implementation, delivery, and maintenance of cost-effective technology and science solutions in partnership with the other program activities.

Financial Resources (\$ millions):

Planned Spending	Authorities	Actual Spending
\$85.8	\$101.1	\$100.3

Human Resources

Planned	Authorities	Actuals
784	831	826

Meeting our 2004-2005 Priorities and Commitments

During fiscal year 2004-2005, the primary challenge under this program activity was to ensure uninterrupted business operations for border management, while developing and implementing new innovations.

Enhancing the infrastructure for Advance Passenger Information and Passenger Name Record (API/PNR)

API/PNR is based on the automated risk assessment of pre-arrival data transmitted to the CBSA via Electronic Data Interchange, e-mail and the Internet to the PAXIS system. PAXIS is a sophisticated data-acquisition solution that processes and displays advance crew and passenger information for all international flights destined for Canada. PAXIS was developed to allow users to assess the level of risk by viewing various data prior to the traveller's arrival in Canada.

The success of PAXIS technology is predicated on innovative solutions for acquiring passenger data from all commercial air carriers flying into Canada and risk-scoring this data. The Canadian risk-scoring engine was implemented in November 2004 and the Canadian evaluation of the risk scores was completed in June 2005. The CBSA began responding to United States Customs and Border Protection (US-CBP) requests for information on risk scored travellers in August 2004. The planned September 2005 release will provide the functionality to enable the US-CBP to respond to CBSA requests for information on risk-scored travellers.

Enhancing the functionality of the Integrated Primary Inspection Line (IPIL) system

The Integrated Primary Inspection Line (IPIL) system is an automated support tool used to process the movement of travellers into Canada. In support of IPIL, the CBSA completed document-reader conversions in October 2004 and implemented a document reader monitoring functionality in January 2005. As well, an IPIL business case was drafted for implementation in commercial highway lanes and upgrades to the document reader were completed in 2004-2005.

As of March 31, 2005, IPIL is operational at 47 sites, including all major airports, as well as select bus, cruise ship, ferry and rail locations.

Develop a targeting tool for Advance Commercial Information (ACI) and implement advance cargo reporting for air, highway and rail shipments

The National Risk Assessment Centre (NRAC) was established to review the cargo reported using the TITAN™ automated risk-management and analysis system. The TITAN™ system has also been implemented in Canadian ports that collectively receive over 99% of all marine cargo into Canada. The system has been fully operational in the Marine Container Targeting Units (MCTU) in these ports since November 2004.

TITAN™ was a pioneer within the CBSA and the CRA in providing remote access to a critical business application via secure wireless laptops. The introduction of the wireless solution necessitated new network and security protocols. The same wireless solution is already being used in a pilot project in the CRA Integrated Revenue Collection system, as well as the Business Integration Systems Support Infrastructure (BISSI) Case Examination area.

Improving Free and Secure Trade (FAST)

The FAST driver-registration component utilizes the CANPASS Processing Centre System (CPCS) to enrol members into the program in a timely and efficient fashion. In October 2004, the CBSA and US-CBP implemented an automated data-sharing link between FAST Driver-Registration systems. The primary goal of this connection is to reduce processing timeframes by having the Canadian and U.S. security background checks run concurrently, and removing the need to key applications into two separate systems. Additional benefits include timely updates of personal information (e.g. name changes/corrections); membership card generation (including applicant photo); scanned documents; and status changes (e.g. cancellations).

As of March 31, 2005, there were 55,339 commercial drivers participating in the Commercial Driver Registration Program (CDRP) in support of the Customs Self Assessment/Free and Secure Trade programs.

Implement an automated Administrative Monetary Penalty System (AMPS) for the correction and redress program

In 2004-2005, the Agency continued its work on the Administrative Monetary Penalty System (AMPS) to promote voluntary compliance with customs legislation and to correct non-compliance, using a series of penalties that range in severity according to the type

and severity of the infraction. AMPS ensures a level playing field for Canadian businesses with rules that are effective, fair, and consistent.

In February 2005, the Correction and Redress functions of AMPS were automated, allowing for corrections and redress requests to be processed in a more efficient manner. National hands-on training of these functions was completed in April 2005.

Continue to implement the Service Availability Initiative (SAI)

The Service Availability Improvements Project (SAI) has been a successful end-to-end overhaul of CBSA/CRA information technology (IT) services and processes, driven by goals developed in partnership with business clients, and accomplished by numerous matrixed cross-organizational teams. SAI has improved availability significantly for border services essential for the protection of Canadians, vital broker/importer services that allow and support the flow of hundreds of billions of dollars in goods annually between the U.S. and Canada as well as federal tax administration systems.

In 2004-2005, a Shared-Services Agreement (one of the largest in the Government of Canada) was successfully negotiated with the CRA for the provision of IT services to the CBSA. The result of this effort has been a highly successful shared-service delivery partnership of mutual benefit to each Agency, the Government of Canada, and all Canadians. As part of the agreement, significant work was completed in the joint development of Service Level Agreements (SLAs) and Management Frameworks in 16 different areas of IT services provided to CBSA by CRA. The Shared-Services Agreement allowed the CBSA to continue to implement the SAI to reduce scheduled and unscheduled outages of various systems throughout the Agency.

In addition, in partnership with the CRA, the Agency established and implemented a robust technology services and infrastructure environment through the establishment of a Memorandum of Understanding (MOU) for IT infrastructure and support services. This shared-services MOU provides high availability and high reliability and support for our systems and applications in a 24/7 national operation. This partnership has enabled CRA and CBSA to leverage our capabilities, facilities, processes and technologies for shared IT infrastructure and services.

As well, in 2004-2005, the CBSA worked in partnership with CIC to complete the permanent transfer of IT resources, assets and associated funding from CIC to the CBSA. CIC staff transferred to CBSA will continue to use the CIC IM/IT infrastructure and maintain connectivity to CIC business systems until the IT infrastructure transfer can be completed. IT staff and systems dedicated to supporting the Enforcement, Intelligence and Interdiction groups were also permanently transferred to CBSA. An MOU is being finalized which will outline the shared-services and partnership arrangement, including financial responsibilities and associated roles and responsibilities.

Explore options for creating information management systems

In 2004-2005, progress was made towards providing an integrated statistical-gathering and measurement tool for the CBSA through its work on the Consolidated Management Reporting System (CMRS) initiative. CMRS provides an Agency-wide central reporting facility to support reporting requirements for major initiatives. CMRS is the technical framework for program reporting and provides a flexible structure to support existing and future reporting requirements for the Agency. CMRS will ultimately replace the current G11 statistical-reporting facility, and will provide the new technical framework for the delivery of management and operational reporting for CBSA programs. The CMRS/G11 reporting initiative includes new and improved reporting for Travellers and Commercial business lines and includes: resource costs, examinations, referrals, results and entry-adjustments information, as well as specific program outputs and associated costs.

