Public Works and Government Services Canada

Travaux publics et Services gouvernementaux Canada

Canada

Serving GOVERNMENT, Serving CANADIANS.

Respect ◆ Integrity ◆ Excellence ◆ Leadership

2014–15
DEPARTMENTAL PERFORMANCE REPORT

Judy M. Foote, PC, MP
Minister of Public Services and Procurement

Table of Contents

Minister's Message

As Minister of Public Services and Procurement, I am pleased to present the *2014–15 Departmental Performance Report*.

Public Services and Procurement Canada (PSPC) has worked hard to deliver on the priorities set forth in the *2014–2015 Report on Plans and Priorities*. Excelling in government operations, delivering high-quality, central programs and services, ensuring sound stewardship on behalf of Canadians and meeting the program needs of federal institutions are all at the forefront of PSPC's priorities. I am proud of the work that the Department has done to achieve these objectives.

PSPC's National Shipbuilding Procurement Strategy is one of its major commitments. By implementing this strategy, we will ensure that the Royal Canadian Navy is able to operate as a true maritime force, while also growing our economy and creating jobs. Continued investments will help strengthen our Navy, while ensuring that equipment is acquired faster and with vigorous parliamentary oversight.

At the same time, the Department helped Canadians kick-start their businesses through the Build in Canada Innovation Program. Successful innovations supported our economy and created good jobs for Canadians. This program is just one of the many ways the Government of Canada is helping businesses and entrepreneurs become more innovative, competitive and successful.

To protect the integrity of its operations, the Department improved the way in which it administers the Integrity Framework. PSPC also consulted with industry associations regarding future integrity practices to improve due diligence and to make certain that we only do business with suppliers that respect the law and act with integrity.

PSPC also made significant progress in the rehabilitation of buildings in the Parliamentary Precinct, a project that remains on schedule, on scope and on budget. By fiscal year-end, the Department had completed the rehabilitation of the Sir John A. Macdonald Building, which is now the permanent home for large parliamentary meetings and functions.

In submitting this report, I would like to thank all the employees of PSPC. Their dedication was crucial in meeting the deliverables of the past year. Moving forward, the Department will continue to focus on results for client organizations and Canadians in the year ahead.

Judy M. Foote, PC, MP
Minister of Public Services
and Procurement

Section I: Organizational Expenditure Overview

Organizational Profile

Minister: Judy M. Foote

Institutional Head: George Da Pont

Ministerial Portfolio: Public Works and Government Services Canada

Enabling Instrument(s): The *Department of Public Works and Government Services Act*[i] *(DPWGS Act)* establishes the Department of Public Works and Government Services.

Year of Incorporation/Commencement: 1841

Other: The Minister of Public Works and Government Services (PWGS) has responsibilities under 19 other Acts. The most important ones are:

- *Shared Services Canada Act*[ii]
- *Expropriation Act*[iii]
- *Defence Production Act*[iv]
- *Seized Property Management Act*[v]
- *Surplus Crown Assets Act*[vi]
- *Financial Administration Act*[vii]

Organizational Context

Raison d'être

Public Works and Government Services Canada (PWGSC) plays an important role in the daily operations of the Government of Canada. It supports federal departments and agencies in the achievement of their mandated objectives as their central purchasing agent, real property manager, linguistic authority, treasurer, accountant, and pay and pension administrator. The Department's vision is to excel in government operations, and our strategic outcome and mission is to deliver high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.

PWGSC is leading the way the Government of Canada (GC) is transforming its back-office. By enabling government-wide critical programs and services as well as delivering major trans-formation initiatives, the Department is helping the GC do business in line with the modern standards defining a renewed organization such as efficiency, effectiveness, connectivity and better value for clients and Canadians.

Responsibilities

The Department, founded in 1841, was instrumental in the building of our nation's canals, roads and bridges, the Houses of Parliament, post offices and federal buildings across the country.

Today, we have evolved into a sophisticated operational arm of government that employs over 12,500 permanent employees working in locations across Canada and headquartered in the National Capital Area.

The *Department of Public Works and Government Services Act* (the Act), passed in 1996, established the Department and set out the legal authorities for PWGSC's services. The Act established PWGSC as a common service organization providing government departments, boards and agencies with support services for their programs that today include:

- Procurement;
- Office accommodation and facilities;
- Architectural and engineering services;
- Construction, maintenance and repair of public works and federal real property;
- Pay and pension services;
- Receiver General, treasury of Canada administration, and maintenance of the Accounts of Canada;
- Linguistic services;
- Industrial security services; and
- Specialized programs, including government-wide applications and greening of government operations.

Our goal is to manage our business in a way that demonstrates integrity, accountability, transparency, and adds value for our client departments and agencies, and Canadians. In doing so, PWGSC:

- Injects approximately $16 billion annually into the Canadian economy through government procurement for 140 federal departments and agencies, of which $12.2 billion or 76% is for non-military procurement. Of this $12.2 billion, 34% goes to Canadian small and medium enterprises (SMEs);[1]
- Handles over $2.3 trillion in cash flow transactions annually through the Receiver General function;
- Issues more than 13.6 million federal pay and pension payments, annually;
- Provides accommodation to parliamentarians and more than 265,000 public servants in 1,641 locations across Canada;
- Manages a Crown-owned property portfolio with a market value of $7.3 billion, including 18 engineering assets such as bridges and dams;
- Makes rental payments of $1.228 billion on 1,706 lease contracts across Canada, annually;
- Manages 30% of federal real property inventory[viii] based on total floor area;
- Provides $549.2 million in payments in lieu of taxes to 1,233 taxing authorities on behalf of the Government of Canada;
- Provides translation and interpretation services for more than 2,000 parliamentary sittings and parliamentary committee meetings, and manages translation for more than one million pages of text annually on behalf of other federal organizations;
- Processes and images more than 30.4 million pages, annually, for federal government departments and agencies;
- Produces the Public Accounts of Canada. In doing so, PWGSC received an unmodified opinion from the Office of the Auditor General for the 16th consecutive year; and
- Delivers HR services through standardized and consolidated HR systems and supports departments in the transition to a single instance of PeopleSoft 9.1 GC standard (My GCHR).

The portfolio of the Minister of PWGS includes Shared Services Canada, which reports separately. It also includes two Crown corporations: Canada Lands Company Limited and Defence Construction Canada. The Office of the Procurement Ombudsman (OPO) reports to the Minister and operates independently. Details of the operations of the Crown corporations and OPO are provided in separate annual reports that are tabled in Parliament by the Minister.

Strategic Outcome and Program Alignment Architecture

PWGSC's Program Alignment Architecture (PAA), as approved by the Treasury Board, supports our strategic outcome:

> To deliver high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.

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[1] Based on a three-year average (2012–13 to 2014–15)

The following table lists the programs that comprised PWGSC's PAA in 2014–15.

2014–15 PWGSC Program Alignment Architecture

Program	Sub-Program

1.1 Acquisitions	1.1.1 General Procurement Services
	1.1.2 Customized Procurement Services
	1.1.3 Acquisition Stewardship
	    1.1.3.1 Acquisition Policy and Strategic Management
	    1.1.3.2 Client and Supplier Engagement
	1.1.4 Acquisition Support and Innovation
	    1.1.4.1 Canadian Innovation Commercialization Program[2]
	    1.1.4.2 Asset Disposal
	    1.1.4.3 Standards Development and Certification

1.2 Accommodation and Real Property Services	1.2.1 Federal Accommodation 1.2.2 Federal Holdings 1.2.3 Real Property Services 1.2.4 Payments in Lieu of Taxes 1.2.5 Parliamentary Precinct 1.2.6 Sydney Tar Ponds and Coke Ovens Remediation Project
1.3 Receiver General for Canada	1.3.1 Stewardship of Consolidated Revenue Fund and Accounts of Canada 1.3.2 Receiver General Services
1.4 Integrity Programs and Services	1.4.1 Contract Security 1.4.2 Controlled Goods 1.4.3 Forensic Accounting Services 1.4.4 Operational Integrity Services
1.5 Federal Pay and Pension Administration	1.5.1 Pay 1.5.2 Pension
1.6 Linguistic Management and Services	1.6.1 Terminology Standardization Program 1.6.2 Translation and Other Linguistic Services 1.6.3 Translation and Interpretation to Parliament 1.6.4 Conference Interpretation
1.7 Specialized Programs and Services	1.7.1 Greening of Government Operations 1.7.2 Client Service Strategy 1.7.3 Government Information Services 1.7.4 Document Imaging Services 1.7.5 Shared Travel Services 1.7.6 Central Relocation Services 1.7.7 Shared Services Integration 1.7.8 Ministers' Regional Offices
1.8 Procurement Ombudsman [ix]	1.8.1 Review of Procurement Practices 1.8.2 Supplier Complaints

1.9 Internal Services	1.9.1 Governance and Management Support
	    1.9.1.1 Management and Oversight
	    1.9.1.2 Communications
	    1.9.1.3 Legal
	1.9.2 Resource Management Services
	    1.9.2.1 Human Resources Management
	    1.9.2.2 Financial Management
	    1.9.2.3 Information Management
	    1.9.2.4 Information Technology
	    1.9.2.5 Travel and Other Administrative Services
	1.9.3 Asset Management Services
	    1.9.3.1 Real Property
	    1.9.3.2 Materiel
	    1.9.3.3 Acquisition

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[2] This has been renamed to Build in Canada Innovation Program (BCIP)

Contribution of Priorities to Strategic Outcome

In 2014–15, the Department had three organizational priorities that supported the strategic outcome:

1. Delivering Efficient and Effective Services;

2. Transforming Critical Infrastructure; and

3. Ensuring Sound Stewardship and Management Excellence.[3]

These are reported on in the Organizational Priorities table and are also reflected in the Analysis of Programs, Sub-Programs and Sub-Sub-Programs by Strategic Outcome in Section II of this report.

PWGSC's Client Service Strategy

PWGSC launched its Client Service Strategy in 2010 to improve the management of government operations and to strengthen its client partnerships through effective and efficient service delivery and a culture of service excellence. This department-wide initiative is focused on six pillars which are now firmly rooted in PWGSC culture:

1. Service Agreements;

2. Service Standards;

3. Service Offerings;

4. Client Engagement;

5. Client Satisfaction; and

6. Client Service Culture.

PWGSC has strengthened client satisfaction and client relationships through client engagement, interdepartmental service agreements, the client barometer, and the annual e-publication, Our Services, Standards and Results[x].

PWGSC further strengthened the culture of service excellence by integrating the Client Service Competency into all aspects of human resources management—including planning, learning, staffing, recognition, and performance management. The Client Service Competency applies to all PWGSC employees and contains a set of behaviours that lead to excellence in client service.

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[3] It is worth noting that PWGSC's current three organizational priorities are as follows: Value for Money, Innovation and Modernization; and Service Excellence. These priorities have been identified in the 2015–16 RPP and will be reported on in the next DPR

In 2014–15, we continued to make progress on improving client service by developing the future direction of the Client Service Strategy. This renewed strategy positions PWGSC as a valued partner in the management of government operations. It includes three new priorities:

1. Engaging clients early and continuously;

2. Enabling employees at all levels to foster service excellence through training and other mechanisms such as strengthened engagement networks, the annual Contact Conference, and PWGSC Client Service Week; and

3. Offering integrated and effective solutions, including aligning service transformations to maximize collaboration and synergy.

Organizational Priorities

Priority	Type	Programs
Delivering Efficient and Effective Services	Ongoing	• Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Federal Pay and Pension Administration • Linguistic Management and Services • Specialized Programs and Services • Internal Services

Summary of Progress

Description

Working within and across programs to continuously improve the efficiency and effectiveness of service delivery to PWGSC's clients inside and outside government by reducing costs and increasing service quality, while maintaining integrity and transparency.

Why is this a priority?

With a mission to deliver high-quality services and programs, PWGSC focuses on improving service delivery to meet the current and future needs of its clients, increase their satisfaction with the services they receive, and ensure they and Canadian taxpayers receive value for their money.

What progress has been made toward this priority?

In 2014–15, the Department:

[Value for Money] [4]

- Continued the implementation of key strategic government-wide initiatives, such as the National Shipbuilding Procurement Strategy (NSPS) and the Build in Canada Innovation Program (BCIP) to help the Government achieve its priorities of creating jobs and bolstering economic growth. Moreover, the National Fighter Procurement Secretariat (NFPS) fulfilled the following commitments from the Government's Seven-Point Plan:
  - the fourth and fifth Canadian Industrial Participation in the F-35 Joint Strike Fighter Program report and the evaluation of options methodology reports;
  - the 2014 National Defence Annual Update;
  - the independent review of the Annual Update;
  - the review of the acquisitions process to replace Canada's CF-18 fleet and the government's response; and
  - the summary report on the evaluation of options and other unclassified related reports.

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[4] Like we did in the 2014–15 RPP, we are using the concepts of Value for Money; Innovation and Modernization; and Service Excellence as drivers inside each priority in order to prepare for the alignment of the priorities identified in the 2014–15 RPP and reported on in this DPR (2014–15) with the current PWGSC's priorities (which were first identified in the 2015–16 RPP and will be reported on in the 2015–16 DPR).

Summary of Progress (continued)

- Advanced workplace improvements by updating offices and enabling new technologies, as appropriate, to create more efficient workspaces and realize savings. A total of 59 accommodation projects applied Workplace 2.0 (WP2.0) standards. Among these projects, 35 (59%) reached the highest standards and were awarded a WP2.0 Accreditation. This standard of excellence highlights accommodation projects that provide modern, sustainable and connected workspaces allowing employees to thrive in flexible and healthy work environments.

- Made further progress in the implementation of the use of direct deposit.

- Enabled the Government of Canada's Human Resources Modernization (HRM), Financial Management Transformation (FMT), electronic documents and records management (GCDOCS) and Shared Case Management Systems (SCMS) initiatives to leverage economies of scale.

- Closed the Real Property Business and Systems Transformation project (previously referred to as NOVUS) after the final technical software upgrade to the departmental financial system was conducted in December 2014. This system enhancement will enable the decommissioning of five legacy IT systems used by PWGSC to manage property-related information such as leases and digital floor plans.

- Continued to provide human resources (HR) and compensation services to small departments and agencies.

- Modernized the Translation Bureau to ensure an efficient delivery of linguistic services to the Government of Canada (GC).

- Continued to modernize and transform Contract Security's operations to reduce red tape and increase the efficiency of the security clearance process, by redesigning business processes and dedicating teams of personnel to specific registration steps.

[Transformation, Innovation and Modernization]

- Advanced the Government's ability to leverage defence procurements by improving the governance and management of defence procurement through timely, coordinated decision-making by senior level governance committees in partnership with various government departments and through early and continuous industry engagement.

- Made further progress in the Acquisitions Program Transformation with the Smart Procurement approach and the Digital Procurement Strategy in order to continue to improve client service and relationships with suppliers, and streamline its procurement processes.

- Successfully completed on time, within budget and within scope the Transformation of Pension Administration Initiative for the Royal Canadian Mounted Police, and continued work on the initiative to transfer the administration of Canadian Armed Forces pension plans to PWGSC. This will result in decreasing the cost of pension administration for the Government as a whole while improving client service.

- Undertook consultations and developed proposals for a new government-wide Integrity regime.

- Allowed the electronic receipt of notices from non-federal government clients to be published in Part I of the *Canada Gazette*.

Summary of Progress (continued)

- Provided and standardized GC common application services and modernized the way it acquires, consumes and renews its back office applications for information management and information technology (IM/IT) supporting HR, finance, electronic records-keeping and case management functions.

- Enhanced the efficiency of HR service delivery by taking advantage of economies of scale through the standardization and consolidation of HR systems. My GCHR supported departments as they transition from their existing departmental HR applications to a single instance of PeopleSoft 9.1 GC standard.

[Client Service and Integrity]

- Advanced the federal procurement reform to simplify processes and reduce administrative costs of the Government's procurement system, while reducing the administrative burden for suppliers. For example, PWGSC is reviewing the Standing Offer/Supplier Arrangement (SO/SA) which supports the broader Procurement Reform Initiative. The goal is to examine the overall effectiveness of SOs and SAs and to make recommendations on how these instruments may be improved. Phase 1 focused on mandatory commodities has been completed; Phase 2 focused on the remaining commodities will start in the Fall 2015.

- Implemented real property service management solutions through the development of new contracts tailored to its clients' needs, allowing the Department to respond with increased ability and agility.

- Continued the implementation phase of both the Pay Modernization and Consolidation of Pay Services projects, which are two components of the Transformation of Pay Administration (TPA) Initiative. PWGSC is replacing the outdated pay system, streamlining business processes, and consolidating pay administration services. The transfer of pay services from other departments to PWGSC's Public Service Pay Centre is progressing well with all employees in place and currently delivering pay services for 70,200 employee pay accounts from 46 departments and agencies. By the end of December 2015 with the implementation of Phoenix, the Pay Centre will be providing pay services to 184,000 employees. The TPA Initiative ensured the long-term sustainability of the Government of Canada pay administration, increased efficiency, and will generate more than $70 million in annual savings to the Government starting in 2016–17.

- Continued to provide Document Imaging Services to support federal government departments and agencies in their transformation initiatives by reducing the need to store large volumes of paper documents and allowing departments to improve client service and reduce operational costs.

- Completed the streamlining of the Call Centre infrastructure for Contract Security and Controlled Goods.