The Intelligence Management System (IMS) is an online case management system that is an integral part of managing risk at the border. It provides a national repository for intelligence information and allows the CBSA to better position itself to combat cross-border crime, including terrorism, on a national, multi-regional, and international basis. CBSA officers use the Occurrence Reporting System (ORS) to produce occurrence reports related to suspected illegal border activity that are electronically transmitted to intelligence offices for risk-assessment purposes. Three hundred and fifty CBSA intelligence personnel and 2,800 border officers currently use the IMS nationally. In 2004-2005, IMS enhancements included providing system access via Secure Remote Access to field users working from locations without RCNet connectivity. This will ensure that timely access to CBSA intelligence is maintained. The second enhancement, the IMS Audit component, provides the level of security required to safeguard the intelligence information contained within the database.

Improve ability to recognize and manage CBRNE threats

The CBSA plays a critical role in Canada's National Security Policy. In 2004-2005, an Emergency Operations Centre (EOC) was established in the CBSA to, among other things, manage CBSA participation in dealing with a chemical, biological, radiological, nuclear, or explosive (CBRNE) emergency. CBSA Officers have been trained to recognize CBRNE threats and are able to respond appropriately.

In June 2005, the Public Service Award for Excellence in Innovation was presented to the CBSA's Contraband Detection Technologies Team, composed of employees of the Enforcement Branch and the Laboratory and Scientific Services Directorate of the Innovation, Science and Technology Branch.

To add to our capacity to search and detect CBRNE threats in cargo through technology such as VACIS™, the CBSA's world-renowned Laboratory and Scientific Services Directorate evaluated and piloted several pieces of equipment in 2004-2005 to counter CBRNE threats. An experimental radiation detector was mounted on gantry cranes at the Port of Halifax to determine its feasibility and will be modified to meet CBSA's operational requirements. As well, a contract was awarded by the Agency in 2004-2005 for installation of other radiation-detection portals in 2005-2006. With respect to explosives detection, after a pilot project to

determine the feasibility of Ionscan® explosives detectors, four units were installed in spring 2005. Finally, a portable infrared spectrometer was evaluated at Montreal's Marine Cargo facility and at Lester B. Pearson International Airport to determine if the unit could assist in the detection, validation, and interdiction of precursor chemicals (chemicals used to make illicit narcotics). Further analysis regarding the potential implementation of this instrument will continue in 2005-2006.

Program Activity: Corporate Services (Corporate Management and Direction)

The Corporate Services (Corporate Management and Direction) program activity supports the Agency's ability to manage our operations strategically, fulfill our mandate, meet the expectations of Parliamentarians and Canadians, and achieve our Strategic Outcome. In this program activity, innovative strategies and frameworks are being put in place to support the CBSA.

Meeting our 2004-2005 Priorities and Commitments

Provide international and domestic support on border-related issues

In 2004-2005, the CBSA continued to enhance consistency for international trade and travel through its participation in outreach and consultation activities to liaise with the importing community on trade-program developments.

The CBSA contributed to the Government's policy agenda through its work with international organizations such as the World Customs Organization (WCO), World Trade Organization (WTO), the Caribbean Community (CARICOM) and the Asia-Pacific Economic Cooperation (APEC), foreign governments and other federal government departments. The CBSA assists in the establishment and promotion of international rules, procedures and measures, which create certainty, predictability, transparency, and fairness in international trade, and assist in securing the global supply chain.

The Agency's success in promoting Canada's interests allows Canada's positions or recommendations to be recognized internationally and allows us to influence internationally accepted approaches. The CBSA's diligence in the review of issues with international implications benefits Canadian importers and exporters, and enhances Canada's reputation with our trading partners as an advocate of international cooperation and resolution.

The CBSA has also been involved in delivering technical assistance and support for training on WTO Instruments. In 2004-2005, the Agency provided direct technical assistance to five countries.

The CBSA plays an instrumental role in the G8 Lyon-Roma Group dealing with international crime and terrorism with respect to developing migration policy, counter-terrorism efforts and control of illegal migration. CBSA is represented on, and also holds the chair for, the Migration Experts Sub-Group, which cooperates in operational exercises as well as in the development of best practices and guidelines on issues pertaining to human smuggling and trafficking in persons, travel-document security, border security, facilitation and information sharing. In 2004-2005, efforts focussed on combating fraudulent document production and the completion of best-practices papers pertaining to authenticating travel documents and passports. Information-sharing initiatives remain high-priority agenda items, particularly in the context of lost and stolen passports and cooperation between G8 officers deployed abroad.

Build our organizational capacity to plan and manage infrastructure operations and sourcing

The building of a solid corporate foundation continued in 2004-2005. In particular, the CBSA's senior management was required to manage within the context of unfinished negotiations and agreements with legacy departments. The CBSA furthered transition with the establishment of a financial and administrative system, the successful transfer of assets, financial and human resource information to the Agency's system and the creation of business processes specific to the Agency.

Implement a risk-management approach, audit and evaluation strategy, and performance-measurement framework

Governance and accountability structures were put in place and two core committees were established – the Executive Management Committee (EMC) and the Internal Audit and Evaluation Committee (IAEC). EMC sets strategic direction for the CBSA and reviews and approves major policies, investments, and initiatives. IAEC plays an important governance role as well as a quality-management role for the internal audit and evaluation functions. To enhance its independence and objectivity, the IAEC includes members from outside the CBSA. A risk-based multiyear Audit Plan was developed and approved by IAEC. This committee also set the foundation work for a multiyear evaluation plan. IAEC is chaired by the President and meets on a quarterly basis. Other senior-level committees were created, including the Border Infrastructure Committee (BIC); the Emergency Preparedness and Security Committee (EPSC); Budget and Resource Review Committee (BRRC); and the Extended Agency Management Committee (XAMC).

Develop a Corporate identity, human resource system, and corporate linkages

Completing the transition was a major priority for the CBSA. In 2004-2005, the Agency finalized and communicated its mandate, mission, values, and outcomes; developed and communicated the CBSA corporate identity; made progress towards the development of the HR system, with work continuing in 2005-2006; built our organizational capacity to plan and manage infrastructure operations and sourcing; and built corporate linkages with PSEP Portfolio departments, central agencies, the Office of the Commissioner of Official Languages (OCOL), and the Office of the Auditor General (OAG).

Develop a reporting structure and integrated planning, budgeting, and reporting framework

The CBSA identified and developed different frameworks including a Strategic Framework, the Program Activity Architecture (PAA), and a reporting structure and interim integrated planning, budgeting and reporting framework. This latter framework will be further redefined and finalized for implementation in 2006-2007.

In 2004-2005, the Agency made significant progress against the Management Accountability Framework (MAF), and the Treasury Board Secretariat's assessment of the CBSA's MAF was favourable overall. The assessment noted that considerable

progress has been made in a number of areas, and significant achievements were realized against many of the MAF indicators while highlighting some areas for further work in 2005-2006.

Address resource needs and develop an integrated control framework and a resource-allocation framework

In 2004-2005, the Agency initiated the development of an integrated control framework (ICF) for implementation in 2006-2007. The ICF clearly defines the roles and responsibilities for each party involved with the overall goal of providing accurate, complete, useful and timely financial, system-and management-control information, which is used in the day-to-day decision-making process by all management levels of the department.

The Agency also implemented a resource-allocation framework that provides the CBSA with the ability to forecast expenditures and streamline the budgeting and forecasting process. The CBSA has successfully addressed some outstanding resource needs for the 2005-2006 fiscal year by securing incremental funding under Budget 2005. Once received, the additional funding announced will enable the CBSA to commence enhancement of the CBSA's capacity to manage the access of people and goods to and from Canada, and to support the Government of Canada priorities in the areas of national security and a strong economy, although significant resource gaps remain a challenge.

Implement costing template and cost-recovery policies

During the performance period, the Agency initiated the development of a costing template for 2004-2005 for completion by the end of the 2005-2006 fiscal year. The development of a cost-recovery policy is still at an early stage and will require extensive internal and external consultation work. The CBSA is meeting the Treasury Board Policy on Service Standards for External Fees.

Establish frameworks for procurement, real property and financial transactions

The Agency established the appropriate security frameworks by developing and implementing policies, procedures and tools for Corporate Administration. A Strategic Review of the Corporate Security and Internal Affairs function against the Government Security Policy (GSP) was completed and an action plan initiated.

The internal CBSA senior infrastructure-review committee reviewed and approved all major capital investment projects to ensure that they reflect the operational priorities of the Agency. A formal agreement was struck with Canada Revenue Agency respecting the management and administration of the CBSA custodial properties until such time as they are formally transferred to CBSA. In addition to the above "formal" arrangements, a number of consultative initiatives were launched that are designed to improve the delivery and management of the Infrastructure portfolio in the CBSA.

The CBSA has developed Memoranda of Understanding with CRA, CIC and CFIA to confirm processes and procedures that apply to financial transactions between the parties involved.

Integrate the three legacy cultures and Human Resource regimes into one CBSA regime and culture

In fall 2004, the transfer of the Ports of Entry (POE) functions was the last, essential instalment in the transition process – a huge building block in creating a truly integrated organization. By January 2005, the POE functions, as well as marine security, were completely transferred from CIC and CFIA to CBSA. Having immigration operations at the ports of entry under the CBSA umbrella allows the CBSA to manage the entry of all people and goods into the country and to become a full-service, border management agency. Former CIC and CFIA employees were integrated into program and corporate branches by April 1, 2005.

While the shift towards one CBSA culture and HR regime is an ongoing process, the work has begun in earnest and significant gains have been made. We successfully supported our employees during the integration of our three legacy cultures and HR regimes into one. We accomplished this by continuous refinement and implementation of the organizational structure for the CBSA, to ensure that it captures the three legacy organizations and maximizes synergies at all levels of the organization (assessed training needs, and developed and implemented training programs that will support employees in exercising new responsibilities).

An Agency Human Resources Committee (HRC) was created to approve HR policies and programs and to direct the management of the workforce across the Agency. All staffing and staff relations and compensation files from CIC and CFIA have been transferred. The CBSA and the Public Service Human Resources Management Agency of Canada (PSHRMAC) have commenced work on a classification-reform initiative to create a Frontière/Border classification plan to distinctly value the Agency's work and to facilitate the blending of classification and compensation regimes. A common Border Services Officer national work description is slated for implementation in the future.

Implement collective agreements for all CBSA employees

The Agency implemented new collective agreements for most CBSA employees, including the majority of employees covered transitionally by separate employer collective agreements and differing terms and conditions of employment. Work remains ongoing with the Management Groups that came from the Canada Customs and Revenue Agency.

Support government-wide Human-Resource priorities

The Public Service Modernization (PSM) project team at CBSA developed a comprehensive implementation strategy, which included the consultation, communication, learning and policy/program development requirements for successful

implementation of provisions of the *Public Service Modernization Act*. Information sessions concerning PSM continue to be provided to CBSA stakeholders.

Support for government-wide Human-Resource priorities such as Employment Equity, Official Languages and values and ethics continues. Issues involving values, ethics, integrity and diversity have been integrated into CBSA learning products. Implementation of an interim performance management program for employees as well as a comprehensive strategy for employment equity and official languages has begun.

Create an information management system

In 2004-2005, a significant amount of work has been accomplished relative to migrating financial expenditure data from CRA, CFIA and CIC into the Corporate Administrative System (CAS), which is hosted by CRA. The functionality and suitability of the CAS is the most viable option for CBSA data. CAS is now available for use.

A Shared Services Agreement, one of the largest in the Government of Canada, was negotiated successfully with the CRA to ensure systems and information is available to the public, our partners and stakeholders as well as other government departments and agencies. As a result, the CBSA continued to provide enabling support to its daily operations, and project and program implementation strategies.

Advance Job Hazard Analysis (JHA) recommendations

In consultation with the Policy Health and Safety Committee, action plans to facilitate the implementation phase of two Job Hazard Analyses (JHA), one for Customs Inspectors and Superintendents, and the other for Regional Intelligence Officers/Investigators have been created. A third analysis will be conducted for the Immigration Enforcement / Investigators. The JHA remains a priority for the Agency and we will continue the implementation in 2005-2006.

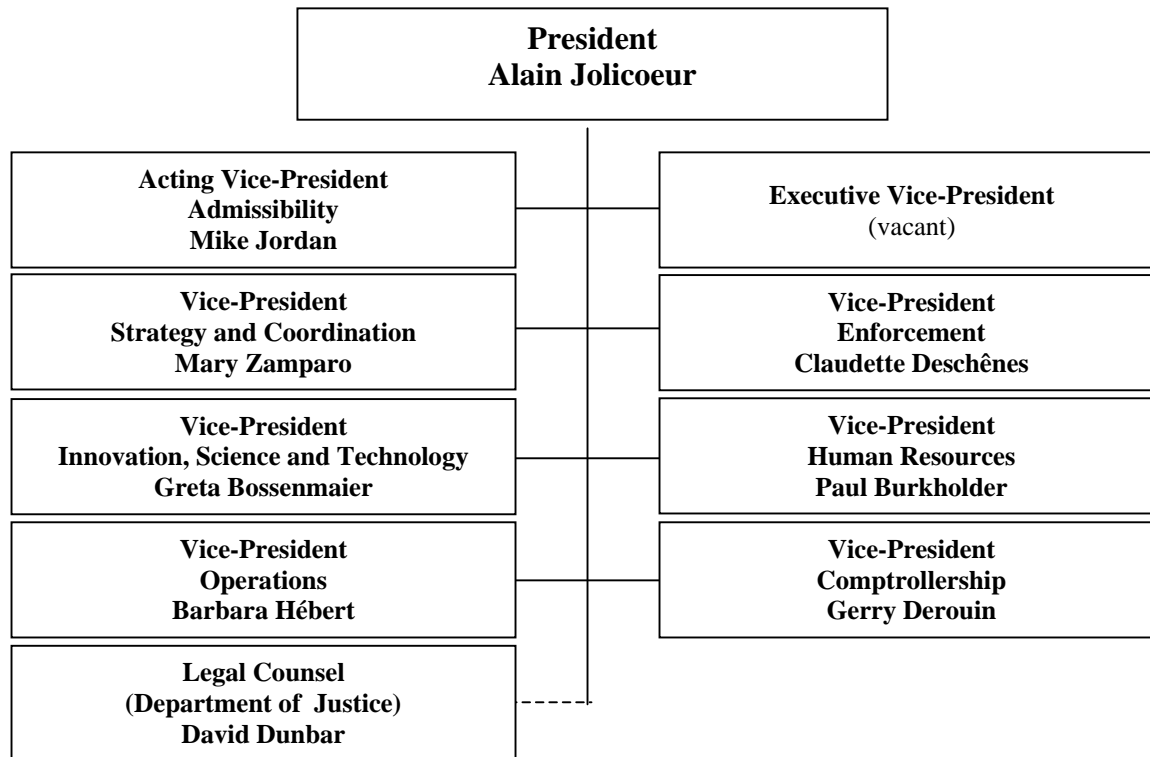
The 2005 Federal Budget invested \$139 million over five years for the CBSA to implement the recommendations of the Job Hazard Analyses and to ensure a continued safe work environment for CBSA front-line staff. An additional \$123 million was provided over the same period to strengthen the CBSA's presence at the border.