- Continued the implementation of the enhancements to Controlled Goods, which improved service delivery and compliance as well as increased operational efficiencies. These improvements included reducing unnecessary steps in the registration process. The proposed *Regulations Amending the Schedule to the Defence Production Act* were published in Part I of the *Canada Gazette*.

Priority	Type	Programs
Transforming Critical Infrastructure	Ongoing	• Acquisitions • Accommodation and Real Property Services

Summary of Progress

Description

Implementing major initiatives to transform the management of the Department's physical assets and support sound stewardship objectives.

Why is this a priority?

PWGSC must use available resources to effectively maintain up-to-date infrastructure, introduce efficiencies in meeting the infrastructure needs of its clients, and exercise sound stewardship on behalf of Canadians.

What progress has been made toward this priority?

In 2014–15, the Department:

[Value for Money]

- Strengthened the management of its holdings and leasing portfolios and refreshed the long-term life-cycle management of its engineering assets. PWGSC also decreased the number of assets rated as high risk by a total of two. Six targeted assets are currently at various multi-year project delivery stages. We will continue to address these risk levels in the next fiscal year, and upon completion, these assets will be removed from the high-risk category.

- Continued work on the Carling Campus project, which will provide office space to accommodate up to 8,500 Department of National Defence (DND) personnel from other National Capital Area (NCA) locations and generate significant savings over a 25-year period through: reduction in operational and accommodation costs; increased efficiency of National Defence Headquarters operations; strengthened security; and improved affordability of PWGSC's real estate portfolio.

- Sold a PWGSC-owned high-value federal surplus property totalling 8.38 hectares in the Metro Vancouver area to the Canada Lands Company (CLC).

[Transformation, Innovation and Modernization]

- Facilitated the acceleration of the in-service date of the New Bridge for the St. Lawrence Corridor, in the greater Montreal area, in collaboration with other federal partners as well as provincial and municipal jurisdictions. This was achieved by dedicating resources to develop technical documentation required to support an accelerated schedule and dedicating services to rapidly acquire properties needed for the project.

- Advanced the restructuring of the Atomic Energy of Canada Limited (AECL) nuclear laboratories by undertaking a competitive procurement process, in conjunction with Natural Resources Canada, to implement a Government-Owned, Contractor-Operated model.

[Client Service and Integrity]

- Continued to update and rehabilitate the buildings in the Parliamentary Precinct to meet accommodation requirements of the Senate, the House of Commons and the Library of Parliament.

- Completed the rehabilitation of the Sir John A. Macdonald Building ($99.5 million), continued major rehabilitation work on the West Block ($862.9 million), the Wellington Building ($425.2 million), and the Senate Interim Accommodation Project ($269.5 million), and commenced preliminary site work on the East Block 1867 Wing Exterior Rehabilitation ($167.3 million).

Priority	Type	Programs
Ensuring Sound Stewardship and Management Excellence	Ongoing	All Programs

Description

Description

Strengthening departmental practices and processes in the delivery of internal services and the management of financial and human resources in support of PWGSC's mandate, and supporting excellence in the greening of government operations.

Why is this a priority?

PWGSC is committed to building an enabling and productive workplace, to improving internal processes, and to promoting environmental sustainability government-wide. The activities related to this priority will also ensure that PWGSC conducts its operations with integrity, accountability, transparency, and adds value for its client departments and for Canadians.

What progress has been made toward this priority?

In 2014–15, the Department:

[Value for Money]

- Continued to exercise financial and administrative leadership and oversight while ensuring value for money in delivering on departmental priorities.

[Transformation, Innovation and Modernization]

- Maintained an integrated approach to workforce planning and management while fostering a healthy, sustainable workplace and a skilled, diverse workforce.

- Modernized human resources management through the adoption of My GCHR (PeopleSoft) and the SABA learning management system.

- Refined performance measures for the Internal Services component of the PAA, as per the Management Accountability Framework (MAF) Round 11 (2013–14) Action Plan.

- Continued to strengthen its IM practices in accordance with the Treasury Board Secretariat's Recordkeeping Directive, and Library and Archives Canada guidelines.

- Continued the transformation and modernization of its IM/IT.

- Worked closely with other government departments to improve the environmental performance of the federal government in the areas of greenhouse gas emissions reduction, waste management, and water management.

[Client Service and Integrity]

- Renewed its Client Service Strategy to incorporate requirements of the Treasury Board Policy on Service and Blueprint 2020 client service commitments to serve its clients with excellence.

- Optimized the value and efficiency of services provided to other government departments and agencies, through service excellence culture, service offerings transformation, leadership development and an enhanced Client Service Strategy.

- Increased the capacity of the Fairness Monitoring program (and offered the program to other government departments) to provide independent assurance that monitored governmental activities are conducted in a fair, open and transparent manner, using impartial fairness monitors to oversee the high risk, high value or highly sensitive processes.

Risk Analysis

Key Risks

Risk	Risk Response Strategy	Link to Program Alignment Architecture
Financial Risk—PWGSC's reliance on cost recovery poses risks in an environment of reduced expenditures on the part of client departments.	PWGSC adjusted to reduced operational demands while maintaining the quality of its services. This included sustaining rigorous management of revenues, expenditures, forecasting and commitment monitoring, and working closely with other departments through the client service network to identify changing requirements and their impacts on the Department.	• Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Linguistic Management and Services • Specialized Programs and Services • Internal Services
Complex, Transformational and Interdepartmental Major Projects and Procurements related Risk—There are inherent risks in PWGSC undertaking and delivering complex, transformational and interdepartmental major projects and procurements on time, within the approved budget and according to scope (which could ultimately have an impact on the Department's service strategy).	PWGSC's risk responses included: implementation of disciplined investment and project management processes; development and implementation of service agreements and service standards with clear identification of responsibilities; sound contract management; early engagement with client departments and other stakeholders; and development and implementation of the Department's Integrated Investment Plan (IIP).	• Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Federal Pay and Pension Administration • Linguistic Management and Services • Specialized Programs and Services
Workforce Risk—There is a risk that PWGSC may not have the ability to maintain a high-performing workforce with the appropriate skills and competencies to achieve the expected service delivery levels in support of evolving business needs.	PWGSC risk responses included: Reinforcement of the integrated approach to business and HR planning, including in the context of transformation; modernization of the HR management through new systems and approaches; reinforcement and streamlining of internal processes to better meet clients' needs; continued implementation of HR strategies; implementation of the Treasury Board Secretariat's Directive on Performance Management; and sustaining the momentum for Blueprint 2020 as a driver for people engagement and the building of an efficient workforce for the future.	• Acquisitions • Accommodation and Real Property Services • Receiver General for Canada • Integrity Programs and Services • Federal Pay and Pension Administration • Linguistic Management and Services • Specialized Programs and Services • Internal Services

Risk Narrative

PWGSC formally integrates risk into business planning, decision making and organizational processes to minimize negative impacts and maximize opportunities across its diverse range of services and operations. Risk management is conducted throughout PWGSC in accordance with the TBS Framework for the Management of Risk, PWGSC Policy on Integrated Risk Management, the International Organization for Standardization (ISO) 31000 and the Canadian Standards Association (CSA) Implementation Guide to CAN/CSA-ISO 31000, Risk Management—Principles and Guidelines.

Financial Risk—PWGSC's reliance on cost recovery poses risks in an environment of reduced expenditures on the part of client departments. To mitigate financial risk, the Department has developed a more robust Financial Management Framework, which is continuously being improved upon to manage revenues, expenditures and commitments. PWGSC has also developed a Client Service Strategy targeted at providing quality services to clients in the context of fluctuating business volumes.

Complex, Transformational and Interdepartmental Major Projects and Procurements related Risk—As the government's common service provider, PWGSC undertakes large and complex enterprise initiatives for the Government of Canada. There are risks associated with these projects. PWGSC's risk management approach included: implementation of disciplined investment and project management processes; robust service agreements and service standards with clear identification of responsibilities; sound contract management; early engagement with client departments and other stakeholders; and the Department's Integrated Investment Plan (IIP).

Workforce Risk—PWGSC has reinforced departmental strategies to effectively manage workforce adjustment activities, including the activities stemming from the transfer of compensation services to Miramichi, and ensured the required workforce is in place to deliver the Department's mandate, including leadership development activities and a streamlined succession planning approach, as well as developed strategies to foster a healthy work environment and continue to be an employer of choice.

Actual Expenditures

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date*	2014–15 Actual Spending (authorities used)	Difference (actual minus planned)
2,664,123,913	2,664,123,913	2,996,577,870	2,767,163,511	103,039,598

Totals may not add up due to rounding.

* PWGSC's 2014–15 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund principles. Also, these include $54 million that was set aside by Central Agencies mainly for projects and initiatives to be carried out in future years.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
12,159.68**	11,641.5	(518.18)

** In the PWGSC 2014–15 Report on Plans and Priorities (RPP), the planned FTEs were reported as 12,151, it should have been 12,159.68.

Budgetary Performance Summary for Strategic Outcome and Programs (dollars)

Strategic Outcome, Programs and Internal Services	2014–15 Main Estimates	Planned Spending			2014–15 Total Authorities To Date***	Actual Spending (authorities used)		
		2014–15	2015–16	2016–17		2014–15	2013–14	2012–13
Strategic Outcome 1: To deliver high quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.								
Acquisitions	152,864,600	152,864,600	151,339,610	161,053,741	150,959,462	144,689,522	152,781,604	158,849,677
Accommodation and Real Property Services	1,966,139,279	1,966,139,279	2,175,548,102	1,982,867,539	2,203,881,692	2,032,720,120	2,111,237,753	2,011,582,718
Receiver General for Canada	101,056,015	101,056,015	99,157,873	99,064,558	123,736,048	116,448,841	120,686,479	117,792,671
Integrity Programs and Services	19,913,717	19,913,717	15,505,622	15,481,155	22,135,913	22,035,911	-	-
Federal Pay and Pension Administration	118,212,847	118,212,847	114,163,435	78,422,374	129,838,324	115,698,499	101,211,263	80,559,725
Linguistic Management and Services	68,100,297	68,100,297	60,913,368	60,963,502	69,039,515	57,727,344	61,627,911	78,458,807
Specialized Programs and Services	32,606,961	32,606,961	29,617,191	24,607,548	48,319,386	47,133,036	56,443,733	49,534,679
Procurement Ombudsman	4,103,650	4,103,650	4,111,325	4,108,225	4,220,905	3,889,948	4,075,023	3,884,382
Subtotal	2,462,997,366	2,462,997,366	2,650,356,526	2,426,568,642	2,752,131,247	2,540,343,220	2,608,063,764	2,500,662,660
Internal Services Subtotal	201,126,547	201,126,547	221,169,070	218,850,030	244,446,623	226,820,291	239,060,369	236,870,598
Total	**2,664,123,913**	**2,664,123,913**	**2,871,525,596**	**2,645,418,672**	**2,996,577,870**	**2,767,163,511**	**2,847,124,134**	**2,737,533,257**

Totals may not add up due to rounding.

*** PWGSC's 2014–15 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund principles. Also, these include $54 million that was set aside by Central Agencies mainly for projects and initiatives to be carried in future years.

As part of the present Departmental Performance Report, PWGSC is informing parliamentarians and Canadians of the budgetary performance achieved for 2014–15. This performance is measured against the planned spending defined in PWGSC's 2014–15 Report on Plans and Priorities (RPP).

As a result, the present analysis focuses on the following:

A. 2014–15 Planned Spending, as stated in the 2014–15 RPP;
B. 2014–15 Authorities To Date, which represent PWGSC's final authorities granted by Parliament; and
C. 2014–15 Actual Spending (authorities used), as stated in the 2014–15 Public Accounts.

B to A: Increase of **$333 million** in 2014–15 Total Authorities To Date ($2,997 million) over 2014–15 Planned Spending ($2,664 million)

This increase is mainly due to:

- Various projects for which authorities were granted throughout the fiscal year. These projects include non-discretionary expenses, such as operating and maintenance, related to Crown-owned buildings, leased space and the cost of providing office accommodation to federal organizations;

- Paylist shortfall reimbursements (e.g. severance payments and collective agreement salary increases); and

- Changes in project schedules for which amounts were transferred from 2013–14 to be consumed in 2014–15 (e.g. Parliamentary Precinct Rehabilitation).

C to B: Decrease of **($229 million)** in 2014–15 Actual Spending ($2,767 million) over 2014–15 Total Authorities To Date ($2,997 million)

This decrease is mainly due to:

- Revised project schedules; and

- Prudent financial management of departmental resources mostly in the Accommodation and Real Property Services.

C to A: Increase of **$103 million** in 2014–15 Actual Spending ($2,767 million) over 2014–15 Planned Spending ($2,664 million)

This increase is mainly due to:

- The advancement of the renovation on the Wellington Building;

- The cost related to issuing payments, such as stamps and envelopes;

- The substantial increase in banking fees over the last few years, related to the growth in government e-commerce; and

- A one-time transition payment to align with the industry standard in payroll practices.

For additional information on:

1) Past years Actual Spending, please consult the 2012–13 and 2013–14 Public Accounts[xi].

2) Future years Planned Spending, please consult the 2014–15 and 2015–16 RPPs[xii].

Alignment of Spending with the Whole-of-Government Framework

Alignment of 2014−15 Actual Spending with the Whole-of-Government Framework[xiii] (dollars)

Strategic Outcome	Program	Spending Area	Government of Canada Outcome	2014−15 Actual Spending
To deliver high quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.	1.1 Acquisitions	Government Affairs	Well-managed and efficient government operations	144,689,522
	1.2 Accommodation and Real Property Services	Government Affairs		2,032,720,120
	1.3 Receiver General for Canada	Government Affairs		116,448,841
	1.4 Integrity Programs and Services	Government Affairs		22,035,911
	1.5 Federal Pay and Pension Administration	Government Affairs		115,698,499
	1.6 Linguistic Management and Services	Government Affairs		57,727,344
	1.7 Specialized Programs and Services	Government Affairs		47,133,036
	1.8 Procurement Ombudsman	Government Affairs	A transparent, accountable and responsive federal government	3,889,948

Total Spending by Spending Area (dollars)

Spending Area	Total Planned Spending	Total Actual Spending
Economic Affairs	-	-
Social Affairs	-	-
International Affairs	-	-
Government Affairs	2,462,997,366	2,540,343,220

Departmental Spending Trend

Departmental Spending Trend Graph

In thousands of dollars ($)

	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18
■ Time-limited initiatives	0	0	0	854	60,682	2,759
■ Voted	2,633,436	2,740,131	2,638,792	2,749,264	2,467,110	2,508,555
■ Statutory	104,098	106,993	128,371	121,407	117,626	116,718
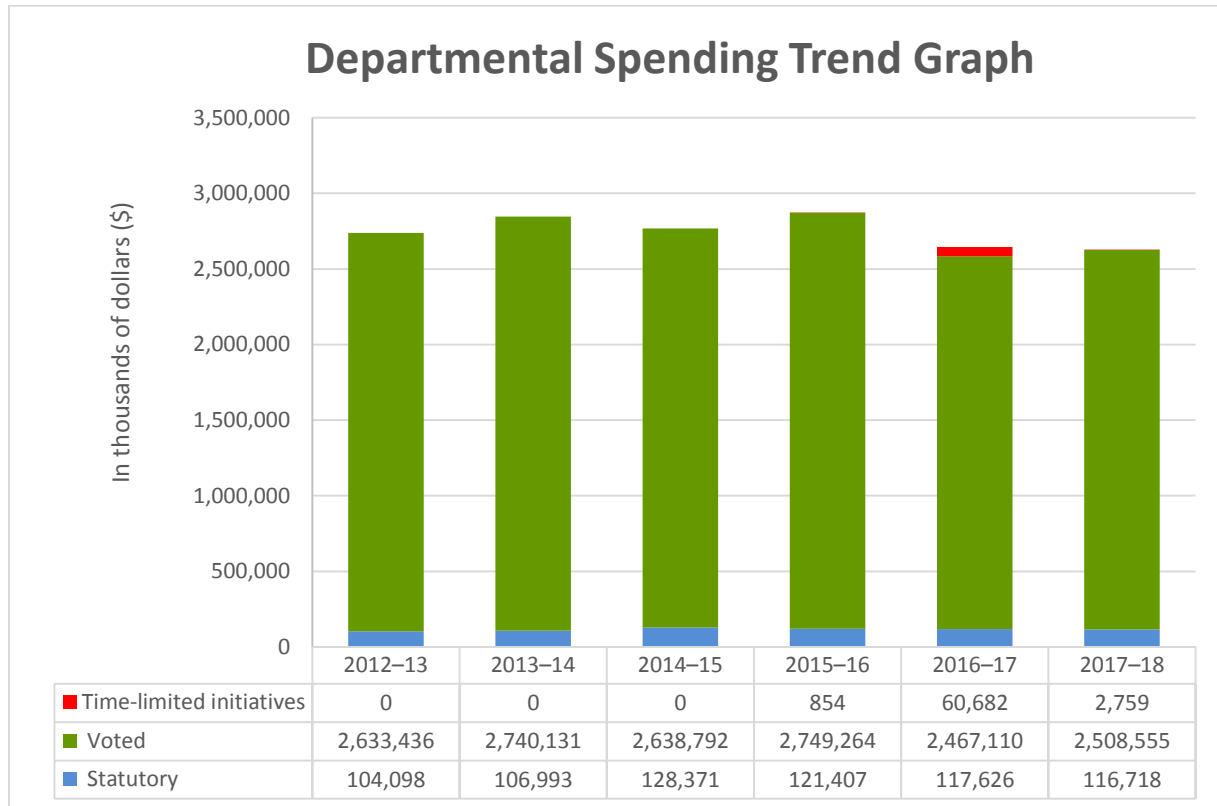
The cause of variances to the time-limited initiatives is as follows:

- From 2014–15 to 2015–16: to complete project closure activities related to Sydney Tar Ponds;

- From 2015–16 to 2016–17: to complete: the Transformation of Pay Administration—Pay Modernization; Phase II of the Federal Contaminated Sites Action Plan; and the *Whole-of-Government Web Buy* Initiative; and

- From 2016–17 to 2017–18: to complete the Cost and Profit Assurance Program.