Develop and implement a Border Services Officer recruitment program for CBSA

An interim cross-function training program has been developed to respond to ongoing requirements and changing skill requirements, and is reflected in the implementation of the Port of Entry Recruit Training (POERT) Program in 2004-2005. A training development and delivery capacity has been built in order to further move the Agency forward in becoming an innovative organization with a cohesive, knowledge-based workforce. New guidelines for the recruitment of CBSA Border Services Officers have been developed, as well as CBSA student employee guidelines. Further work on the POERT program will continue in 2005-2006.

SECTION III – SUPPLEMENTARY INFORMATION

Organizational Information



The CBSA is organized into seven branches, each headed by a Vice-President (VP) who reports directly to the President.

Operations are delivered in eight regions: Atlantic, Quebec, Northern Ontario, Greater Toronto Area, Windsor/St. Clair, Niagara/Fort Erie, Prairies and Pacific. The Admissibility and Enforcement Branches develop the programs and policies that the Operations Branch delivers. The Innovation, Science and Technology Branch works with these branches to ensure that we are maximizing our capacity to support effective and efficient operations. Underpinning all our policy, program and operational work are the critical strategic and enabling functions that span the Strategy and Coordination, Human Resources, and Comptrollership Branches. The CBSA works closely with its Department of Justice Legal Services Unit to ensure that CBSA operations, service delivery, policy development, corporate direction and management are legally supportable.

This structure was chosen to encourage strong internal synergies among all program areas and to support clear accountability for all functions. Everything we do is focused on maximizing and supporting the performance of our front line.

Table 1: Comparison of Planned to Actual Spending (incl. FTE)

(\$ millions)	2002–03 Actual ¹	2003–04 Actual	2004–2005			
			Main Estimates ²	Planned Spending	Total Authorities	Actual
Business Line						
Border Operations ³		944.8				
Program Activity⁴						
Admissibility (Access)			505.3	738.1	750.3	719.7
Enforcement (Security)			158.7	288.8	290.3	256.6
Innovation and Technology (Science and Technology-based Innovation)			14.8	85.8	101.1	100.3
Less: Respendable Revenue		(9.8)	(12.1)	(13.8)	(15.1)	(15.5)
Total		935.0	666.7	1,098.9	1,126.6	1,061.1
Less: Non-Respendable revenue		(36.8)	(22.0)	(22.0)	(38.8)	(31.2)
Plus: Cost of services received without charge		99.1	99.4	99.4	103.9	103.9
Net cost of Department		997.3	744.1	1,176.3	1,191.7	1,133.8
Full Time Equivalents		10,497	9,367	10,512	10,800	10,758

Explanation of differences:

The \$65.5 million difference between Total Authorities and Actual Spending for 2004-2005 is mainly due to:

- delays in PSAT and Smart Border initiatives/projects (\$56.9 million) comprised of:
 - procurement, operation and maintenance of Vehicle and Cargo Inspection System equipment \$16.0 million
 - implementation of Advance Passenger Information/Passenger Name Record with European carriers \$9.6 million
 - acquisition of Free and Secure Trade (FAST) transponders \$7.6 million
 - system development relative to the Free and Secure Trade ACI EDI Highway initiative \$5.5 million
 - detention and deportation activities \$4.1 million
 - procurement of X-ray for food and plant inspection activities \$3.2 million
 - implementation of CANPASS – Air at additional sites \$2.2 million
 - implementation of NEXUS – Highway at additional sites \$2.2 million
 - manufacture/acquisition of radios for the National Radio Program for Border Officers \$1.9 million
 - implementation of NEXUS/FAST for Cruise Ships \$1.8 million
 - system development related to Harmonized Commercial Targeting \$1.5 million
 - other initiatives \$1.3 million
- delays related to Pearson International Airport redevelopment initiative \$7.2 million

¹ The Canada Border Services Agency was created December 12, 2003. Actual spending by the CCRA, CIC and the CFIA relative to the responsibilities transferred to the CBSA is not readily available for fiscal year 2002-2003.

² The Tabled Main Estimates represented incomplete negotiations with respect to the portions of the CCRA transferred to the CBSA. It also excluded amounts to be transferred from CIC and CFIA.

³ In light of the timing of the Agency's creation (December 12, 2003), the Canada Border Services Agency (CBSA) operated and reported its actual expenditures under a single Business Line, Border Operations, in fiscal year 2003-2004.

⁴ Pending development and approval of a formal Program Activity Architecture (PAA) for the Canada Border Services Agency, the Agency's Main and Supplementary Estimates for 2004-2005 were tabled in Parliament under a single Business Line, Border Operations. The breakdown by Program Activity presented for 2004-2005 in this Table reflects a best estimate of the spending situation as it would have been had the PAA been in place for the full year.

Table 2: Use of Resources by Program Activities¹

2004-2005						
Program Activity – PA	Budgetary (\$ millions)					
	Operating	Capital	Total: Gross Budgetary Expenditures	Less: Respendable Revenue	Total: Net Budgetary Expenditures	Total
Admissibility (Access)						
Main Estimates	482.0	23.3	505.3	(12.1)	493.2	493.2
<i>Planned Spending</i>	714.8	23.3	738.1	(13.8)	724.3	724.3
Total Authorities	724.0	26.3	750.3	(15.1)	735.2	735.2
<i>Actual Spending</i>	694.0	25.7	719.7	(15.5)	704.2	704.2
Enforcement (Security)						
Main Estimates	158.7		158.7		158.7	158.7
<i>Planned Spending</i>	288.8		288.8		288.8	288.8
Total Authorities	290.3		290.3		290.3	290.3
<i>Actual Spending</i>	256.6		256.6		256.6	256.6
Innovation and Technology (Science and Technology-Based Innovation)						
Main Estimates	14.8		14.8		14.8	14.8
<i>Planned Spending</i>	85.8		85.8		85.8	85.8
Total Authorities	101.1		101.1		101.1	101.1
<i>Actual Spending</i>	100.3		100.3		100.3	100.3

¹ Pending development and approval of a formal Program Activity Architecture (PAA) for the Canada Border Services Agency, the Agency's Main and Supplementary Estimates for 2004-2005 were tabled in Parliament under a single Business Line, Border Operations. The breakdown by Program Activity presented for 2004-2005 in this Table reflects a best estimate of the spending situation as it would have been had the PAA been in place for the full year.