Estimates by Vote

For information on PWGSC's organizational voted and statutory expenditures, consult the *Public Accounts of Canada 2015*[xiv] which is available on the Public Works and Government Services Canada website[xv].

Section II: Analysis of Programs by Strategic Outcome

Strategic Outcome

Public Works and Government Services Canada's (PWGSC's) strategic outcome is to deliver high-quality, central programs and services that ensure sound stewardship on behalf of Canadians and meet the program needs of federal institutions.

Programs, Sub-Programs and Sub-Sub-Programs

The following section describes PWGSC's programs, sub-programs and sub-sub-programs and planning highlights that support our strategic outcome. It also includes an overview of the financial and human resources, expected results, performance indicators and targets for each program. Additional information is available on our [Departmental website](#)[xvi].

Program 1.1: Acquisitions

This program shows Public Works and Government Services Canada (PWGSC) as the government's primary procurement service provider offering federal organizations a broad base of procurement solutions such as specialized contracts, standing offers and supply arrangements. The role of PWGSC in this area is to provide timely value-added acquisitions and related common services to Canadians and the federal government.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date*	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
152,864,600	152,864,600	150,959,462	144,689,522	(8,175,078)

Totals may not add up due to rounding.

*   Acquisitions' 2014–15 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund principles.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
1,626**	1,694	68

** In the PWGSC 2014–15 Report on Plans and Priorities (RPP), the planned FTEs were reported as 1,672 for Program 1.1 Acquisitions. This number included data for the sub-programs "Shared Travel Services" and "Central Relocation Services". These two sub-programs are now reported on under Program 1.7— "Specialized Programs and Services" (as per the PWGSC 2014–15 PAA).

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Fair, open and transparent acquisition that provides best value to Canadians and is delivered effectively and efficiently to the satisfaction of the government and Canadians.	% Government of Canada Addressable Spend through PWGSC Procurement instruments (Standing Offers and Supply Arrangements)	15%	15%
	Percentage of total contracted value awarded competitively	70%	88.3%
	Cost per $100 PWGSC Contract Value	< $0.80	$0.75

Performance Analysis and Lessons Learned

In 2014–15, PWGSC continued to improve procurement effectiveness and efficiency through the Acquisitions Program Transformation (APT) by improving client service; reducing costs and process burdens for clients and suppliers; and advancing a more strategic and integrated approach to procurement. The main strategies of the APT include Smart Procurement, Digital Procurement, and People Management.

During the fiscal year, the Department continued to implement the Smart Procurement approach, the centerpiece of the APT, which covers all aspects of procurement. The Smart Procurement Toolkit, a web-based resource containing over thirty guidance documents, reference templates, lessons learned, case studies, and training materials, was developed and implemented to help procurement officers apply the Smart Procurement principles. In addition, the Smart Engagement Tool was implemented to manage and document client and supplier engagement. This new approach serves to enhance PWGSC's service offerings, in support of the Client Service Strategy.

PWGSC also continued implementing the Digital Procurement Strategy to enhance access to the procurement process, foster competition and ensure fairness by providing easy web-based access to information and web-based tools and to make it easier for clients to procure the goods and services they need for program delivery. Consultations and industry engagement for an e-procurement solution were completed in 2014–15, in preparation for the launch of the procurement process.

To support the APT, a People Management Strategy was launched that ensured the development of the professional competencies required for effective procurement, now and in the future.

The Department made effective use of Buyandsell.gc.ca[xvii], PWGSC's web portal for government buyers and industry suppliers, to provide information on procurement opportunities and how to sell to government.

PWGSC also leveraged federal procurement to generate socio-economic benefits for Canadians by promoting innovation through the Build in Canada Innovation Program (BCIP), job growth through the Defence Procurement Strategy (DPS), and environmental stewardship through the National Goods and Services Procurement Strategies.

In addition, PWGSC maintained effective governance mechanisms, such as procurement secretariats, to ensure that acquisitions project decisions, risks and issues are visible and managed appropriately.

The decrease in actual spending over the planned spending is mainly due to delays in contract awards for innovations under the program. PWGSC Acquisitions has taken steps to streamline the contracting process. In addition, there was an increase due to the timing in receiving payments from external clients (i.e. provinces and territories) for the Vaccine Program.

The difference between planned and actual FTEs is mainly due to an increase in resources for the transformation of the Acquisitions Program.

Sub-Program 1.1.1: General Procurement Services

This sub-program identifies PWGSC as the government's primary procurement service provider offering the federal government a broad base of standard or unique procurement solutions including contracts, standing offers, supply arrangements and procurement tools. The role of PWGSC in this area is to manage contracts for goods, services and construction on behalf of client departments and agencies of the Government of Canada and includes the management of contractual activities such as planning, acquisitions and contract administration. In general, while the procurement solutions addressed in this sub-program can be complex, they are typically the common, frequently purchased requirements of most departments.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
68,466,023	69,922,718	1,456,695

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
791	752	(39)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Timely acquisition of goods and services that provide value for money to support the delivery of government programs and services.	% of original contracts of basic or standard risk and complexity awarded within established timeframes	80%	76.9%
	Overall level of client satisfaction	75%	72%

Performance Analysis and Lessons Learned

PWGSC implemented the Defence Procurement Strategy (DPS), launched in February 2014, to support the Government's ongoing commitment to ensure that purchases of defence equipment create economic opportunities for Canadians and that defence procurement outcomes improve through streamlined and coordinated decision-making. The DPS has three key objectives: delivering the right equipment to the Canadian Armed Forces and the Canadian Coast Guard in a timely manner; leveraging purchases of defence equipment to create jobs and economic growth in Canada; and streamlining defence procurement processes.

The Department provided leadership and oversaw the implementation of the DPS. This included the standing up of a DPS Secretariat within PWGSC and a new senior governance regime at the Assistant Deputy Minister and Deputy Minister levels. The Secretariat has a coordinating and implementation oversight function, providing strategic analysis and advice based on a whole of government approach. The governance regime, in partnership with the Department of National Defence, Industry Canada and the Department of Foreign Affairs, Trade and Development, ensures streamlined, coordinated and effective decision-making for defence and major Canadian Coast Guard procurements and in the implementation of the Strategy. The DPS partner departments have implemented several foundational elements including:

- the implementation of a Value Proposition Framework, in consultation with industry, which includes an initial list of procurements to which Value Propositions are applied;
- the release of the first Defence Acquisition Guide;
- the initial review of procurement processes across departments; and
- the development of new procedures to support streamlining objectives.

Work also began on the establishment of an independent review panel for major procurements within the Department of National Defence, as well as for the enhancement of defence analytical support.

PWGSC also continued developing and implementing National Goods and Services Procurement Strategies (NGSPS) by focusing on robust engagement—one attribute of Smart Procurement— with government departments, agencies and suppliers to better understand their needs in order to develop more efficient and effective procurement instruments. These commodity strategies are integral to the Department's commitment to help government departments and agencies achieve

efficiencies through management of government-wide operational requirements, consensus on strategic procurement direction, and coordinated delivery and operational services. Environmental considerations are being addressed in all NGSPS, enabling federal departments and agencies to purchase goods and services that are environmentally sensitive.

There is no significant variance as the difference does not exceed $3.0 million or 5% of the General Procurement Services' planned spending.

The difference between planned and actual FTEs is mainly due to attrition.

Sub-Program 1.1.2: Customized Procurement Services

This sub-program identifies PWGSC as the government's procurement provider for customized procurement solutions including industry consultations, market surveys, conducting complex competitive solicitations and contract negotiations, award and management of contracts including legal agreements. Often such procurements include a wide range of technically complex systems and services, are unique, high in dollar value and are long-term agreements. Because of the complexity and the nature of the requirement they usually require early involvement of PWGSC procurement specialists in the definition phase of the program and require dedicated procurement teams in the implementation phase of the procurement strategies. Since these procurements may be sensitive in nature and/or require a multi-phased approach, risk management, performance management, financial management and change management are all important aspects of the overall project management regime.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
8,003,991	13,806,018	5,802,027

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
312	381	69

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Dedicated resources are allocated for Customized Procurement Services and requisitioned needs are met in a timely and effective manner.	Proportion of complex competetive files following a formalized PWGSC procurement plan that are within 20% of the current and agreed to project schedule	80%	Not available (See explanation under Performance Analysis.)

Performance Analysis and Lessons Learned

PWGSC continued to support the Royal Canadian Navy and the Canadian Coast Guard through the work of the National Shipbuilding Procurement Strategy (NSPS).

Vancouver Shipyards and Irving Shipbuilding both undertook infrastructure upgrades in order to build new ships efficiently and deliver best value to Canada by investing $170 million and $300 million respectively, at no cost to the federal government. Several contracts were awarded, including a build contract with Irving Shipbuilding for the construction of six Arctic Offshore Patrol Ships. The development of the procurement strategy for the Canadian Surface Combatant continued, in consultation with industry, and a procurement process was launched for Search and Rescue lifeboats. In addition, the final two (of a total of nine) Mid-Shore Patrol Vessels were delivered to the Canadian Coast Guard by Irving Shipbuilding. These Patrol Vessels are referred to as the Hero-class since they are all named in memory of fallen Canadian heroes.

Industry analysts have estimated that government shipbuilding projects would create, both directly and indirectly, 15,000 jobs and generate $2 billion annually through the NSPS. The Strategy continues to deliver economic benefits for Canada. As of October 2014, Vancouver Shipyards reported it had awarded $120 million in contracts to suppliers in Canada. Irving Shipbuilding reported investments totaling $310 million with companies in Canada. Over 190 Canadian companies have received work as a result of the NSPS.

PWGSC also successfully led a competitive procurement process in conjunction with Natural Resources Canada (NRCan) to implement a Government-Owned Contractor-Operated (GoCo) model to advance the restructuring of the Atomic Energy of Canada Limited (AECL) nuclear laboratories, and bring private-sector rigour and efficiencies into the management of its facilities and services. Industry was heavily engaged throughout the initial stage of the procurement process, leading to the prequalification of four bidder teams, which resulted in a successful bid solicitation in the second stage of the procurement. It is anticipated that AECL will issue the GoCo contract by early fall 2015 to complete the third and final stage of the procurement.

PWGSC continued to support Infrastructure Canada, the project authority charged with delivering the new Bridge for the St. Lawrence Corridor. Three consortia (Signature on the Saint Lawrence Group, Saint-Laurent Alliance, and St. Lawrence New Bridge Partnership) participated in a Request for Proposals (RFP) process. The selected private-sector partner will be required to design, build, finance, operate and maintain the new bridge which will replace the Champlain Bridge. The Government of Canada concluded the selection process and announced the preferred proponent, Signature on the Saint-Lawrence Group, on April 15, 2015. The 34-year Public Private Partnership Project Agreement was signed on June 19, 2015.

The increase in actual spending over the planned spending is mainly due to the timing in receiving payments from external clients (i.e. provinces and territories) for the Vaccine Program.

The difference between planned and actual FTEs is mainly due to the transfer of FTEs to advance projects such as the New Bridge for the St. Lawrence Corridor, the Maritime Helicopter Project and the Horizontal Engineering Program Plan under the National Shipbuilding Procurement Strategy.

With regard to performance results, given the unique nature of customized procurements, the Acquisitions Program has had challenges in finding a common performance indicator for this type of procurement. A new performance indicator, "Proportion of monthly status reports provided to clients for custom procurements over $1 million", will be in place in 2015–16 to provide a better indication of performance for this sub-program.

Sub-Program 1.1.3: Acquisitions Stewardship

This sub-program identifies PWGSC as the government's primary steward of government acquisitions providing the federal government and suppliers with a well functioning acquisition system. As such, PWGSC ensures effective management of the acquisition function by: providing direction and guidance to stakeholders; overseeing the development and deployment of government-wide strategies, designing processes and tools to preserve the integrity of the acquisition system; and maintaining the system's relevance and focus on the evolving needs and resource realities of federal departments and agencies, and the capacities of supplier communities.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
45,726,422	45,381,312	(345,110)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
335	366	31

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Alignment of federal departments and agencies' needs with capabilities of suppliers.	% PWGSC Contract Value addressed by published National Goods and Services Procurement Strategies	25%	11%

Performance Analysis and Lessons Learned

In collaboration with the Department of Finance and the Treasury Board Secretariat (TBS), PWGSC led the development of options for reforming federal procurement. Work was initiated on several key initiatives, such as reviewing the efficiency and effectiveness of standing offers and supply arrangements; leveraging federal government procurement by

obtaining Governor-in-Council approval to extend PWGSC procurement services and tools to other jurisdictions; and exploring ways to consolidate the procurement of services and allowing PWGSC to enter into contracts without first obtaining funded requisitions. In addition, PWGSC reviewed the bid compliance process; explored ways to increase the transparency of sole source contracts and increase the limits on sole source contracting to align with trade agreement thresholds; and explored ways to pay suppliers faster by increasing the use of government acquisition cards and direct deposit.

PWGSC maintained a strong framework to support accountability and integrity in procurement transactions, with strong governance, codes of conduct, fairness monitoring, audits, financial controls and internal reviews. The framework applies to all those involved in PWGSC's procurement activities and to all transactions managed by the Department. In spring 2014, PWGSC implemented a number of new measures to further strengthen the integrity of its procurement transactions and continued to engage with other departments to explain the framework and to respond to requests on the application of integrity clauses to their procurement transactions.

There is no significant variance as the difference does not exceed $3.0 million or 5% of the Acquisition Stewardship's planned spending.

The difference between planned and actual FTEs is mainly due to capacity building for the Acquisitions Program Transformation being implemented.

With regard to performance results, the variance between the target for the percentage of PWGSC contract value addressed by published National Goods and Services Procurement Strategies (NGSPS) and the actual result is mainly due to a large increase in procurement value in 2014–15 for commodities that are not covered in the NGSPS.

Sub-Sub-Program 1.1.3.1: Acquisition Policy and Strategic Management

This sub-sub-program identifies PWGSC as the strategic leader in understanding and interpreting the legislative and policy landscape to support the management and continuous improvement of government acquisitions; the provision of acquisition-related advice, guidance and oversight including the development and application of standards and guidelines in support of Acquisitions Program objectives; and developing and implementing tools and instruments designed to improve the effective and efficient management of the acquisition system for the federal government and suppliers.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
28,775,372	30,411,089	1,635,717

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
Was not included in the 2014–15 RPP.	252	N/A

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The federal government leverages tools and instruments to support simple and timely delivery of acquisition solutions for the federal government and suppliers.	Volume (#) of GC procurement transactions completed through the use of PWGSC procurement instruments	100,000	166,312

Performance Analysis and Lessons Learned

PWGSC enhanced the government's procurement function by releasing and maintaining comprehensive policy instruments that respond to and respect the Government's strategic direction, Canada's international and domestic trade obligations, socio-economic and environmental objectives while ensuring the integrity of the procurement process. Policy instruments also supported PWGSC's efforts to make its procurement function more effective, efficient and responsive to the needs of suppliers and client departments and agencies.

Several policy instruments were developed or updated during the reporting period including the *Framework for Smart Procurement,* the *Framework for Information Management,* the *Policy on Engagement,* the *Policy on the Use of Independent Advice in Procurement,* the *Policy on Considering Benefits for Canadians in Government Procurement,* and the *Guideline on Ensuring the Participation of Small and Medium Enterprises in Government Procurement.* PWGSC also enhanced the Acquisitions Program Risk Assessment by implementing changes to procurement complexity levels, risk assessments and approval authorities.

The National Fighter Procurement Secretariat (NFPS) fulfilled its commitments from the Seven-Point Plan and demonstrated openness and transparency in releasing all unclassified reports in December 2014.

No decision was made on the replacement of Canada's fighter fleet. To ensure continued safe and effective operations during the transition to a new fleet, Canada extended the life of the current fleet of CF-18 fighters to 2025.

The increase in actual spending over the planned spending is mainly due to a one-time transition payment to align with the industry standard in payroll practices, and paylist shortfall reimbursements (e.g. severance payments and collective agreement salary increases).

Sub-Sub-Program 1.1.3.2: Client and Supplier Engagement

This sub-sub-program identifies PWGSC as the lead in engaging federal departments and agencies, suppliers, and other stakeholders in identifying best practices in the area of procurement, and informing the design and management of effective approaches and tools.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
16,951,050	14,970,223	(1,980,827)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
Was not included in the 2014–15 RPP.	114	N/A

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The federal government manages an acquisition system that is responsive to the needs of clients and supplier communities.	Overall level of supplier satisfaction with OSME information sessions	80%	96.3%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC remained committed to giving small and medium enterprises (SMEs) opportunities to compete for government business. On average, SMEs won approximately 40% of the total value of procurements awarded by PWGSC to suppliers located in Canada over the last three fiscal years. This represents nearly $5.5 billion of the more than $14 billion procured by PWGSC on an annual basis from Canadian suppliers. Since 2006, PWGSC has assisted over 280,000 individuals and suppliers across Canada.

PWGSC assists SMEs in doing business with the government by consulting with entrepreneurs to understand the barriers they experience; consulting with industry and establishing procurement strategies for how we buy different goods and services; providing free information sessions for SMEs across the country; and improving the transparency of its processes. The Department also helps Canadian companies of all sizes through the Build in Canada Innovation Program that buys and tests innovative, pre-commercial goods and services.

Under the Defence Procurement Strategy, the Government ensures that purchases of defence equipment are leveraged to create economic opportunities for Canada. This is an important commitment for SMEs, which make up the majority of firms associated with Canada's defence-related industries.

In 2014, the Minister of PWGS conducted broad consultations with suppliers seeking their suggestions to improve the federal procurement process. An action plan was produced that identifies initiatives to address key issues raised by suppliers. Some of these initiatives have already been implemented while others will be implemented over a two-year period. During the implementation of the plan, consultations with suppliers will continue to ensure these initiatives address suppliers' concerns and remove barriers to doing business with the Government of Canada.

PWGSC continued to engage with client departments to support and assist them in improving their procurement processes and practices. PWGSC provided a wide range of services and tools to help better manage departments' spend; shared procurement knowledge and best practices; identified and implemented procurement and commodity management strategies; and updated client departments on procurement tools and mechanisms.

To support the implementation of PWGSC's Client Service Strategy and the Treasury Board *Policy on Service*, the Department continued to increase the level of detail and the frequency of service procurement standards reporting in order to strengthen the transparency and accountability of Acquisitions Program activities.

The decrease in actual spending over the planned spending is mainly due to the transfer of Information Management and Information Technology activities to the Internal Services program to align with the new departmental structure.

Sub-Program 1.1.4: Acquisition Support and Innovation

This sub-program identifies PWGSC as the government's primary provider of common services and programs for the federal government, industry and consumers that support or leverage the acquisition function: from the provision of standards development and conformity assessment services to the disposal of government goods, as well as programs that use the acquisition system to advance the government's socio-economic objectives for Canadians.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
30,668,164	15,579,473	(15,088,691)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
188	195	7

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The federal government manages common services and programs throughout the acquisition lifecycle and leverages the acquisition system to address broader socio-economic objectives.	% volume non-military procurement contracts awarded to SMEs	70% (+/- 5%)	78%

Performance Analysis and Lessons Learned

To support Canada's Action Plan on Open Government 2.0, launched on November 6, 2014, PWGSC added Government of Canada procurement expenditure data to the Open Government portal. These data represent the actual amount spent by federal government departments and agencies for the acquisition of various goods and services.

Procurement expenditure data are managed by PWGSC and are a summary of expenditures grouped by main commodities. The data are collected annually from 56 departments and cover 95% of the Government of Canada procurement expenditures as published in *Public Accounts of Canada*. These expenditure data are used for analysis and reporting, to inform PWGSC procurement strategies, and to respond to information requests from across government.

The decrease in actual spending over the planned spending is mainly due to delays in contract awards for innovations under the program. PWGSC Acquisitions has taken steps to streamline the contracting process.

The difference between planned and actual FTEs is mainly due to capacity building.

Sub-Sub-Program 1.1.4.1: Canadian Innovation Commercialization Program

This sub-sub-program identifies PWGSC as the leader in using the government's acquisition system as a vehicle to support innovative Canadian businesses by providing them with opportunities to test and evaluate their pre-commercial products and services to support their entry into the marketplace.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
27,306,947	10,944,812	(16,362,135)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
Was not included in the 2014–15 RPP.	12	N/A

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The federal government supports the pre-commercial products and services of Canadian Enterprises.	Percentage of available budget for innovations matched and tested by government departments per round	80%	80%

Performance Analysis and Lessons Learned

The Build in Canada Innovation Program (BCIP) — formerly called Canadian Innovation Commercialization Program (CICP) — became a permanent program with an added military procurement component as per Budget 2012. Through BCIP, PWGSC continued to help companies bridge the pre-commercialization gap for their innovative products and services; support Canadian suppliers that have developed new and innovative products and technologies to connect with government users and to test their innovations; provide real-world evaluation of pre-commercial goods and services; and improve the efficiency and effectiveness of government operations**.**

In June 2014, the Government announced that 72 innovations (61 standard and 11 military) had pre-qualified under the fourth Call for Proposals, which was the first to include a military component. At the same time, the fifth Call for Proposals was announced; 221 proposals were received and 74 innovations were pre-qualified. As of March 2015, 230 innovations were pre-qualified, and a total of 104 contracts were awarded to support testing of these innovations. To date, 25 federal organizations have participated in testing innovations.

The decrease in actual spending over the planned spending is mainly due to delays in contract awards for innovations under the program. PWGSC Acquisitions has taken steps to streamline the contracting process.

Sub-Sub-Program 1.1.4.2: Asset Disposal

This sub-sub-program identifies PWGSC as responsible for providing services to support the federal government to responsibly manage the disposal of surplus moveable or seized goods in a manner that is transparent, financially sustainable and provides best value to the government.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
2,361,328	3,208,330	847,002

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
Was not included in the 2014–15 RPP.	154	N/A

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The federal government obtains best value in disposing of surplus moveable or seized goods.	Percentage of seized property sales obtaining 90% of appraised asset value	90%	90%
	Percent of book value obtained on disposal of moveable capital assets	100%	100%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC launched GCTransfer, a new website that allows government departments to post, view and obtain surplus assets and transfer them within federal departments and agencies at no fee or direct cost. In accordance with the Treasury Board *Directive on Disposal of Surplus Materiel*, all departments must manage and dispose of their surplus materiel assets as effectively and quickly as possible, and in a manner that obtains the highest net value for the Government of Canada. By finding new users for surplus assets, GCTransfer will help to significantly reduce acquisition costs.

PWGSC also expanded the GCSurplus online bidding system to provide shipping services to GCSurplus customers and has engaged industry for the maintenance and future development of its online bidding system to increase efficiency in operations and maximize revenue potential.

Finally, the Department provided effective and efficient asset stewardship operations that minimized legal and operational risks, are financially sustainable and offer the best value to government and stakeholders using reliable, modern and secure infrastructure.

The increase in actual spending over the planned spending is mainly due to a one-time transition payment to align with the industry standard in payroll practices, and paylist shortfall reimbursements (e.g. severance payments and collective agreement salary increases).

Sub-Sub-Program 1.1.4.3: Standards Development and Certification

This sub-sub-program identifies PWGSC as responsible for providing a client-centred, comprehensive development of standards and conformity assessment services in support of the economic, regulatory, procurement, health, safety and environmental interests of government, industry and consumers.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
999,889	1,426,332	426,443

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
Was not included in the 2014–15 RPP.	29	N/A

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The federal government and industry use standards development and conformity assessment services in support of their interests in the economic, regulatory, procurement, health, safety and environmental areas and use these standards and programs to support consumer confidence.	Percentage of standards reviewed on time (within a five-year cycle for National Standards of Canada)	75%	81.1%
	Percentage of products and services certified within specified timeframe	85%	83%
	Level of clients satisfaction with the Canadian General Standards Board's registration services	75%	92.5%

Performance Analysis and Lessons Learned

Through the Canadian General Standards Board (CGSB), PWGSC continued to expand strategic partnerships with federal government clients and other public-sector organizations to support dissemination of common standards and verification processes. The Department reviewed its stakeholder collaboration and engagement tools and approaches, in order to ensure a strong Canadian voice in standardization to support and safeguard Canadian economic, environmental, and health and safety interests.

In 2014–15, CGSB published 11 standards (new editions, amendments or reaffirmations). In addition, CGSB signed and delivered new and in-progress Memoranda of Understanding for ISO 9001 certification with Correctional Services Canada, Health Canada and PWGSC's Real Property Branch. CGSB continued discussions with PWGSC's Real Property and Acquisitions Programs for the reintegration of the qualification program for office furniture as a mandatory requirement in future consolidated procurement instruments.

The increase in actual spending over the planned spending is mainly due to the unexpected cancellation of a number of revenue generating projects, resulting in $400,000 in expenditures without offsetting revenue.

Program 1.2: Accommodation and Real Property Services

PWGSC provides federal departments and agencies with affordable office and common use accommodation that supports the delivery of their programs and services. The Department acts as steward for various public works such as buildings, bridges and dams, and national treasures such as the Parliamentary Precinct and other heritage assets across Canada. PWGSC also provides other federal departments, agencies, and the Parliament of Canada with responsive and cost-effective real property services.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date*	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
1,966,139,279	1,966,139,279	2,203,881,692	2,032,720,120	66,580,841

Totals may not add up due to rounding.

* Accommodation and Real Property Services' 2014–15 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund principles. Also, these include $37 million that was set aside by Central Agencies mainly for projects and initiatives to be carried out in future years.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
3,642	3,408.33	(233.67)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations have affordable accommodation and facilities that meet Government standards.	More efficient use of office space as measured by m^2 allocation per person	18.4 m^2/ per person	18.2 m^2/ per person
	Affordability of office space as measured by cost ($) per m^2	$323/$m^2$	$333.25/$m^2$
Federal organizations and the Parliament of Canada receive responsive and cost-effective real property services.	Percentage of all Real Property projects >$1 M that are on-time, on-budget, on-scope (average of on-time, on-budget and on-scope performance indicators)	90%	97%
A real property portfolio that maximizes economic benefit and minimizes short and long term liability.	Percentage of vacant marketable Crown-owned office space	≤3.5%	2.5%
	Maintenance and recapitalization costs as a percentage of portfolio replacement cost. (Facilities Condition Index)	<10%	9.4%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC continued to implement and monitor its Client Relationship Management (CRM) service standards which include commitments to provide regular progress reports to client departments as well as to respond to client enquiries and address issues in a timely manner. Leveraging its real property expertise enabled the Department to better serve its clients, meet their needs and support the Government of Canada's objectives. With the continued use of the Client Barometer to measure client satisfaction, PWGSC has seen a steady improvement in overall client satisfaction with the delivery of its real property services and programs. This is in line with the organizational priority of service excellence.

The Department responded to evolving real property needs by enhancing its optional service offering to include portfolio management, planning and disposal services. Broadening the service offering takes advantage of PWGSC's real property expertise and allows clients to focus on their core mandate to deliver efficient and effective services and programs to Canadians.

PWGSC continued to provide modern, effective and flexible service delivery to clients through leveraging private-sector expertise, capacity and agility. This is in direct response to Canadians' demand for increased quality, efficiency and accountability from government. PWGSC negotiated National Service Agreements for Canada Border Services Agency, Natural Resources Canada, and the Royal Canadian Mounted Police, who are using Real Property-1 (RP-1), the newest real property service delivery contract, to manage part of their custodial portfolio.

The Department maintained Canadians' trust in the integrity of real property contracting instruments through expanded oversight initiatives. In addition, as a result of recommendations to strengthen due diligence across our organization, a National Oversight Framework for real property functions was established. Oversight guidelines and a plan for conducting ongoing oversight were developed. Embedding effective oversight practices into our daily operations will uphold PWGSC's strong business fundamentals.

PWGSC ensured sound stewardship and management in the delivery of major rehabilitation projects such as the Long Term Vision and Plan (LTVP) for the Parliamentary Precinct by continuing to engage stakeholders as per the Client Service Strategy, practicing sound contract management, and establishing strong governance structures. The national and international reputation of PWGSC continued to grow as an expert in the management, restoration, modernization and conservation of heritage buildings. PWGSC completed its evaluation of the relevance and performance of the LTVP and the support for its continual operation of buildings within the Parliamentary Precinct. The final reports were made available on-line[xviii] on June 23, 2015.

The increase in actual spending over the planned spending is mainly due to the advancement of the renovation on the Wellington Building, as well as non-discretionary expenses, such as operating and maintenance, related to Crown-owned buildings, leased space and the cost of providing office accommodation to federal organizations.

PWGSC has continued to modernize the real property organization through the development, implementation and evaluation of progressive tools, strategies and processes that enhance business performance, such as the previous innovative sale and leaseback of seven federal office properties. A full evaluation of the sale-leaseback initiative is planned for 2015–16. An analysis of key performance measures to date indicates that, following the transfer of ownership, client satisfaction has remained unchanged, that call centre volumes have remained consistent and that operation and maintenance (O&M) expenses are within the norms of the national averages for Crown-owned assets.

The difference between planned and actual FTEs is mainly due to financial constraints and less demand for services.

With regards to performance results, PWGSC maintained higher than targeted results for delivering real property projects valued over $1 million on-time, on-budget and on-scope. PWGSC was unable to meet the target of "Affordability of office space as measured by cost ($) per m²". It can be noted that over the past years, the ratio of m²/person has stabilized itself nationally. This indicates that the percentage of Occupancy Instruments complying with the Office Accommodation Space Allocation Standards is improving, allowing the Department to focus on continuing the Workplace 2.0 momentum.

Sub-Program 1.2.1: Federal Accommodation

This sub-program meets the accommodation needs of federal organizations by providing and maintaining a cost effective portfolio of office facilities and common use assets. This sub-program is composed of two primary activities: the provision, on an obligatory basis, of general-purpose accommodation and common use space to support the delivery of government programs; and optimization of real property investments in direct support of the provision of accommodation.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
1,384,283,061	1,403,653,398	19,370,337

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
1,139	1,033.20	(105.80)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of federal accommodation assets that maximize economic benefit.	Percentage return on investment (ROI) for Crown-owned office assets	>4%	5.71%
	Percentage of recapitalization budget spent	80%	92.2%
	Minimize growth of Operation and Maintenance Cost per m^2	≤7% of previous year	Decreased by 4 % of previous year.
Federal organizations receive affordable solutions for their accommodation requirements.	Affordability as measured by cost ($) per person	$6,156.43/ person	$6,062.94/person

Performance Analysis and Lessons Learned

In 2014–15, PWGSC provided sound stewardship of its accommodation infrastructure by maintaining a solid return on investment for Crown-owned office assets, maximizing the use of its recapitalization budget and minimizing the growth of Operation and Maintenance (O&M) costs where possible. These portfolio targets are based on historical trends and inflation projections and are complemented by benchmarking analysis against other Canadian public and private-sector organizations. The Department defined a new business model and planning priorities in line with the Deputy Minister's priorities and mandate of stewardship and service excellence.

The Department maintained the affordability of the accommodation provided to its clients by monitoring their costs and continued expanding the use of private-sector providers to manage and operate federal buildings. This helped to ensure that government clients received quality services at competitive rates. Moreover, PWGSC continued to work with departments and agencies to optimize and reduce the Government of Canada's footprint both in space requirements and in carbon emissions. It also reviewed external governance and service agreements to improve predictability of demand, transparency of results, and joint lifecycle costing.

PWGSC continued to implement Workplace 2.0 where possible as the Department looks to both modernize the public service workplace and keep costs to taxpayers at a minimum. As buildings were re-fitted and tenants changed, workspaces were reconfigured. New project teams have been put in place to advance the Workplace 2.0 program of projects and the three highest priorities of the National Capital Region Long Term Portfolio Plan: L'Esplanade Laurier; Les Terrasses de la Chaudière, and Lester B. Pearson Building rehabilitation.

The Department continued to work on the Carling Campus project, which will provide office space to accommodate up to 8,500 Department of National Defence (DND) personnel from NCA locations and generate significant savings over a 25-year period through: reduction in operational and accommodation costs; increased efficiency of DND Headquarters operations;

strengthened security; and improved affordability of PWGSC's real estate portfolio. Further-more, PWGSC worked with TBS and DND to develop a government-wide vision of an Information Technology solution needed to meet real property information management requirements.

The increase in actual spending over the planned spending is mainly due to non-discretionary expenses, such as operating and maintenance, related to Crown-owned buildings, leased space and the cost of providing office accommodation to federal organizations.

The difference between planned and actual FTEs is mainly due to financial constraints.

Sub-Program 1.2.2: Federal Holdings

This sub-program manages a diverse portfolio of federal facilities under the purview of the Minister of PWGSC. It includes various components that are grouped for reporting purposes. They include the stewardship and management of major engineering assets and wharves as well as the development of strategies for their divestiture. Other components include: appraisals for all acquisitions, dispositions and transfers of real estate, as well as the maintenance of related guidelines and policies; authoritative interpretation of expropriation legislation and regulations and the implementation of the expropriation process on behalf of the federal government; the provision of space to support the delivery of federal government programs through the steward-ship and management of special properties (predominantly conference and training facilities); the administration, capital management and leasing services for residential housing units in the Northwest Territories and Nunavut to support the delivery of federal government programs; a leadership role within the federal government regarding advice, training and consultation with respect to real property and the related impact on First Nations issues; and, the Surplus Federal Real Property Homelessness Initiative (SFRPHI) aimed at preventing and reducing homelessness across Canada by making surplus federal real property available as non-cash contributions.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
191,927,619	177,771,638	(14,155,981)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
21	18.20	(2.80)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A portfolio of federal holdings assets (marine structures, and land transportation) that minimize short and long-term liability.	Decrease in number of assets rated as high risk	Decrease by 1	Decrease by 2
	Percentage of bridges with structural condition rated "4" or better (fair to excellent) based on standard 1 to 6 scale	80%	81%
	Percentage of dams meeting stability requirements based on standard criteria	100%	100%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC decreased its number of assets rated as high risk by a total of two. This was in part due to the continued work on the replacement or rehabilitation of five major bridges and dams with the Engineering Assets Strategy Program of Work carried over from 2013–14. The Department continued to work with Regions to ensure the assets were updated to address all health and safety risks. The Department also continued to seek divestiture and partnership alternatives for other assets in order to address the long-term lifecycle requirements of the portfolio.