Table 3: Voted and Statutory Items

Vote or Statutory Item	Truncated Vote or Statutory Wording	2004–2005 (\$ millions)			
		Main Estimates ¹	Planned Spending	Total Authorities	Actual
10	Operating expenditures	546.6	978.8	981.4	916.6
15	Capital expenditures	23.3	23.3	26.3	25.7
(S)	Contributions to employee benefit plans	96.8	96.8	118.7	118.7
(S)	Spending of Proceeds from the disposal of surplus Crown assets, Court Awards, and Refunds of amounts credited to revenue in previous years			0.2	0.1
	Total	666.7	1,098.9	1,126.6	1,061.1

Explanation of Difference between Total Authorities and Actual for Vote 10 - Operating expenditures:

The \$64.8 million difference is principally due to the delays in PSAT and Smart Border initiatives/projects (\$56.9 million) listed in the Explanation of Differences under Table 1, delays related to Pearson International Airport redevelopment initiative (\$7.2 million), and other minor lapses.

¹ The Tabled Main Estimates represented incomplete negotiations with respect to the portions of the CCRA transferred to the CBSA. It also excluded amounts to be transferred from CIC and CFIA.

Table 4: Net Cost of Department

(\$ millions)	2004–2005
Total Actual Spending	1,076.6
<i>Plus: Services Received without Charge</i>	
Accommodation provided by Public Works and Government Services Canada (PWGSC)	46.6
Contributions covering employers' share of employees' insurance premiums and expenditures paid by TBS (excluding revolving funds)	54.1
Worker's compensation coverage provided by Social Development Canada	0.4
Salary and associated expenditures of legal services provided by Justice Canada	2.8
<i>Less: Respendable Revenue</i>	(15.5)
<i>Less: Non-respendable Revenue</i>	(31.2)
2004–2005 Net cost of Department	1,133.8

Table 5: Contingent Liabilities

Contingent Liabilities	(\$ millions)	
	March 31, 2004 ¹	March 31, 2005
<i>Pending or Threatened Litigation</i>		111.0
<i>Amounts under Objection</i>		
Trade Disputes	44.0	164.0
Administrative Monetary Penalties	4.0	100.0
<i>Appeals to the Courts</i>		
Administrative Monetary Penalties		
Federal Court		30.0
Trade Disputes		
CITT	4.0	5.0
Federal Court	5.0	1.0
Total	57.0	411.0

¹ The Canada Border Services Agency (CBSA) was created December 12, 2003. At the time the Agency's 2003-2004 Departmental Performance Report was prepared, the reviews of Contingent Liabilities to determine applicability to CBSA or the former departments (CCRA, CIC and CFIA) had not been completed. Consequently, the amounts for the year ending March 31, 2004 reported in the Agency's 2003-2004 Departmental Performance Report reflected only the contingent liabilities that had been identified up to that point as being clearly contingent liabilities of the CBSA. The former departments reported all remaining contingent liabilities in their respective 2003-2004 Performance Reports. Some of these have subsequently been determined to be contingent liabilities of the CBSA.

Table 6: Sources of Respendable and Non-Respendable Revenue

Respendable Revenue by Program Activity

(\$ millions)	Actual 2002-03 ¹	Actual 2003-04	2004-2005			
			Main Estimates	Planned Revenue	Total Authorities	Actual
Admissibility (Access)						
Sale of Goods and Services²						
Rights and Privileges		0.4	1.6	1.6	2.0	1.5
Services of a Regulatory Nature ³		3.0	1.9	3.6	2.4	2.8
Services of a Non- Regulatory Nature		6.5	8.9	8.9	11.1	11.2
Sub-total		9.9	12.4	14.1	15.5	15.5
Less: Amounts recovered on behalf of OGDs		(1.0)	(0.5)	(0.5)	(0.6)	
Total Admissibility (Access)		8.9	11.9	13.6	14.9	15.5
Innovation and Technology (Science and Technology-Based Innovation)						
Sale of Goods and Services						
IonScan Royalties		0.9	0.2	0.2	0.2	0
Total Innovation and Technology (Science and Technology-Based Innovation)		0.9	0.2	0.2	0.2	0
Total Respendable Revenue⁴		9.8	12.1	13.8	15.1	15.5

¹ The Canada Border Services Agency was created December 12, 2003. Actual spending by the CCRA, CIC and the CFIA relative to the responsibilities transferred to the CBSA is not readily available for fiscal year 2002-2003.

² As a result of its transfer from CCRA to CBSA by the December 12, 2003 government reorganization, Customs Operations ceased to have access to the authority to respend revenues provided to it under the CCRA Act. Consequently, the \$8.1 million reported for Actual 2003-04 includes only respendable revenues from the Sale of Goods and Services up to December 12, 2003. A further \$5.0 million in previously respendable revenues was collected after that date and credited to the Consolidated Revenue Fund as non-respendable revenues.

³ In addition to the amounts for CBSA shown here, the CFIA collects approximately \$1.7 million annually in fees relative to the border inspections operations transferred from CFIA to CBSA. CFIA will continue to collect and report these revenues until the appropriate regulatory authorities are established for the CBSA.

⁴ Totals may not add due to rounding.

Non-Respendable Revenue by Program Activity

(\$ millions)	Actual 2002-03 ¹	Actual 2003-04	2004-2005			
			Main Estimates	Planned Revenue	Total Authorities	Actual
Admissibility (Access)						
Sale of Goods and Services						
Rights and Privileges		1.1				
Services of a Regulatory Nature		0.8				
Services of a Non-Regulatory Nature		3.0				
Public Building and Property Rent		0.1			0.4	0.4
Total Admissibility (Access)		5.0²			0.4	0.4
Enforcement (Security)						
Sale of Goods and Services						
Services of a Regulatory Nature					2.6	2.6
Services of a Non-Regulatory Nature					11.7	0.4
Other Fees and Charges						
Port Seizures		4.0	9.4	9.4	9.4	7.1
Investigation Seizures		2.2	5.6	5.6	5.6	2.9
Interest and Penalties - Customs Import Duties, Excise Duties and Air Travellers Security Charge		24.6	6.0	6.0	6.0	2.6
Court Fines		0.8	0.8	0.8	1.5	1.5
Adjustments to Previous Year's Expenditures		0.1	0.1	0.1	0.1	1.5
Miscellaneous		0.1	0.1	0.1	1.0	11.7
Total Enforcement (Security)		31.8	22.0	22.0	37.9	30.3
Innovation and Technology (Science and Technology- Based Innovation)						
Sale of Goods and Services - Rights and Privileges						
IonScan Royalties					0.5	0.5
Total Innovation and Technology (Science and Technology-Based Innovation)					0.5	0.5
Total Non-Respendable Revenue		36.8	22.0	22.0	38.8	31.2

¹ The Canada Border Services Agency was created December 12, 2003. Information on Actual Non-Respendable Revenues collected by the CCRA, CIC and the CFIA relative to the responsibilities transferred to the CBSA is not readily available for fiscal year 2002-2003.