The decrease in actual spending over the planned spending is mainly due to revised project schedules on major initiatives such as: bridge crossings, dam sites, and specialized assets.

There is no significant variance between planned and actual FTE.

Sub-Program 1.2.3: Real Property Services

This sub-program provides real property services, on a fee for service basis, to the Federal Accommodation, Federal Holdings and Parliamentary Precinct programs of PWGSC, as well as to other departments.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
4,600,000	20,289,805	15,689,805

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
2,384	2,262.88	(121.12)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations receive responsive and cost-effective real property services.	Percentage of all Real Property projects >$1 M that are on-time	90%	94%
	Percentage of all Real Property projects >$1 M that are on-budget	90%	98%
	Percentage of all Real Property projects >$1 M that are on-scope	90%	98%
	Private Sector Leverage: Dollars spent in the private sector for each dollar that we spend internally on billable labour	≥$11	11

Performance Analysis and Lessons Learned

In 2014–15, PWGSC worked with client departments to help them attain their space reduction targets, whether through disposal, portfolio management or a combination of solutions. To achieve this, the Office of Real Estate Disposals was created in April 2014. The first disposal bundle of eight properties, including the vacant land on Carling Avenue (Ottawa, ON), is scheduled to be completed by June 2015, generating revenue of $170 million following an enhanced routine disposal process. The second bundle with Other Government Departments (OGDs) is being confirmed. Other sales of significant value are Fairmont Complex (Vancouver, BC), and 816 Government Road (Vancouver, BC).

The Department also enhanced its oversight role with a focus on improving service contract compliance and receiving value for money. In support of this, PWGSC completed the Real Property 1 (RP-1) initiative which consists of six regional, performance-based contracts to provide a comprehensive range of real property services for federally-owned and leased assets across Canada. The Department successfully awarded six national RP-1 contracts in November 2014. Furthermore, a successful operational transition towards a new service provider was completed by April 1, 2015, with little to no impact to the service delivery to PWGSC and OGDs. These contracts are the largest of their kind in North America with an estimated value of $23 billion over a 14-year period.

PWGSC strengthened its position as the real estate centre of expertise for the Government of Canada, delivering its projects on-time, on-budget, on-scope and in compliance with rules and regulations to meet clients' needs and improve overall satisfaction. All Major Crown Projects continued to track on-time, on-budget, on-scope, and in accordance with the Report on Plans and Priorities (RPP).

The Department continued to leverage private-sector expertise to deliver quality and cost-effective real property services. As a modern corporate real estate organization, PWGSC used a phased-in approach to expand the scope of private-sector real property service delivery, which maximizes the Department's efforts to provide strategic real property expertise to clients.

In addition, PWGSC progressed on schedule towards the targeted in-service date of 2018 for the New Bridge for the St. Lawrence in the greater Montreal area, and 2020 for the remaining Bridge Corridor. The Department provided expertise to Transport Canada in the following areas: land acquisition and disposal, project management, property appraisal, land surveying and environmental stewardship. The availability of in-house expertise within PWGSC helps to control overall project costs and ensures that actions are taken in a timely manner.

In 2014–15, PWGSC developed the National Portfolio Plan (NPP) mandate, vision, framework, recommendations and preliminary program of work. The NPP, a strategic initiative designed to improve ways of managing the portfolio, was completed and approved by the National Portfolio Board. Three of the five Programs of Work have been prepared: 1) Capital, 2) Lease, and 3) Acquisition and Disposal.

The increase in actual spending over the planned spending is mainly due to the timing in receiving payments from external clients (i.e. provinces, territories and others) for infrastructures such as the MacDonald Cartier Bridge, and a one-time transition payment to align with the industry standard in payroll practices.

The difference between planned and actual FTEs is mainly due to less demand for services.

Sub-Program 1.2.4: Payments in Lieu of Taxes

This sub-program administers the Payments in Lieu of Taxes program on behalf of the Government of Canada by issuing payments to taxing authorities under the authority of the Payments in Lieu of Taxes Act. Local taxing authorities benefit through receipt of payments, which compensate them for the services they provide federal property located in their jurisdictions.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
6,190,276	6,434,733	244,457

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
53	50.22	(2.78)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Local taxing authorities receive fair, equitable, and predictable payments on behalf of the Government of Canada, as contribution to the cost of local government.	Percentage of properties where taxing authorities have accepted their Payment in Lieu of Taxes and have not requested a review	90%	99%
	Percentage of tax year Payment in Lieu of Taxes payments that have been finalized by March 31	90%	99%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC introduced a corporate real estate model within the Payment in Lieu of Taxes (PILT) Program, through the modernization of program and portfolio management. This expanded upon the earlier transformational phases of instituting a service delivery model and continued to advance client relationship management. In tandem with the program oversight initiatives, PILT instituted robust oversight mechanisms to improve the due diligence, quality control and quality assurance aspects of the business.

There is no significant variance as the difference does not exceed $3.0 million or 5% of the Payments in Lieu of Taxes' planned spending.

There is no significant variance between planned and actual FTE.

Sub-Program 1.2.5: Parliamentary Precinct

This sub-program provides effective property and facility management services to the Parliament of Canada. The buildings and grounds of the Parliamentary Precinct are defined as the premises which the Senate, the House of Commons and the Library of Parliament occupy, including those enabling Senators and members to perform their parliamentary work and the related premises and grounds required to support that work (excluding constituency offices). The Minister of PWGSC is the official custodian of the buildings and grounds and is responsible for their care, upkeep, structural integrity and appearance, for the management of major renovations and new construction as well as for provision of general purpose accommodation.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
378,284,584	424,222,164	45,937,580

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
45	45.3	0.3

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Rehabilitation and reconstruction projects preserve the cultural and physical heritage of the Parliamentary Precinct.	Percentage of Major Capital Projects >$1 million that are on-time	90%	90%
	Percentage of Major Capital Projects >$1 million that are on-scope	90%	98%
	Percentage of Major Capital Projects >$1 million that are on-budget	90%	98%
Parliamentarians are equipped to conduct Parliamentary operations 24 hours of the day.	Number of hours per annum that essential property management services are not provided for the ongoing operation of Parliament	Not more than 48 hours per annum.	0.53 hours

Performance Analysis and Lessons Learned

In 2014–15, PWGSC initiated construction work on the Visitor Welcome Centre Phase One, the Senate Interim Accommodation Project — Government Conference Centre, and the East Block 1867 Wing Exterior. In accordance with the LTVP, accommodation of parliamentarians and parliamentary business operations continued uninterrupted. Throughout 2014–15, LTVP projects for the buildings in the Parliamentary Precinct were on-time, on-budget, and on-scope. The following list highlights the work completed by March 31, 2015, along with links to additional information.

- **West Block Rehabilitation**[xix]—Major excavations in the north court area and courtyard were completed. Masonry and roof rehabilitation progressed significantly; structural work continued throughout the building; and Laurier Tower roof was completed, including decorative metalwork. The number of workers on site exceeded 500 on a daily basis. The overall project was 55% complete as of March 31, 2015.

- **Visitor Welcome Centre—Phase 1**—The design development was almost complete. The Underground Utility Relocations was completed, allowing excavation work to begin in March. The Visitor Welcome Centre is targeting LEED Gold environmental standard. The overall project was 23% complete as of March 31, 2015.

- **Sir John A. Macdonald Building Rehabilitation**[xx]—The overall project was substantially completed as of March 31, 2015. The Building components and connectivity systems were installed; and all of the building's systems were commissioned. The building was operational and the contractor was resolving minor deficiencies.

- **Wellington Building Rehabilitation**[xxi]—The exterior building envelope was almost complete; the base building system, interior fit-up and cabling installation were well underway. The overall project was 75% complete as of March 31, 2015.

- **Senate Interim Accommodation Project—Government Conference Centre Rehabilitation**—The building was vacated in early spring 2014, allowing work to commence. The major construction started in late fall and the building was undergoing abatement and demolition work. The overall project was 12% complete as of March 31, 2015.

- **East Block 1867 Wing Exterior Rehabilitation**[xxii]—Building investigations continued throughout the year and the design process was underway. The overall project was 11% complete as of March 31, 2015.

- **Centre Block, Pre-Design Planning**[xxiii]—In March 2015, consultations were held with industry regarding the Prime Design Consultant and Construction Manager.

- **Confederation Building, Recapitalization**[xxiv]—The design for windows stabilization was completed and construction work was carried out throughout the year. The modernization of the elevators was completed, with all elevators in service by January 2015.

- **Parliamentary Grounds, Recapitalization**—The shop drawings for the steel platforms and fabrication were complete. However, as this took more time than anticipated, the West Slope Infrastructure project's completion date was revised to July 31, 2015. As for Phase 3 of the North Perimeter Wall, the construction contract was tendered later than anticipated, and the contract is planned to be awarded in April 2015.

The increase in actual spending over the planned spending is mainly due to the advancement of the renovation on the Wellington Building.

There is no significant variance between planned and actual FTE.

Sub-Program 1.2.6: Sydney Tar Ponds and Coke Ovens Remediation Project

This sub-program addresses Canada's commitment to the cost effective and environmentally sound stewardship of joint federal and provincial property. This reflected in a Memorandum of Agreement (MOA) signed on May 12, 2004, between the Minister of Public Works and Government Services and the Premier of Nova Scotia wherein the governments negotiated a $400M cost share agreement legally bonding both parties to the remediation of the Sydney Tar Ponds and Coke Ovens Sites.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
853,738	348,382	(505,356)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
0	0	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Administrative and financial close out of the STP Project achieved while meeting requirements for disposal of assets, close out of leases, reporting and evaluation.	% of reports completed on time	100%	100%
	% of assets disposed of in accordance with policy and procedures	100%	100%
	% of leased space ending before the close out period	100%	100%
	% of procedures audited	100%	100%
Managerial process plans ensure orderly closeout of the STP Project.	% of managerial process plans carried out within the established timeframes	100%	100%
	% of files stored according to PWGSC policies and procedures	100%	100%
	% of e-files backed up	100%	100%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC closed out the Sydney Tar Ponds and Coke Ovens Remediation Project. The project sites were successfully remediated in 2013-14, ahead of schedule and under budget with substantial cost savings. The Province of Nova Scotia accepted full ownership of the sites and is responsible for ongoing future maintenance and monitoring of the sites as well as any contemplated future development, as per the Memorandum of Agreement (MOA) of May 12, 2004. The remaining funds in 2014–15 were allocated to PWGSC to perform project close-out activities and due diligence. All project close-out activities were completed on target.

The decrease in actual spending over the planned spending is mainly due to cost savings in the performance of due diligence and final close-out activities.

Program 1.3: Receiver General for Canada

This program manages the operations of the federal treasury, produces the Public Accounts and maintains the Accounts of Canada. It provides federal departments with an optional financial and materiel management system offering and bill payments.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date*	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
101,056,015	101,056,015	123,736,048	116,448,841	15,392,826

Totals may not add up due to rounding.

* Receiver General for Canada's 2014–15 Total Authorities To Date include $7 million that was set aside by Central Agencies mainly for projects and initiatives to be carried in future years.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
390	328	(62)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Timely and efficient issuance of all government payments, provision of deposit detail reports, and central accounting reports.	Percentage of payments issued through direct deposit	90%	79.25%
	Public Accounts of Canada posted on the web within 24 hours of tabling in the House of Commons	100%	100%
	Average unit cost per payment	$0.33	$0.31
	Percentage of Receiver General payments issued within established timeframes	99.99%	99.99%

Performance Analysis and Lessons Learned

Timely and efficient issuance of all government payments and the provision of central accounting reports were achieved. The Receiver General function is evolving in order to remain relevant and responsive, and to keep pace with the shift in Canadians' expectations in terms of electronic banking services, direct deposit and the availability of real time GC financial data.

The Department continues to carry out mission critical functions. For example, the Department is responsible to manage the operations of the federal treasury through the issuance and settlement of more than 313 million federal and provincial payments. In 2014–15, 257 million of those payments were issued to Canadians and businesses by direct deposit and 56 million by cheque. The Department also collected revenue for all government departments which resulted in an approximate cash flow of $2.3 trillion.

The Department is also responsible to maintain the Accounts of Canada and produce the *Public Accounts of Canada* annually, and the government's Monthly Statements of Financial Operations.

In 2014–15, PWGSC continued to pursue service transformation in line with the PWGSC Client Service Strategy. The review of Receiver General (RG) service delivery and supporting systems has been initiated and efforts to ensure modern, best-in-class RG treasury functions will continue.

Lessons Learned: As the Receiver General organization progressed towards the definition of its modernisation road map, we have worked diligently to foster collaboration with our stakeholders and partners both in the public and private sectors. Engagement and consultations on transformation and modernization efforts in the areas of banking, cash management, payments, central accounting and reporting are key for the Receiver General for Canada to define how it can better meet the future needs of Canadians and Canadian businesses.

Corrective Actions: The Department has joined forces with its key cheque issuing departments to increase the awareness of Canadians on the advantages related to direct deposit. PWGSC has also simplified the enrollment processes that have already yielded significant benefits. It is anticipated that an additional 4.7 million will be converted from cheques to direct deposit in 2015–16. Communications activities will continue through promotional materials, event kiosks, and with other partners such as financial institutions, focusing on the benefits of direct deposit as a fast, convenient, reliable and secure method of payment.

The increase in actual spending over the planned spending is mainly due to the cost related to issuing payments, such as stamps and envelopes, and the substantial increase in banking fees over the last few years, related to the growth in government e-commerce.

The difference between planned and actual FTEs is mainly due to staffing requirements being reconsidered, to delays in staffing and to the declining number of clients of the optional Common Departmental Financial System, who are adopting SAP the GC approved financial system.

In 2014–15, the percentage of payments issued via the direct deposit was 79.25%. While the issuance of payments via direct deposit continues to increase year over year, it has not yet reached the expected target rate of 90%. The variance can be explained in part because of new beneficiaries who tend to receive their initial government payments via cheque instead of direct deposit. The variance can also be explained because of lack of awareness of the benefits of direct deposit.

Sub-Program 1.3.1: Stewardship of Consolidated Revenue Fund and Accounts of Canada

This sub-program safeguards the integrity of the Consolidated Revenue Fund and the Accounts of Canada on behalf of Canadians (receipt, transfer, holding and disbursement of public money and the redemption and settlement of all payments, production of Public Accounts and monthly statements of financial operations) and develops and maintains Receiver General treasury, accounting and reporting systems.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
99,997,855	115,827,726	15,829,871

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
371	318	(53)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The integrity of the Consolidated Revenue Fund and the Accounts of Canada is preserved on behalf of Canadians.	Number of Public Accounts audit issues raised by the Office of the Auditor General relating to the Receiver General's Consolidated Revenue Fund and the Accounts of Canada functions	0	0
	Percentage of daily settlement instructions sent, according to schedule, to the Bank of Canada for all outflows from the Consolidated Revenue Fund	95%	95%
	Percentage of deposits to the Consolidated Revenue Fund reconciled within 2 business days	95%	100%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC maintained the integrity of the Consolidated Revenue Fund and the Accounts of Canada. It provided sound financial management and transparent financial reporting to Canadian taxpayers. PWGSC exceeded its target, given that it reconciled 100% of deposits to the Consolidated Revenue Fund within two business days.

The Department complied with sound business reporting practices, policies, regulations and procedures with respect to the Government's Financial Statements published in the Public

Accounts. The Public Accounts were tabled in October 2014 and received an unmodified opinion from the Office of the Auditor General for the 16th consecutive year.

The Receiver General for Canada successfully participated in the implementation of the Open Government Action Plan 2.0. This year, 5 additional public accounts data sets were published for a total of 11 which contributed to the advancement of the Government of Canada Open Government agenda.

PWGSC also maintained the government's Monthly Statements of Financial Operations in compliance with the *Financial Administration Act*, through effective linkages with departments and central agencies.

The Department also continued its Receiver General Modernization Initiative to review treasury and accounting delivery and its supporting information technology systems with the aim of maintaining the integrity and sustainability of critical government-wide treasury and accounting functions and improving services offered to client departments and ultimately Canadians. For instance, PWGSC has begun engagement with departments and stakeholders; undergone international research on trends and innovations; developed a transformation roadmap; and developed preliminary system requirements.

The Department also built on its commitment from previous years and continued to expand its international direct deposit capabilities. PWGSC met and even exceeded its target, as Government of Canada direct deposit payments were made available in 66 countries around the world, and increased by 18 countries during 2014–15.

As the Department responsible for government banking services, PWGSC continued to ensure that federal departments accepting credit cards as a method of payment are compliant with the mandatory Payment Card Industry Data Security Standards.

The increase in actual spending over the planned spending is mainly due to the cost related to issuing payments, such as stamps and envelopes, and the substantial increase in banking fees over the last few years, notably the growth in e-commerce.

The difference between planned and actual FTEs is mainly due to staffing requirements being reconsidered and delays in staffing.

Sub-Program 1.3.2: Receiver General Services

This sub-program provides optional bill payment services for departments and agencies, and maintains operations for a Departmental Financial and Materiel Management System.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
1,058,160	621,114	(437,046)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
19	10	(9)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Timely and reliable optional services related to bill payments and a departmental financial and materiel management system offering.	Percentage of time bill payment services are delivered within established timeframes	100%	99%
	Percentage of time Common Departmental Financial and Materiel Management System services are provided as per client agreements	100%	100%

Performance Analysis and Lessons Learned

In 2014–15, seven out of the fifteen departments using the Common Departmental Financial and Materiel Management System as their financial system have moved to the GC common financial system SAP, reducing considerably the number of clients serviced by PWGSC.

Lessons Learned: An integrated business and human resources plan is important to ensure staff continuity and assignment to new functions during this transition.

Corrective actions: Additional employees were trained to assist when workload volumes increased.

The decrease in actual spending over the planned spending is mainly due to a reallocation to other Receiver General priorities as a result of internal efficiencies.

The difference between planned and actual FTEs is mainly due to the declining number of clients. Employees working on the optional Common Departmental Financial System were reassigned to other functions within the Branch.

The 100% target for bill payment services being delivered within established timeframes was not fully reached. The lower result was due to unexpected peak workload period.

Program 1.4: Integrity Programs and Services

This program provides the government of Canada with high quality, timely and accessible specialized services and programs in support of sound, prudent and ethical management and operations.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
19,913,717	19,913,717	22,135,913	22,035,911	2,122,194

Totals may not add up due to rounding.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
373	362.78	(10.22)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
High quality integrity programs and services that ensure government operations are carried out securely and with probity and integrity.	% of verification checks completed within two hours	80%	92%
	% of simple reliability screenings processed within 7 business days	85%	67%

Performance Analysis and Lessons Learned

During 2014–15, PWGSC undertook consultations and developed proposals for a new government-wide Integrity regime.

Through the Integrity Framework, PWGSC remained vigilant in its commitment to doing business with suppliers that respect the law and act with integrity. The Department provided greater assurance to 173 PWGSC clients relying on PWGSC's procurement services that their contracts were being entered into with ethical suppliers. Additionally, PWGSC entered into 12 memorandums of understanding with federal organizations for the provision of database verification services.

PWGSC continued to support the Client Service Strategy by implementing its transformation agenda within Contract Security and Controlled Goods.

The transformation of Controlled Goods has resulted in a reduction of registration time from 27 to 10 days, and an increased compliance rate upon inspection from 58% to 87%.

PWGSC implemented measures to improve security screenings service levels and create efficiencies. The backlog in Company Registration was reduced by 33% and the backlog in Personnel Security Screening was reduced by 30%, despite volume increases.

The increase in actual spending over the planned spending is mainly due to the continued strengthening of the Integrity Framework; an increase in business volume for the Fairness Monitoring program, and a one-time transition payment to align with industry standard in payroll practices.

The difference between planned and actual FTEs is mainly due to the streamlining of service delivery processes, which reduced the number of FTEs needed, and delays in anticipated staffing processes.

With regard to the performance result related to "Percentage of simple reliability screenings processed within 7 business days", streamlining efforts and additional resources were applied in the fourth quarter of 2014–15 to improve PWGSC's performance. This resulted in a sizable improvement from previous quarters. Lean Six Sigma (business process design) consultants have been engaged to facilitate efficiency gains.

Sub-Program 1.4.1: Contract Security

This sub-program contributes to the government's national security agenda and safeguards Canadian and foreign governments' sensitive information and assets entrusted to private-sector companies or individuals when under government contract. In this context, it is responsible for evaluating and granting security clearance requests from industry. The program negotiates, concludes and administers international industrial arrangements between foreign governments and PWGSC to open new markets to Canadian industries in the domain of classified information and assets.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
9,249,274	10,192,436	943,162

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
235	239.68	4.68

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Classified/protected Government of Canada information and assets are safeguarded.	% of responses to Personnel Security Clearance request completed within 75 business days	80%	60%

Performance Analysis and Lessons Learned

During 2014–15, PWGSC registered over 2,500 new companies and completed over 99,000 Personnel Security clearances.

The Department took measures to reduce contract security backlogs and gain efficiencies of scale by redesigning business processes and dedicating teams of personnel to specific registration steps. These measures increased service delivery timelines and improved client service.

PWGSC also worked on streamlining the screening process for company security officers and key senior officials by reducing the number of points of contact to a single point of entry. This allowed screening operations to focus on processing completed applications, thus expediting company registrations in Contract Security.

The increase in actual spending over the planned spending is mainly due to an increase in the temporary workforce to improve the efficiency of the security clearance process and a one-time transition payment to align with the industry standard in payroll practices. This was offset by a reduction in spending for travel, accommodation and systems.

The difference between planned and actual FTEs is mainly due to a temporary increase in the contingent workforce (casual, student) to address the contract and personnel security backlogs.

With regard to the performance result, streamlining efforts and additional resources were applied in the fourth quarter of 2014–15 to improve PWGSC's performance. This resulted in a sizable improvement from previous quarters. Lean Six Sigma (business process design) consultants have been engaged to facilitate efficiency gains.

Sub-Program 1.4.2: Controlled Goods

This sub-program, through the registration and inspection of private-sector individuals and companies possessing, examining or transferring controlled goods, mitigates the risk of proliferation of tactical and strategic assets, helps strengthen Canada's defence trade controls, and supports Canada's domestic and international security interests.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
7,596,588	6,375,055	(1,221,533)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
60	47.90	(12.10)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Controlled goods are protected while in the custody of private-sector companies.	% of controlled goods inspections of new registrants completed within 65 business days	80%	91%
	% of new companies (individuals) registered in the controlled goods program within 35 business days	80%	92%

Performance Analysis and Lessons Learned

During 2014–15, PWGSC enhanced Controlled Goods to support the Government of Canada's national security agenda by successfully delivering on its mandate to protect against unauthorized access to controlled goods in Canada. The Department streamlined efforts to improve service delivery for all registration and compliance aspects of Controlled Goods to reduce the administrative burden for clients. These measures significantly improved the percentage of new registration completed within 35 business days as well as the percentage of inspections completed within 65 business days.

The Department increased operational efficiencies and rigors of security processes related to the examination, possession, and transfer of controlled goods domestically and collaborated with the Department of Public Safety and Industry Canada.

PWGSC led the initiative to amend the Schedule to the *Defence Production Act* to focus domestic control on items of strategic significance, including *International Traffic in Arms Regulations (ITAR)* items. These amendments came into force in May 2014. This initiative supported the government priority of reducing red tape and compliance burdens on Canadian companies and individuals, by reducing the number of entries on the list of controlled goods

by over 50% as well as reducing the number of companies required to register with Controlled Goods.

In addition, PWGSC completed public consultations on the proposed user fee regime for Controlled Goods.

The decrease in actual spending over the planned spending is mainly due to decreasing salary costs resulting from efficiencies in service delivery combined with efficiencies in consulting and system development.

The difference between planned and actual FTEs is mainly due to the streamlining of service delivery.

Sub-Program 1.4.3: Forensic Accounting Services

This sub-program provides forensic accounting services to national and international govern-ments, law enforcement agencies and prosecution services on criminal investigations in areas such as white collar crime, proceeds of crime, commercial crime, money laundering, securities market fraud, organized crime, illicit drugs, and terrorist activities. The program supports police investigations and prosecutions by providing specialized advice, detailed forensic accounting reports, and expert witnesses testimony on the financial aspects of criminal investigations. The program's goal is to serve the Canadian Criminal Justice system by identifying, analyzing, and explaining complex financial and accounting elements of criminal activities in an objective, independent and non-technical manner, thus helping judges and juries make informed decisions.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
2,684,644	2,708,568	23,924

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
51	51	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Quality and timely forensic accounting expertise, expert witness and advisory services are made available to internal and external public clients, and other levels of government and foreign governments.	% of clients satisfied with services	85%	100%

Performance Analysis and Lessons Learned

During 2014–15, PWGSC supported, through the Forensic Accounting Management Group, national, provincial and municipal law enforcement organizations and other government departments and agencies by providing expert forensic accounting services, including expert testimony, for criminal investigations.

The Department supported the demand for accounting services by increasing its capacity of highly skilled employees. PWGSC promoted the expertise of the Forensic Accounting Management Group throughout government, leveraging synergies by applying its forensic accounting expertise on horizontal projects such as due diligence reviews in Foreign Ownership Control and Influence assessments and investigations.

There is no significant variance as the difference does not exceed $3.0 million or 5% of the Forensic Accounting Services' planned spending.

There is no variance between planned and actual FTEs.

Sub-Program 1.4.4: Operational Integrity Services

This sub-program provides management, client departments, government suppliers, Parliament and Canadians with independent assurance that PWGSC's activities are conducted with prudence, probity and integrity.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
383,211	2,759,852	2,376,641

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
27	25	(2)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Timely services that provide assurances that PWGSC's activities are conducted with prudence, probity and integrity.	% of responses to initial client request for Fairness Monitoring services within 2 business days	85%	100%

Performance Analysis and Lessons Learned

During 2014–15, PWGSC continued to strengthen and enhance the Integrity Framework to increase due diligence, reduce the opportunity for fraud and better manage the reputational risk to the procurement process and to real property transactions.

PWGSC continued to protect the integrity of departmental activities and demonstrated excellence in client service by meeting the increasing demand for fairness monitoring and business dispute management services.

The increase in actual spending over the planned spending is mainly due to the continued strengthening of the Integrity Framework, as well as a response to a significant increase in business volume from the Fairness Monitoring Program.

The difference between planned and actual FTEs is mainly due to hiring that took place halfway through the fiscal year, as planned, however they were counted for the full year in the planned FTEs.

Program 1.5: Federal Pay and Pension Administration

This program provides reliable central systems and processes for pay and pension administration to other federal organizations. Through our pay and pension services, PWGSC ensure that federal government employees and pensioners are paid accurately and on time.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date*	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
118,212,847	118,212,847	129,838,324	115,698,499	(2,514,348)

Totals may not add up due to rounding.

* Federal Pay and Pension Administration's 2014–15 Total Authorities To Date include $4 million that was set aside by Central Agencies mainly for projects and initiatives to be carried in future years.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
1,716	1,607	(109)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Employees and retirees are paid accurately and on time through reliable and efficient central systems and processes.	Timely and accurate processing of government payroll as per schedule	100%	100%
	Timely and accurate processing of pension payments as per schedule	100%	100%
	PWGSC cost per account to administer pay for all Government of Canada employees	$120	$115
	Government of Canada-wide cost per account to administer pension[5]	$169	$165

Performance Analysis and Lessons Learned

In 2014–15, PWGSC continued to ensure that employees and retirees were paid on time. In addition, major transformations are under way to modernize systems, improve processes, increase self-service capabilities and provide sustainable, quality pay and pension services to clients. These enhancements support the Department's commitment to renewed service offerings under the Client Service Strategy as well as the government's efforts to consolidate and share common services. In May 2014, the government adopted payment in arrears successfully, as a key step towards modernizing employee pay services, and adopting industry best practices.

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[5] Public Service Superannuation Act (PSSA)

In July 2014, the Department took over pension administration of the Royal Canadian Mounted Police (RCMP) pension plan, which was made possible by the Transformation of Pension Administration Initiative. The initiative continues its preparations for the transfer of the administration of Canadian Armed Forces pension plans to PWGSC in 2016–17.

The Department continued to advance electronic compensation products by increasing self-service and electronic access to pay and pension documentation (for example, pay stubs, tax slips, pension, and insurance benefits statements) through the Compensation Web Applications, and continued phasing out of paper cheques. In agreement with the Canada Revenue Agency, for the first time, the primary method of delivering tax slips was electronic, resulting in the elimination of unnecessary printing of tax slips for 94% of the government population. These initiatives reduce the government's reliance on paper and serve to enhance PWGSC's service offerings.

Lessons Learned: PWGSC has now completed several major transformation projects. A disciplined approach to risk management, strong financial management, and active oversight at the executive level supported these projects being completed on time and within budget.

There is no significant variance as the difference does not exceed $3.0 million or 5% of the Federal Pay and Pension Administration's planned spending.

The difference between planned and actual FTEs is mainly due to a lack of internal expertise, unstaffed positions, as well as movement of personnel resulting from transformation activities.

Sub-Program 1.5.1: Pay

This sub-program administers the pay and benefits processes for the Public Service of Canada and other organizations, in accordance with collective agreements, compensation policies and Memoranda of Understanding. Pay and benefits administration includes the development and delivery of services, processes and systems, and the provision of information, training and advice to compensation advisors in departments. For most departments using the government accredited HR system (PeopleSoft), PWGSC also provides all compensation advisory services.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
109,010,169	102,778,944	(6,231,225)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
847	732	(115)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Transactions are processed in the pay system and payments are issued on time.	Percentage of public service pay adjustments processed by the Pay Offices within established timeframes (back office/payroll functions)	95%	98.2%
	Percentage of public service pay transactions processed by the Pay Centre within established timeframes	95%	89%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC progressed towards the replacement of a 40-year-old pay system and processes with a modern system based on industry standard practices and the consolidation of pay services to one centre of expertise. PWGSC completed the build phase for the initial release of the new pay system, called Phoenix, including 100% of the planned application configuration and technical development. In addition, the project progressed through several testing phases of the first system release, completed the development of user training, and continued transition planning and engagement with departments and agencies for implementation in 2015–16.

The new Pay Centre is now fully operational and is overall delivering on its service commitments. With 550 employees, it is now servicing over 70,000 accounts. However, training requirements, peak workload periods, and less than fully experienced staff, impacted the Pay Centre's ability to consistently achieve its' service standard targets in 2014–15.

The Pay Centre has further evolved its Service Delivery Model, streamlined business processes, and revised its professional development program and organizational structure to improve processing and operational capacity. While these strategies have helped improve services, it is only with the implementation of Phoenix (the new pay system) that the Pay Centre will be able to meet or surpass its service standards on a sustainable basis.

In addition, the Department has advanced the work to construct a new building for the Public Service Pay Centre in Miramichi, New Brunswick. The building, which will house the full complement of employees, will be ready for occupancy in 2017–18.

Lessons Learned: The Transformation of Pay Administration Initiative continued to benefit from hands-on oversight at the senior management level to facilitate responsive, decisive and rapid decision-making. Senior management of the initiative continued to maintain clear accountabilities between Crown and various private-sector providers, and leveraged extensive knowledge and expertise from PWGSC Branches. Continuous risk management remained in place to implement activities within scope, time and budget. The initiative continues to leverage lessons learned from the Pension Modernization Project such as instituting a phased roll-out strategy for the new pay solution. Finally, the initiative has a robust and well-established governance process in place, including an External Advisory Committee comprised of industry

experts providing independent strategic advice and guidance on the initiative until its completion in 2016.

Corrective actions: A revised Service Delivery Model was implemented in early 2015–16 and additional training was provided to the Public Service Pay Centre staff to increase efficiency and improve client service. The Pay Centre web site has been redesigned to provide employees and managers with better access to pay information. The new user-friendly layout will increase employees' ability to find general information and answers to commonly asked questions. These changes coupled with the implementation of the new service delivery model will contribute to more timely processing of pay requests increasing overall client satisfaction.

The decrease in actual spending over the planned spending is mainly due to the rigorous financial management of funding set aside to complete the Transformation of Pay Administration initiative by 2015–16.

The difference between planned and actual FTEs is mainly due to movement of personnel resulting from transformation activities, internal reallocation to other priorities, as well as unstaffed positions.

Regarding the percentage of public service pay transactions processed by the Pay Centre within established timeframes, the large influx of new trainees (approximately 225 new public servants) in December 2014 and peak workload periods impacted the Pay Centre's ability to consistently achieve its service targets. The Pay Centre continues to adapt its processes and procedures as necessary.

Sub-Program 1.5.2: Pension

This sub-program administers the pension plans and benefits for the Government of Canada. Pension administration includes the development and delivery of services, processes and systems, and the provision of information and advice to, and liaison with, employees and pensioners. This permits PWGSC to administer pensions in accordance with applicable legislation and policies.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
9,202,678	12,919,555	3,716,877

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
869	875	6

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Transactions are processed in the pension system and payments are issued on time.	Percentage of pension transactions and payments processed within established timeframes	95%	98.3%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC continued to administer pensions in accordance with the *Public Service Superannuation Act (PSSA)* and the *Canadian Forces Superannuation Act (CFSA)* pension administration.

In July, 2014, the Department completed a multiyear project, leveraging the pension solution developed for the *PSSA*, to transfer RCMP pension administration responsibilities to PWGSC. All phases in the project were completed as planned including data conversion, business transformation, testing of the pension solution, implementation and project close-out. PWGSC is now administering pensions for more than 40,000 RCMP plan members. The RCMP project was completed on time, within scope, and under the Treasury Board approved budget.

In 2014–15 PWGSC continued to also work on the migration of the Canadian Armed Forces pension plan administration to the new pension solution. The project will be implemented in two releases. The development stage was completed and testing began on the initial release functionality which will transfer the administration of contributor (employees) accounts to PWGSC. The project also conducted activities required to establish a Government of Canada Pension Centre satellite office in the National Capital Area. DND pension staff will be transferred to PWGSC and will work at the new centre when the first release is implemented in April 2016. Design activities were completed on the solution for the second and final release (to be implemented in FY 2016–17) which will migrate the administration of annuitant (retirees) accounts to the pension solution. The transfer of administration services for 230,000 Canadian Armed Forces pension plan members to PWGSC will further leverage the pension solution and increase efficiencies through economies of scale.

Lessons Learned: With the migration of the administration of the *Royal Canadian Mounted Police Superannuation Act (RCMPSA)* in July 2014, the Government of Canada Pension Centre needed to ensure that services rendered to the *RCMPSA* members as well as to the *PSSA* members were seamless. This was achieved by providing sufficient training and working tools to employees. As a result, the Pension Centre was able to maintain service levels for both groups and received positive feedback from the new RCMP clients.