² As a result of its transfer from CCRA to CBSA by the December 12, 2003 government reorganization, Customs Operations ceased to have access to the authority to respend revenues provided to it under the CCRA Act. The \$5.0 million total for the Admissibility (Access) Program Activity in 2003-2004 is comprised of previously respendable revenues collected after December 12, 2003 that were credited to the Consolidated Revenue Fund as non-respendable revenues.

Table 7: Resource Requirements by Branch¹

2004-2005 (\$ millions)				
Organization	Admissibility	Enforcement	Innovation and Technology	Total
Admissibility Branch				
Main Estimates	50.0			50.0
Planned Spending	50.0			50.0
<i>Total Authorities</i>	51.1			51.1
Actual Spending	49.4			49.4
Enforcement Branch				
Main Estimates		36.4		36.4
Planned Spending		76.4		76.4
<i>Total Authorities</i>		80.7		80.7
Actual Spending		59.3		59.3
Innovation, Science and Technology Branch				
Main Estimates	52.8	13.4	14.8	81.0
Planned Spending	60.8	46.7	79.7	187.2
<i>Total Authorities</i>	33.8	44.5	95.4	173.7
Actual Spending	33.8	44.0	95.4	173.2
Operations Branch - Headquarters				
Main Estimates				
Planned Spending	5.7	1.7		7.4
<i>Total Authorities</i>	5.7	1.7		7.4
Actual Spending	3.9	1.2		5.1
Operations Branch - Regions				
Main Estimates	390.4	108.9		499.3
Planned Spending	494.0	146.8		640.8
<i>Total Authorities</i>	527.2	149.1		676.3
Actual Spending	527.2	149.1		676.3
Other Headquarters Organizations				
Main Estimates				
Planned Spending	113.8	17.2	6.1	137.1
<i>Total Authorities</i>	117.4	14.3	5.7	137.4
Actual Spending	89.9	3.0	4.9	97.8

¹ Pending development and approval of a formal Program Activity Architecture (PAA) for the Canada Border Services Agency, the Agency's Main and Supplementary Estimates for 2004-2005 were tabled in Parliament under a single Business Line, Border Operations. The breakdown by Program Activity presented for 2004-2005 in this Table reflects a best estimate of the spending situation as it would have been had the PAA been in place for the full year.

Table 8-A: 2004-05 User Fee Reporting – User Fees Act

A. User Fee	Fee Type	Fee Setting Authority	Date Last Modified	2004-05					Planning Years		
				Forecast Revenue (\$000)	Actual Revenue (\$000)	Full Cost (\$000)	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue (\$000)	Estimated Full Cost (\$000)
Sales of Goods and Services a. Rights and Privileges							CBSA is developing service standards for its user fees in accordance with the TBS Policy on Service Standards for External Fees. As required by that policy, service standards will be published in the 2005/06 DPR.	To be published in 2006/07 DPR as per TBS Policy on Service Standards for External Fees.			
a.1 Brokers License and Examination Fees	Regulatory	Customs Act	1992	397	367	367			2005-2006 2006-2007 2007-2008	397 397 397	397 397 397
a.2 Customs Warehouse Fees											
Customs Sufferance Warehouse License Fees	Regulatory	Customs Act	1996	600	569	569			2005-2006 2006-2007 2007-2008	600 600 600	600 600 600
Bonded Warehouse License Fees	Regulatory	Customs Tariff	1996	600	490	490			2005-2006 2006-2007 2007-2008	600 600 600	600 600 600
a.3 Duty Free Shop Fees	Regulatory	Customs Act			1	1			2005-2006 2006-2007 2007-2008	0 0 0	0 0 0
a.4 Privileges, Licenses and Permits	Regulatory				32	32			2005-2006 2006-2007 2007-2008	0 0 0	0 0 0
Total Rights and Privileges				1,597	1,459	1,459			2005-2006 2006-2007 2007-2008	1,597 1,597 1,597	1,597 1,597 1,597

A. User Fee	Fee Type	Fee Setting Authority	Date Last Modified	2004-05					Planning Years		
				Forecast Revenue (\$000)	Actual Revenue (\$000)	Full Cost (\$000)	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue (\$000)	Estimated Full Cost (\$000)
b. Services of a Regulatory Nature							CBSA is developing service standards for its user fees in accordance with the TBS Policy on Service Standards for External Fees. As required by that policy, service standards will be published in the 2005/06 DPR.	To be published in 2006/07 DPR as per TBS Policy on Service Standards for External Fees.			
b.1 Border Canada/US Programs											
NEXUS	Regulatory	Customs Act	2002	1,500	818	818			2005-2006 2006-2007 2007-2008	900 900 900	900 900 900
FAST Program	Regulatory	Customs Act	2002	800	1,679	1,679			2005-2006 2006-2007 2007-2008	1,700 1,700 1,700	1,700 1,700 1,700
b.2 Other Services of a Regulatory Nature											
Storage Charges Queen's & Frontier Warehouses	Regulatory	Customs Act	1992	400	324	324			2005-2006 2006-2007 2007-2008	400 400 400	400 400 400
Fees for Information and Documentation	Regulatory	Customs Act	1986	35					2005-2006 2006-2007 2007-2008	35 35 35	35 35 35
After Hours Examination	Regulatory	Immigration and Refugee Protection Act	June 28, 2002		2	2			2005-2006 2006-2007 2007-2008	0 0 0	0 0 0
Alternative Means of Examination	Regulatory	Immigration and Refugee Protection Act	June 28, 2002	369	365	365			2005-2006 2006-2007 2007-2008	400 400 400	400 400 400
Removal Fee from Individual	Regulatory	Immigration and Refugee Protection Act	June 28, 2002	334	338	338			2005-2006 2006-2007 2007-2008	187 187 187	187 187 187