PWGSC took advantage of the fact that becoming a multi-pension plan administrator required new and more formal governance structures. Thus, a detailed governance framework was put in place to include not only TBS, (*PSSA* plan sponsor) and RCMP (*RCMPSA* plan sponsor), but also DND (*CFSA* and Reservists' plan sponsor).

The increase in actual spending over the planned spending is mainly due to a one-time transition payment to align with the industry standard in payroll practices, and paylist shortfall reimbursements (e.g. severance payments and collective agreement salary increases).

The difference between planned and actual FTEs is mainly due to the introduction of new pension administration services rendered to the RCMP.

Program 1.6: Linguistic Management and Services

This program defines the Translation Bureau of PWGSC as a key component of the federal government's service delivery infrastructure. The Bureau is the sole internal linguistic services provider and offers translation, revision, interpretation and other linguistic services for Parliament, the judiciary, and federal departments and agencies. It is also the terminology authority within the federal government and has been mandated to develop terminology standards to ensure clear, uniform and quality communications within government. The Linguistic Management and Services program is mandated under the *Translation Bureau Act.*

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date*	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
68,100,297	68,100,297	69,039,515	57,727,344	(10,372,953)

Totals may not add up due to rounding.

* Linguistic Management and Services' 2014–15 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund principles.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
1,378.71	1,263.77	(114.94)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Government of Canada is able to operate in both official languages and to communicate with Canadians in the official language of their choice.	Percentage of documents translated and revised for Parliament within the agreed-upon deadlines	95%	97.43%
	Percentage of clients satisfied with services provided by the Translation Bureau	85%	86%
	Cost per word for linguistic services	$0.42	$0.411

Performance Analysis and Lessons Learned

Due to the Government's focus on increasing efficiency, the need for departments and agencies to be more cost effective, improvements in technology and the immediacy of communications brought by social media, the nature of the Translation Bureau's (the Bureau) work and its clients' demands have evolved. These changes have contributed, over the last years, to an overall reduction of the demand for translation services. Consequently, the number of words translated by the Bureau has declined from 474 million words in 2010–11 to 354 million words in 2014–15. In 2014–15, however, the PWGSC's Translation Bureau successfully responded to the challenges

it faced by modernizing its processes and investing in new technologies to increase productivity, resulting in solid financial footing and the elimination of the deficit.

PWGSC implemented its Translation Bureau transformation plan, which included procurement reform, office consolidation, new technologies and simplification of administrative processes. Progress was made towards the ultimate goal of optimizing resources and reducing the cost of translation services by leveraging the use of the private sector and technology, while enhancing the client experience and quality. Economies realized in 2014–15 were so significant that the Bureau will be reducing client charges by 6 million dollars in 2015–16.

In the context of Blueprint 2020, PWGSC launched its Translation Bureau transformative technology agenda, which demonstrates public service innovation, reinforces its client service excellence agenda and promotes the use of both official languages.

The Bureau continued to provide services 24 hours a day, 7 days a week, in order to communicate with the Canadian public by providing timely, quality information in official, Aboriginal and foreign languages. The Bureau's value as a one-stop-shop of experts for translation, terminology and interpretation services was recognized by Parliament and by federal departments.

The Translation Bureau is a pioneer in terms of telework, and in 2014–15, it further increased its number of teleworkers, which now represent more than 25% of the total Bureau workforce. The Bureau also continued to maximize the use of its office space, reducing costs by approximately $1 million.

Finally, the Translation Bureau awarded over 400 new official languages contracts under its new supply arrangement and reduced red tape in order to meet the Government of Canada's linguistic services needs more effectively. The Bureau also established a new Industry Representatives Advisory Panel, to serve as a platform for consultation on linguistic issues and which will capitalize on best practices by giving voice to industry-wide issues that will improve government-supplier relations.

The decrease in actual spending over the planned spending is mainly due to variations in business volume and additional efficiencies obtained from technology investments.

The variance between planned and actual FTEs is primarily due to attrition, which materialized more than predicted. In addition, specialized resources were transferred, within PWGSC, to the Chief Information Officer Branch. The Translation Bureau coped with the reduction in staff through enhanced efficiencies gained by technology and greater leveraging of the private sector.

Sub-Program 1.6.1: Terminology Standardization Program

As the federal government's terminology standardization and linguistic authority, the Translation Bureau is mandated with the development, standardization and distribution of terminology in the public service. In this capacity, this sub-program aims to ensure the establishment of terminology and language standards to promote consistency and quality in the government's communication with Canadians and to optimally manage the government's terminology expertise, strengthen the government's role in the language field on the national and international scenes and showcase Canada's collective wealth of linguistic and terminological knowledge.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
11,888,448	10,164,792	(1,723,656)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
91.66	55.49	(36.17)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
A standardized terminology generally accepted by subject experts is made available to federal institutions and to the Government of Canada.	Number of TERMIUM® transactions (records created, corrected or deactivated)	50,000	54,123
	Percentage of 1 business day deadlines met to respond to terminology queries and requests received by the Terminology Service (commonly called SVP)	95%	96.7%
	Number of terminology searches in TERMIUM®	70 million	61.11 million
The expertise and positions of the Government of Canada are highlighted within national and international standardization organizations and vice versa.	Number of national and federal standardization committees and international fora at which the Translation Bureau is representing the GC and within which it brings forward the government of Canada's expertise and positions	30	27

Performance Analysis and Lessons Learned

In 2014–15, PWGSC's Translation Bureau launched its modernization of the Terminology Standardization function. The Bureau reviewed its mandate and prioritization processes in order to standardize its activities, facilitate its integration in the Bureau's other business lines and reduce the turnaround time of its service offerings.

The Translation Bureau continued to enhance and to add content to TERMIUM Plus® (more than 54,000 new transactions) and to the Language Portal of Canada. The Portal provides the Canadian public with free access to a wide variety of language resources and tools, including TERMIUM Plus®—the Government of Canada's terminology and linguistic database, which is continuously being updated to improve usability—and *ourlanguages.gc.ca on the go!*, the Government of Canada's first mobile language application.

In addition, in order to contribute to the standardization of federal terminology, the Translation Bureau continued working with government departments to develop glossaries and other official linguistic tools that will be available on the web. In 2014–15, the Bureau produced nine new official publications, including lexicons on performance management and on Blueprint 2020.

The number of terminology searches in TERMIUM Plus® decreased. This could be partially explained by a shift in the use of its data. For example, since TERMIUM Plus® is now offered as open data, it appears that many language specialists have integrated the content of TERMIUM Plus® in their internal terminology management tools. The Bureau is therefore confident that the content of TERMIUM Plus® remains highly relevant; however, it might need to review the indicators used to measure performance.

The decrease in actual spending over the planned spending is mainly due to a temporary reduction of terminology services during the modernization of the sub-program.

The variance between planned and actual FTEs is mainly due to the Bureau's internal restructuring, attrition, and to the transfer, within PWGSC, of a group of Translation Bureau employees to the Chief Information Officer Branch.

Regarding the number of national and federal standardization committees and international fora at which the Translation Bureau is representing the GC, it should be noted that external terminology partnerships have been rationalized in order to reduce costs and concentrate on the restructuring of the Terminology program. Terminology Standardization is re-focusing on its core functions, as described in the Translation Bureau Regulations, in order to provide time- and cost-efficient services to the government.

Sub-Program 1.6.2: Translation and Other Linguistic Services

This sub-program aims to offer a full, integrated range of language solutions in both official languages, in Canada's Aboriginal languages, and in over 100 foreign languages. It ensures an effective and efficient provision of quality translation, revision, editing and language advice services at a reasonable cost to the judiciary and federal departments and agencies on a cost recovery basis.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
6,519,714	4,105,145	(2,414,569)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
976.87	927.25	(49.62)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Departments and agencies benefit in a timely manner from quality linguistic services provided in a closed-security environment to support the requirements of government and Canada's economic and social Agenda.	Percentage of clients satisfied with translation services	85%	86%
	Percentage of agreed-upon deadlines met for translation services delivered to federal organizations	95%	95.41%
	Percentage of clients with a master agreement	90%	78%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC's Translation Bureau continued to provide round-the-clock translation services for federal departments and agencies in order to help the Government communicate with the Canadian public by providing timely, quality information in both official languages. The Bureau managed the translation of more than 310 million words on behalf of departments and agencies. The Bureau's translation teams have supported federal departments in their daily operations, whether in times of national crisis (Ebola virus, Avian Influenza in Ontario, October events in Ottawa, Saint-Jean-sur-Richelieu and Moncton), on the global stage (conflicts in Ukraine and in Afghanistan), or as part of economic negotiations, at one time even managing to produce the equivalent of 63 days of work over the course of one weekend.

The Translation Bureau continued efforts to reduce costs to its clients. It maximized the use of in-house resources and managed to reduce its fixed costs in order to ensure financial viability and provide the government with effective and efficient services. It underwent a major structural streamlining initiative and positioned itself as a leader in terms of performance management

through various pilot projects. Additionally, in January 2015, the productivity-improving language technology tools developed by the Translation Bureau over the past few years received worldwide recognition from the Organisation for Economic Cooperation and Development's Observatory of Public Sector Innovation.

The Translation Bureau also continued its client engagement efforts. It developed an action plan to improve the client experience, including piloting a new potential business line of fully managed linguistic services. The Bureau also designed a new client-oriented e-service interface to make ordering services faster and easier, featuring a shorter form, an automatically generated cost estimate, and a choice of deadlines. Finally, financial incentives have been offered to clients for increased business volume and as recognition for customer loyalty.

The decrease in actual spending over the planned spending is mainly due to variations in business volume and additional efficiencies obtained from technology investments.

The variance between planned and actual FTEs is mainly due to the internal transfer of a group of Translation Bureau employees to the Chief Information Officer Branch and to attrition, which materialized later and slightly more than predicted. The 1.21% positive variance in 2013–14, the result of forecasted attrition which did not entirely materialize, has been offset by this 5% negative variance.

Regarding the percentage of clients with a master agreement, it should be noted that, in a tight-budget and transformation-driven environment, master agreements are becoming less common, because many decision-takers cannot predict their expenses as precisely as before, and are therefore less ready to commit on a predetermined business volume at the beginning of the year, but still come to the Bureau for their linguistic service needs.

Sub-Program 1.6.3: Translation and Interpretation to Parliament

This sub-program aims to ensure the provision of timely translation, interpretation and other linguistic services to Parliament. This enables Parliament to function in both official languages and any other languages required.

More precisely, the Bureau translates and reviews documents from the House of Commons, the Senate, Senate and House of Commons committees, MPs' and Senators' offices, administrative services of both Houses, the Library of Parliament, the Office of the Conflict of Interest and Ethics Officer and the Office of the Senate Ethics Officer.

It also provides official languages interpretation for the debates in the House of Commons, the Senate, Cabinet and their committees, press conferences and the proceedings of parliamentary associations. Furthermore, interpreters regularly accompany Senators and MPs who belong to parliamentary committees when they travel in Canada and abroad.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
37,537,988	33,168,874	(4,369,114)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
260.91	227.99	(32.92)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Parliament is able to ensure equality of status for both official languages by obtaining quality and timely linguistic services.	Percentage of documents translated and revised for the Parliament within the agreed-upon deadlines	95%	97.43%
	Percentage of events for which interpretation services are provided to Parliament	95%	100%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC's Translation Bureau continued to provide high quality translation and interpretation services and to enhance its capacity to meet Parliament's needs. The Translation Bureau improved the management of Parliamentary Services to increase productivity in preparation for a budgetary reduction of $5 million coming into effect in 2015–16. It managed to translate more than 44 million words for Parliament and offered interpretation services for more than 2,000 Parliamentary meetings. In addition, the Bureau provided more than 4,580 hours of closed captioning services and 50 hours of visual interpretation services to Parliament. It ensured the level of service required by parliamentarians, and allowed Parliament to communicate with Canadians in the official language of their choice. Furthermore, the Translation Bureau provided hundreds of hours of official and foreign language interpretation for dozens of visiting dignitaries. For example, last November, the Bureau's Parliamentary Interpretation Service interpreted the address to Parliament of the French President, who praised the excellent and long-standing bilateral relations with Canada.

The Translation Bureau optimized its translation and interpretation service management systems to enhance and ensure sound management of its resources. It developed partnerships to maximize interpreter and translator productivity for translation work during House recess periods. The Translation to Parliament teams also implemented language technology tools developed and used elsewhere at the Translation Bureau, such as a dynamic search function of a series of aligned bilingual texts, and conducted various pilot projects to leverage technology, such as the use of a translation memory.

The decrease in actual spending over the planned spending is mainly due to a reduction in demand for translation and interpretation services for Parliament.

The variance between planned and actual FTEs is mainly due to the internal transfer of a group of Translation Bureau employees to the Chief Information Officer Branch and to attrition, which materialized more than predicted.

Sub-Program 1.6.4: Conference Interpretation

This sub-program aims to ensure the provision of conference interpretation services in official languages, in Canada's Aboriginal languages, in foreign languages and in visual languages to all federal government departments and agencies. Conference interpreters provide interpretation services at events such as international summits, bilateral or multilateral discussions between heads of state/government, intra- or inter-departmental conferences and meetings between federal ministers and their provincial or territorial counterparts.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
12,154,148	10,288,532	(1,865,616)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
49.27	53.04	3.77

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
The Government of Canada benefits from quality and timely interpretation services.	Percentage of events for which interpretation services are provided	95%	98.85%
	Percentage of clients satisfied with conference interpretation services	85%	N/A: reporting in 2016.

Performance Analysis and Lessons Learned

In 2014–15, PWGSC's Translation Bureau continued to provide high quality interpretation services and enhanced its ability to meet the needs of federal departments and agencies in a timely manner so that they can fulfill their mandate and serve Canadians. For example, in February of 2015, the Translation Bureau interpreted a moderated discussion with the Prime Minister of Canada and the co-founder and co-chair of the "Bill and Melinda Gates Foundation" to share their efforts to promote maternal and child health initiatives and discuss progress made on these issues. The Bureau provided interpretation services to more than 1,790 official language» conferences, and in excess of 500 foreign language conferences, in addition to providing over 6,870 hours of visual interpretation services to Public Servants across Canada.

Furthermore, in the spirit of furthering Blueprint 2020 objectives, and in order to maximize the use of its resources, the Translation Bureau conducted pilot projects using new remote interpretation technology with departments and agencies including the Canada School of Public Service, the Official Languages Commission and Heritage Canada. These pilots aim to broaden and facilitate access to interpretation services, encouraging bilingualism and compliance with official languages requirements while reducing costs associated with the traditional interpretation approach.

In addition, the Translation Bureau conducted a pilot project with the Canadian Radio-television and Telecommunications Commission (CRTC) to transfer to video format key public consultation documents allowing the deaf and hearing impaired to participate in public consultations. The initiative resulted in input received from over 3,000 deaf and hearing-impaired Canadians to a CRTC public consultation. Finally, the Translation Bureau's visual interpretation unit received the "Collaborating for Inclusion" award from the Government Office of Disability Issues for its commitment to accessibility and providing high quality interpretation and excellent client service.

The decrease in actual spending over the planned spending is mainly due to a reduction in demand for conference interpretation from federal organizations.

There is no significant variance between planned and actual FTEs.

Regarding the percentage of clients satisfied with conference interpretation services, it should be noted that due to a change in survey methods, PWGSC did not obtain enough answers to constitute a statistically valid sample. Results will therefore be reported only in 2015–16.

This program provides federal organizations with high quality, timely and accessible specialized services and programs.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date*	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
32,606,961	32,606,961	48,319,386	47,133,036	14,526,075

Totals may not add up due to rounding.

* Specialized Programs and Services' 2014–15 Total Authorities To Date exclude amounts that were unavailable as a result of the Revolving Fund principles.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
467	481	14

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations have access to quality services to improve the management, delivery and safeguard of selected government operations and/or assets while minimizing their impact on the environment.	Percentage of clients satisfied with quality of services	85%	87.4%
	Percentage of sub-programs and services that meet their expected results including service levels or published standards	100%	75%

Performance Analysis and Lessons Learned

In 2014–15, the Department contributed to the delivery of efficient and effective services to client departments and agencies, in the best interest of Canadians, through its specialized programs and services.

PWGSC formed a Greening of Government Operations (GGO) community of practice for federal organizations to share best practices policies, strategies and guidance to reduce the environmental footprint of federal government operations in line with requirements under the Federal Sustainable Development Strategy (FSDS).

In 2014–15, PWGSC developed and began implementing its renewed Client Service Strategy for 2014–17. The renewed strategy aims to improve the management of government operations and to strengthen partnerships between PWGSC and its clients, through effective and efficient service delivery and a culture of service excellence. It is centered around three priorities: engaging clients early and continuously; enabling employees at all levels to foster service excellence; and offering integrated and effective solutions to clients.

PWGSC continued preparations for electronic-only publications of the *Canada Gazette* (Part I, Part II and Part III), and electronic-only access to Government of Canada publications from the Publishing and Depository Services Directorate (PDSD). Both initiatives took effect in 2014. PWGSC identified ways to streamline processes and strengthen reporting and accountabilities and to renew contracting tools to ensure sound stewardship and management excellence of this program.

The Department also continued to provide Document Imaging Services to support federal government departments and agencies in modernizing their data collection processes by reducing the need to store large volumes of paper documents. This allowed departments to improve client service, reduce operational costs and meet Library and Archives Canada program requirements. As well, an analysis was performed and actions taken to leverage the private sector to meet the Government of Canada imaging requirements.