A. User Fee	Fee Type	Fee Setting Authority	Date Last Modified	2004-05					Planning Years		
				Forecast Revenue (\$000)	Actual Revenue (\$000)	Full Cost (\$000)	Performance Standard	Performance Results	Fiscal Year	Forecast Revenue (\$000)	Estimated Full Cost (\$000)
Total Services of a Regulatory Nature				3,438	3,526	3,526			2005-2006 2006-2007 2007-2008	3,622 3,622 3,622	3,622 3,622 3,622
c. Services of a Non-regulatory Nature							CBSA is developing service standards for its user fees in accordance with the TBS Policy on Service Standards for External Fees. As required by that policy, service standards will be published in the 2005/06 DPR.	To be published in 2006/07 DPR as per TBS Policy on Service Standards for External Fees.			
c.1 Customs Special Service Fees	Other Products and Services	Customs Act	1986	581	355	355			2005-2006 2006-2007 2007-2008	400 400 400	400 400 400
c.2 CANPASS Programs	Other Products and Services	Customs Act		600	338	338			2005-2006 2006-2007 2007-2008	400 400 400	400 400 400
c.3 Other Services of a non-regulatory nature	Other Products and Services	Customs Act		119	391	391			2005-2006 2006-2007 2007-2008	400 400 400	400 400 400
Total Services of a Non-Regulatory Nature				1,300	1,084	1,084			2005-2006 2006-2007 2007-2008	1,200 1,200 1,200	1,200 1,200 1,200
<i>Sub- Total Regulatory Type Fees</i>				<i>5,035</i>	<i>4,985</i>	<i>4,985</i>			<i>2005-2006</i> <i>2006-2007</i> <i>2007-2008</i>	<i>5,219</i> <i>5,219</i> <i>5,219</i>	<i>5,219</i> <i>5,219</i> <i>5,219</i>
<i>Sub- Total Other Products and Services Type Fees</i>				<i>1,300</i>	<i>1,084</i>	<i>1,084</i>			<i>2005-2006</i> <i>2006-2007</i> <i>2007-2008</i>	<i>1,200</i> <i>1,200</i> <i>1,200</i>	<i>1,200</i> <i>1,200</i> <i>1,200</i>
Total User Fees				6,335	6,069	6,069			2005-2006 2006-2007 2007-2008	6,419 6,419 6,419	6,419 6,419 6,419

Table 8-B: 2004-05 User Fee Reporting – Policy on Service Standards for External Fees

A. External Fee	Service Standard	Performance Result	Stakeholder Consultation
Brokers License and Examination Fees Customs Sufferance Warehouse License Fees Bonded Warehouse License Fees Duty Free Shop Fees Privileges, Licenses and Permits Miscellaneous NEXUS FAST Program Storage Charges Queen's & Frontier Warehouses Fees for Information and Documentation After Hours Examination Alternative Means of Examination Removal Fee from Individuals Customs Special Services Fees CANPASS Programs: - Boat - Private and Corporate Aircraft	CBSA is developing service standards for its user fees in accordance with the TBS Policy on Service Standards for External Fees. As required by that policy, service standards will be published in the 2005/06 DPR.	To be published in 2006/07 DPR as per TBS Policy on Service Standards for External Fees.	Consultation program and schedule not yet developed.

Table 9: Details on Project Spending by Program Activity

(\$ millions)	Current Estimated Total Cost	2002-03 Actual	2003-04 Actual	2004-2005			
				Main Estimates	Planned Spending	Total Authorities	Actual
Admissibility (Access) and Enforcement (Security)¹							
Major Capital Construction Projects:							
New Facilities:							
Aldergrove, B.C. ²	9.9					0.2	0.1
Andover, N.B. ²	5.8	0.8	0.5	1.0	1.0	0.6	0.6
Armstrong, Que. ³	9.1	0.6	0.3	8.1	8.1	8.0	8.0
Cascade, B.C. ²	2.7					0.7	0.7
Clarenceville, Que. ³	1.3	0.1	0.1	0.7	0.7	1.2	1.2
Coutts, Alberta ⁴	29.0	13.2	0.5				
Douglas, B.C. ²	44.6	1.2	2.1	3.5	3.5	4.0	3.8
Emerson, Manitoba ⁴	12.7	0.2					
Emerson (East-Lynn), Manitoba ²	0.5						
Fraser, B.C. ²	2.0					0.1	0.1
Kingsgate, B.C. ²	7.4					0.1	
Osoyoos, B.C. ⁴	18.0	3.3	0.5				
Standstead Route 55 (Rock Island), Que. ²	17.6	0.5	2.3	5.3	5.3	5.0	5.0
St. Stephen, N.B. ²	15.0						
Miscellaneous Projects and Studies	3.5	0.2	0.4			1.7	1.6
Existing Facilities:							
Miscellaneous Asset Integrity and Health and Safety Projects	Approx. 4.7 annually	3.8	4.7	4.7	4.7	4.7	4.7
Total Major Capital Projects	179.1⁵	23.9	11.4	23.3	23.3	26.3	25.7⁶

¹ Border operation construction projects support both the Admissibility (Access) and Enforcement (Security) Program Activities.

² Project Implementation Phase.

³ Project Close-out Phase.

⁴ Project Completed.

⁵ Excludes the cumulative estimated cost of approximately \$4.7 million being spent annually on projects directed at maintaining the integrity of CBSA's assets and/or on resolving health and safety issues.

⁶ Totals may not add due to rounding.

Table 10: Response to Parliamentary Committees, Audits and Evaluations for FY2004–2005

Response to Parliamentary Committees
None requested in 2004-2005

Response to the Auditor General
<p>March 2004 Report, Chapter 3: National Security in Canada—The 2001 Anti-Terrorism Initiative.</p> <p>http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20041102ce.html</p> <p>Two recommendations (3.133 & 3.134) were made to improve the quality of watch lists, lookouts, and other information sharing between the RCMP, the Canadian Security Intelligence Service, the Canada Border Services Agency, and the Passport Office. Processes were implemented to ensure quality of CBSA lookouts and watch lists and, as agreed, the exchange of lost and stolen passport information was implemented in the summer of 2004.</p> <p>November 2004 Report, Chapter 2: Implementation of the National Initiative to Combat Money Laundering.</p> <p>http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20040303ce.html</p> <p>Observations at paragraph 2.61 revealed delays in CBSA processing Cross Border Currency Reports and information technology connectivity problems between the CBSA and FINTRAC. While no recommendation was made, the CBSA and FINTRAC have since resolved these issues.</p> <p>February 2005 Report, Chapter 1: Information Technology Security</p> <p>http://www.oag-bvg.gc.ca/domino/reports.nsf/html/20050201ce.html</p> <p>This government-wide audit identified several IT security deficiencies. In response, the Treasury Board Secretariat (TBS) requested action plans from all affected departments and agencies. The CBSA is currently reviewing the applicable recommendations and developing an action plan for submission to the TBS by the end of August 2005.</p>

External Audits or Evaluations
None

Internal Audits or Evaluations
<p>Five internal audits were completed in 2004-2005:</p> <ul style="list-style-type: none"> • Information Exchange Memoranda of Understanding with HRSDC • Information Exchange Memoranda of Understanding with the RCMP • Internal Audit of Investigations Directorate – Customs Investigations • Multi-Regional Internal Audit of Firearms Importations • Regional Audit of the Ottawa District Management Framework <p>Two evaluations were completed in 2004-2005:</p> <ul style="list-style-type: none"> • Customs Action Plan (CAP) Interim Evaluation Framework Study • Mandatory Harmonized System (HS) Code Evaluation Study <p>Completed reports can be found at http://www.tbs-sct.gc.ca/rma/database/newdeptview_e.asp?id=115</p>

Table 11: Travel Policies

Comparison to the TBS Special Travel Authorities

Travel Policy of the Canada Border Services Agency:

The Canada Border Services Agency follows the TBS Special Travel Authorities

Comparison to the TBS Travel Directive, Rates and Allowances

Travel Policy of the Canada Border Services Agency:

The Canada Border Services Agency (CBSA) uses the TBS Travel Directive, Rates and Allowances for employees that were transferred by Orders-in-Council to CBSA from Citizenship and Immigration Canada and the Canadian Food Inspection Agency. CBSA also uses the TBS Travel Directive, Rates and Allowances for those employees transferred by Orders-in-Council to the CBSA from the former Canada Customs and Revenue Agency (CCRA) that are subject to signed collective agreements with the TBS.

The CBSA currently uses the CCRA Travel Policy, Rates and Allowances for those employees transferred by Orders-In-Council to the CBSA from the former CCRA who are not yet subject to signed collective agreements with the TBS.

Authority: The CCRA Act.

Coverage: The employees covered by the CCRA Travel Policy, Rates and Allowances include those that are members of the Professional Institute of Public Service (PIPS), as well as employees in the MG and the SM categories.

Principal difference(s) in policy provisions: Dependant care, incidental expense allowance, weekend travel home, weekend travel alternatives.

Principal financial implications of the difference(s): Differential allowances on incidentals and weekend travel home.

Table 12: Sustainable Development Strategies (SDS)

As per the 2004-2005 DPR Guidelines, the Canada Border Services Agency is required to table its first sustainable development strategy in 2006.

Table 13: Service Improvement Initiative (SII)

The Service Standards listed in the 2004-2005 Report on Plans and Priorities were the Customs business line's Service Standards from the Canada Customs and Revenue Agency (CCRA), the Citizenship and Immigration Canada (CIC) Service Standards, and the Canadian Food Inspection Agency (CFIA) Service Standards. The Canada Border Services Agency (CBSA) did not develop integrated Service Standards for the Agency.

CBSA was created December 12, 2003, and will not be providing a progress report on client-satisfaction survey results, the development of and performance against service standards, as well as the extension of service improvement activity to additional service offerings covering the five-year period for the Service Improvement Initiative (SII).

APPENDICES

Appendix A: 2005-2006 CBSA Strategic Framework

CBSA Mandate: The Agency is responsible for providing integrated border services that support national security and public safety priorities and facilitate the free flow of persons and goods, including animals and plants that meet all requirements under the program legislation.

CBSA Mission: To ensure the security and prosperity of Canada by managing the access of people and goods to and from Canada.

We will be successful if we achieve our:

Departmental Priorities 2005 - 2006

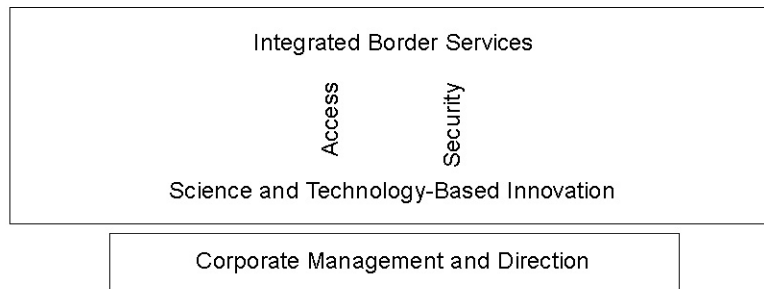
Integrated border management
A solid corporate foundation
Program integrity
A modern management regime
A knowledge based approach

We will gauge our success through the achievement of our:

Strategic Outcome

Efficient and effective border management that contributes to the security and prosperity of Canada.

We will manage our business through our:



We will be guided by our:

Core Values

Integrity, Respect, and Professionalism

Appendix B: Acronyms

Acronym	Description
ACI	Advance Commercial Information
AMPS	Administrative Monetary Penalty System
APEC	Asia-Pacific Economic Cooperation
API	Advanced Passenger Information
BIS	Border Information Service
BSO	Border Services Officer
CANPASS	Pre-approved entry system for pre-approved, low-risk travellers
CAP	Customs Action Plan
CARICOM	Caribbean Community and Common Market
CAS	Corporate Administrative System
CBRNE	Chemical, Biological, Radiological, Nuclear, and Explosive
CBSA	Canada Border Services Agency
CCRA	Canada Customs and Revenue Agency
CDRP	Commercial Drivers Registration Program
CFIA	Canadian Food Inspection Agency
CIC	Citizenship and Immigration Canada
CIDA	Canadian International Development Agency
CIP	Compliance Improvement Plan
CMRS	Consolidated Management Reporting System
CPCS	CANPASS Processing Centre System
CRA	Canada Revenue Agency
CSA	Customs Self Assessment
CSI	Container Security Initiative
CSIS	Canadian Security Intelligence Service
CVO	Compliance Verification Officer
DPR	Departmental Performance Report
EDI	Electronic Data Interchange
EMC	Executive Management Committee
EOC	Emergency Operations Centre
FAC	Foreign Affairs Canada

Acronym	Description
FAST	Free and Secure Trade
FINTRAC	Financial Transactions and Reports Analysis Centre of Canada
FTAA	Free Trade Area of the Americas
G11	Customs Performance Data Collecting Software
GCMS	Global Case Management System
GSP	Government Security Policy
HR	Human Resources
HRSDC	Human Resources and Skills Development Canada
HS	Harmonized System
IBET	Integrated Border Enforcement Team
ICES	Integrated Customs Enforcement System
IGC	Inter-Governmental Consultations on Asylum, Refugee and Migration Policies in Europe, North America and Australia
IPIL	Integrated Primary Inspection Line
IRPA	<i>Immigration and Refugee Protection Act</i>
ITAC	Integrated Risk Assessment Centre
ITC	International Trade Canada
JHA	Job Hazard Analysis
JPAU	Joint Passenger Analysis Units
MIO	Migration Integrity Officer
MOU	Memorandum of Understanding
NCMS	National Case Management System
NEXUS	Joint Canada/US Customs and Immigration Program – pre-approval entry system for frequent travellers
NGO	Non-Governmental Organization
NRAC	National Risk Assessment Centre
OCOL	Office of the Commissioner of Official Languages
OGD	Other Government Departments
PAA	Program Activity Architecture
PALS	Primary Automated Lookout System
PARS	Pre-arrival Review System
PAU	Passenger Analysis Units
POE	Port(s) of Entry
POERT	Port of Entry Recruit Training

Acronym	Description
PSEPC	Public Safety and Emergency Preparedness Canada
PSHRMAC	Public Service Human Resources Management Agency of Canada
PNR	Passenger Name Record
PSAT	Public Security and Anti-Terrorism
RCMP	Royal Canadian Mounted Police
RPP	Report on Plans and Priorities
SBACC	Shared Border Accord Coordinating Committee
SCCP	Sub-Committee on Customs Procedures
SIMA	<i>Special Import Measures Act</i>
SPP	Security and Prosperity Partnership
TITAN™	An automated risk assessment tool used to screen marine commercial shipments
US-CBP	United States Customs and Border Protection
VACIS™	Vehicle and Cargo Inspection System
WCO	World Customs Organization
WTO	World Trade Organization