The Department enhanced common services by providing human resources services and systems, financial and electronic and record-keeping systems and a case management system to other federal organizations including solutions and services adapted for small departments and agencies.

The increase in actual spending over the planned spending is mainly due to the purchase of software licenses required for government-wide human resource management systems and higher costs in travel support expenditures being absorbed by PWGSC.

The difference between the planned and actual FTEs is due to a wide range of factors across diverse departmental activities such as the need to streamline program areas, attrition, and changes in client departments' business volume.

Sub-Program 1.7.1: Greening of Government Operations

This sub-program provides government-wide leadership in greening government operations to be achieved through both effective greening of its own operations and providing government-wide leadership to enable significant reductions in the environmental impact of federal operations. This is done through the development of polices and guidelines pertaining to environmental stewardship.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
1,392,825	1,943,789	550,964

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
18	16	(2)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Government-wide guidance supports federal departments in reducing the environmental footprint of their operations.	Percentage of FSDS Theme IV targets for which up-to-date guidance documentation exists	100%	100%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC continued to work with partner departments, in line with our Client Service Strategy, to help implement strategies to reduce the environmental footprint of federal government operations. This included working with NRCan on the NRCan-PWGSC MOU on the Low Carbon Initiative and with Environment Canada on the Committee on Climate Change, Economy and Environment. The Department advanced its work with other government departments and agencies by developing a draft framework for Theme IV of the Federal Sustainable Development Strategy (FSDS) 2016–19 and consulting with all 26 FSDS-bound departments and agencies with a view to putting in place a collaborative, government-wide strategy that would be implemented starting in 2017–18.

PWGSC successfully implemented recommendations of the Management Action Plan of the *2012 Evaluation of the Policy on Green Procurement.*

The Department built on past achievements, provided long-term goals, medium-term targets, and concrete actions in Theme IV of the FSDS: Shrinking the Environment Footprint—Beginning with Government. PWGSC also formed a Greening of Government Operations community of practice to share best practices with federal organizations.

The increase in actual spending over the planned spending is mainly due to a revenue shortfall.

The difference between planned and actual FTEs is mainly due to staffing actions that were not completed by the end of the fiscal year.

Sub-Program 1.7.2: Client Service Strategy

This sub-program leads PWGSC's Client Service Strategy and provides leadership across the Department in the development and implementation of service renewal initiatives. The strategy is based on six pillars: service standards; Departmental Service Agreements (DSAs); service offerings; client relationship management; service culture; and satisfaction measurement.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
948,117	1,455,571	507,454

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
17	17	0

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Employees are engaged in maximizing client service.	Level of understanding of the Client Service Competency among PWGSC employees	80%	76%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC continued to make progress on improving client service by developing the future direction of the Client Service Strategy. This renewed strategy positions PWGSC as a valued partner in the management of government operations. It includes three new priorities:

- engaging clients early and continuously;

- enabling employees at all levels to foster service excellence through training and other mechanisms such as strengthened engagement networks, the annual Contact Conference, and PWGSC Client Service Week; and

- offering integrated and effective solutions, including aligning service transformations to maximize collaboration and synergy.

In addition, PWGSC continued to strengthen relationships with client organizations and central agencies through various initiatives. For example, PWGSC hosted a Client Service Forum, a client engagement event organized during PWGSC's annual Client Service Week, which attracted 133 representatives from client departments and agencies.

PWGSC also completed negotiation of six strategic Departmental Services Agreements (DSAs) with Employment and Social Development Canada (ESDC), Finance Canada, Immigration and Refugee Board, Department of Foreign Affairs, Trade and Development Canada (DFATD),

Canada Revenue Agency and TBS as well as updates to existing DSAs with Health Canada and Public Health Agency of Canada.

PWGSC surveyed client satisfaction through semi-annual updates of its client barometer and improved client satisfaction measurement by securing department-wide support for a common approach, which includes common service dimensions and questions. PWGSC also published service standards, which were updated to better reflect client expectations.

The Department further strengthened the culture of service excellence by adopting a Blueprint 2020 Implementation Approach on Engaging, Enabling and Empowering Employees at all levels to demonstrate the commitment to service excellence. This approach is being implemented by all branches and regions and complements efforts to integrate the Client Service Competency into all aspects of HR management—including planning, learning, staffing, recognition and performance management.

PWGSC provided innovative and integrated service offerings to other government departments and agencies that led the Government of Canada to be more efficient and enhance services to citizens. To consolidate expertise and fill Government of Canada needs, six new services were developed and piloted. PWGSC also trained service managers in industry best practices for streamlining or "leaning" processes to reduce delivery times for a wide range of services.

The increase in actual spending over the planned spending is mainly due to increased department-wide efforts to improve client services to all federal organizations, including service standards and transformations.

There is no variance between planned and actual FTEs.

With regard to the performance results, the performance data were derived from the annual employee survey on the Client Service Strategy. Having fallen short of the target suggests that PWGSC needs to continually foster understanding of the Client Service Competency among employees at all levels through cascading conversations, learning opportunities and communications.

Sub-Program 1.7.3: Government Information Services

This sub-program provides information to Canadians on Government of Canada, programs and publications and supports the effectiveness of Government of Canada communications activities through the provision of: the Depository Services Program; Crown Copyright and Licensing; Government of Canada Publishing; Public Opinion Research Coordination; Advertising Coordination and Partnerships; The *Canada Gazette* and; Electronic Media Monitoring.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
24,760,548	18,929,639	(5,830,909)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
124	107	(17)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Canadians have access to centralized Government of Canada information and federal organizations receive services to support the delivery of selected Government of Canada communications activities.	Percentage of communications information services meeting established performance targets	80%	100%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC improved customer service through the introduction of a technological solution to permit the electronic submission of certain types of notices for publication in the *Canada Gazette*.

PWGSC sent all electronic publications to the Open Information Portal as part of the Government of Canada Open Initiative.

A tendering process to renew PWGSC's contracting tools for public opinion research services was posted on Buyandsell.gc.ca in January 2015. In addition to applying best practices and lessons learned from past tendering processes, PWGSC obtained valuable feedback through consultative processes held with industry as well as departments and agencies in the summer of 2014. Once implemented, the new contracting tools will help provide an efficient means for Government of Canada departments and agencies to access services of proven, high quality research suppliers at competitive prices.

In addition, the Department identified ways to streamline process and strengthen reporting and accountabilities in advertising purchases on behalf of the Government of Canada. It also

managed digital campaigns for different departments, delivered advertising information sessions and obtained preferential rates and visibility for the Government of Canada by coordinating the bulk purchase of television and digital advertising valued at approximately $15 million. The bulk buy continues to be the best approach to obtaining media efficiencies by securing the greatest selection of inventory at the best possible prices.

As a result of Budget 2012, coordination services for Crown Copyright and Licensing were discontinued, and Publishing and Depository Services no longer produces, prints, or warehouses print copies of publications.

The decrease in actual spending over the planned spending is mainly due to the transfer of Information Management and Information Technology activities to the Internal Services Program to align with the new departmental structure, and the reduced number of advertising campaigns from the Whole-of-Government Web-Buy initiative as a result of fewer than expected emerging communications priorities.

The difference between planned and actual FTEs is mainly due to the transfer of Information Management and Information Technology specialized resources to the Chief Information Officer Branch, the streamlining of functions, and attrition.

Sub-Program 1.7.4: Document Imaging Services

This sub-program provides document imaging and data capture solutions as cost-recovery service to federal organizations. The service consists of imaging processing, indexing and secure archiving of electronic records. The service is certified against CAN/CGSB-72.34-2005 for electronic records as documentary evidence and CAN/CGSB-72.11-93 Microfilm and Electronic Images as Documentary Evidence. Modernization of business processes through document imaging enabled services assists departments in reducing processing costs, improves service levels to citizens and unlocks corporate knowledge stored in paper archives for improved decision making.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
930,821	2,761,660	1,830,839

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
100	160	60

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Quality and efficient document imaging services.	Maintain Document Imaging Services fixed cost per page	$0.11	$0.10
	Reduce cost per page for Basic Imaging Services by 10%	$0.19	$0.20

Performance Analysis and Lessons Learned

In 2014–15, PWGSC continued to provide departments and agencies with access to quality and efficient document imaging services, through the Document Imaging Services Sub-Program, which allows them to reduce the need to store large volumes of paper documents, reduce their operational costs, and meet Library and Archives Canada program requirements. As of March 31, 2015, 99.2% of the volume received was processed according to service levels.

In response to increases in demand for imaging and to increase efficiency, PWGSC completed a government-wide information survey, an industry consultation, and a long-term enterprise imaging strategy for the Government of Canada. A Request for Proposal (RFP) was initiated to define options and solicit private-sector vendors for the delivery of imaging services to departments.

PWGSC also continued to pursue the integration of GCDOCS, the Government of Canada enterprise record management solution, with the document imaging solutions.

In terms of lessons learned, the demand for document imaging has sharply increased over the last few years making it difficult to satisfy client demand with internal capacity. A Government of Canada-wide strategy to leverage the private sector will contribute to increased efficiencies and meet departmental requirements.

The increase in actual spending over the planned spending is mainly due to the expansion of the Document Imaging Solutions Center and investments in imaging technology.

The difference between planned and actual FTEs is mainly due to business volume increases in Document Imaging from government departments.

The target to reduce cost per page for Basic Imaging Services by 10% was expected as a result of the implementation of the integration of the GCDOCS solution. Delays in the implementation of the GCDOCS solution prevented the reduction of cost.

Sub-Program 1.7.5: Shared Travel Services

This sub-program identifies PWGSC as responsible for providing government-wide common and standardized tools to simplify and efficiently manage and reduce the cost of government travel, as well as supporting enhanced transparency, accountability and financial reporting for government travel.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
564,685	4,799,418	4,234,733

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
40	22	(18)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal government employees use and are satisfied with the available travel services and tools.	Percentage client satisfaction	78%	74.4%
The federal government has access to relevant and timely information about government travel.	Percentage GC entities adopting STS services	85%	91%
	Percentage implementation of EMT in client departments processing travel claims	80%	100%

Performance Analysis and Lessons Learned

The next generation of Shared Travel Services is a transformation initiative that delivers on the Government's commitment to leverage technology to control and reduce travel costs and increase the efficiency of the travel management system. In 2014–15, PWGSC implemented Shared Travel Services in 100 government departments and agencies to deliver value to the Government and support its priority of transparency and accountability. Services include travel cards, a travel call centre service and an online booking tool (which are mandatory under the TB *Common Services Policy*) and an optional expense management tool for employee reimbursement. A total of 61 organizations have adopted the full suite of services, including the expense management tool. Furthermore, almost 50,000 individual corporate credit cards were distributed. There is now over 170,000 active user profiles in the system.

By conducting an extensive communications and support campaign, PWGSC assisted clients through the transition. Client feedback also ensured that technical enhancements to the service continued to be implemented.

The increase in actual spending over the planned spending is mainly due to higher costs being absorbed by PWGSC due to a reduction of government travelling.

The difference between planned and actual FTEs is mainly due to unstaffed positions.

With regard to the performance indicator "Percentage of client satisfaction", PWGSC did not reach the 78% target due to a decline in percentage satisfaction with Individual Department Travel Cards (IDTC).

Sub-Program 1.7.6: Central Relocation Services

This sub-program identifies PWGSC as responsible for managing a government-wide common service that oversees moving operations for the relocation of all federal government employees relocating, excluding DND and RCMP.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
0	37,144	37,144

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
7	6	(1)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal government employees are satisfied with the relocation services provided while respecting appropriate Treasury Board polices and directives.	Percent of client departments expressing a positive level of satisfaction with CRS services provided	80%	100%

Performance Analysis and Lessons Learned

PWGSC's Central Relocation Services (CRS) is responsible for coordinating, on average, 1,300 moves each year.

In 2014–15, CRS conducted an assessment of client departments' satisfaction with services provided. A questionnaire was provided to the Department National Coordinator of 50 departments and 100 percent of respondents indicated they were satisfied with the services they received.

The Department also awarded three multi-year household goods moving services contracts. The overall objectives of these contracts were to reduce the relocation expenses paid to moving contractors, reduce the government internal administrative costs and ensure a consistent level of

service to employees being relocated while adhering to changes in laws related to the transportation industry. As these contracts came into effect in October 2014, and as most of the moves are done during the summer, it is too early to assess the actual savings to the Crown.

There is no significant variance as the difference does not exceed $3.0 million or 5% of the Central Relocation Services' planned spending.

There is no significant variance between planned and actual FTEs.

Sub-Program 1.7.7: Shared Services Integration

This sub-program provides shared corporate administrative support services, on cost recovery basis, to achieve efficiencies for client federal organizations. Shared Services Integration (SSI) reduces the number of administrative IT systems across government, and purchases, creates, modifies and maintains common GC versions of products, eliminating duplication in individual departments and allowing them to focus resources on key programs. SSI provides the full range of HR services and expertise to small federal departments and agencies therefore reducing overall investment and risk by government on HR activities.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
1,589,616	12,427,255	10,837,639

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
125	115	(10)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
On behalf of Canadians, sound stewardship of administrative systems and services meet program needs of federal institutions.	Percentage of clients satisfied overall with system cluster services provided by SSI	90%	82%
	Percentage of clients satisfied overall with HR services provided by SSI	90%	94%

Performance Analysis and Lessons Learned

In 2014–15, PWGSC continued to implement its service delivery model in collaboration with central agencies to ensure alignment of departments with the government's transformation initiatives in HR, finance, electronic record keeping and information management. In so doing, the Department contributed to achieving the Government's strategy for internal service transformation by ensuring activities support the GC standardization of applications in these areas.

PWGSC prepared, distributed and negotiated 268 agreements for the Integrated Financial and Materiel System (IFMS), Human Resources Information System (HRIS), GC Human Resources Management System (GCHRMS), GCDOCS, Shared Case Management System (SCMS) and FreeBalance. The results included providing corporate administrative support services on a cost-recovery basis to departments and agencies and advancing a suite of services which has enabled the GC to move towards implementing innovative common applications such as a system to track various information sources to create an integrated electronic file (SCMS) and assisting departments to adapt a common human resources system (HRIS Replacement Project).

The Department continued to partner with client organizations to facilitate the roll-out of GCDOCS (the GC Electronic Document Records Management Solution (EDRMS)) throughout Government. PWGSC identified the order and timing of organizations to on-board onto GCDOCS, as well as related market penetration targets, and signed a five-year contract renewal with Opentext for GCDOCS licenses (including a cap on license fees).

SCMS developed a governance approach and strengthened communications by launching collaboration community groups. On-boarding agreements for SCMS were signed with 21 departments and six hosting partners. PWGSC is working with Shared Services Canada (SSC) to facilitate the roll-out of this business line.

PWGSC developed My GCHR (the Government of Canada HR standard) solution and worked to ensure that the solution was reliable and met the needs of users. It engaged departments on their readiness to adopt this Government-wide HR standard, and worked in partnership with TBS to formalize and stabilize the program, and support an on-boarding plan that resulted in 15,000 GC employees being on-boarded in 2014–15. Moving forward, PWGSC will provide support and maintenance for existing My GCHR clients and continue to onboard GC employees.

PWGSC continued to provide HR and compensation services to small departments and agencies (SDAs) across government. In addition, PWGSC is supporting clients with transformations impacting the SDA community e.g. Pay Transformation.

The increase in actual spending over the planned spending is mainly due to the purchase of software licenses required for government-wide human resource management systems, as well as the preparation for new federal organizations to implement the new system My GCHR (PeopleSoft).

The difference between planned and actual FTEs is mainly due to the transfer of employees to other areas of the Department.

With regards to the performance result related to percentage of clients satisfied overall with system cluster services provided by SSI, the satisfaction rate is higher than last year's result of 75%. Our clients' operations are undergoing change as a result of ongoing GC Transformation Initiatives. Several measures have been taken to improve the level of client satisfaction, including regular governance meetings and focus on regular and clear client communications.

Sub-Program 1.7.8: Ministers' Regional Offices

This sub-program facilitates administrative efficiency and public access by supporting all Federal Cabinet Ministers and their officials through the provision of secure regional offices and administrative support, which enables them to conduct Government of Canada business outside the National Capital Region.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
2,420,349	4,778,561	2,358,213

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
37	38	1

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal Cabinet Ministers and their officials receive cost effective services to conduct Government of Canada business outside of the National Capital Region.	Annual operational cost of MROs per client served	≤ $149	$149

Performance Analysis and Lessons Learned

In 2014–15, PWGSC continued to provide Federal Cabinet Ministers with secure shared accommodations and administrative services through offices located across Canada, enabling them to serve Canadians and conduct Government of Canada business outside of the National Capital Region. MOUs on terms and conditions between PGWSC and Ministers with resident exempt office staff were updated and additional measures were taken to support client services, enhance access to secure communication as well as have the Security Operations Center directly service the MRO alarm systems.

Furthermore, the Department continued efforts to optimize efficiencies in delivering these services to Ministers in their work with Canadians in the regions, while maintaining quality services to clients.

The increase in actual spending over the planned spending is mainly due to funding requirements for existing program costs.

There is no significant variance between planned and actual FTEs.

Program 1.8: Procurement Ombudsman

This program, operating at arm's-length from the government, reviews procurement practices across federal departments and agencies, investigates complaints from suppliers regarding the award and administration of contracts for goods and services, and ensures the provision of alternative dispute resolution services for existing contracts. This program helps to promote fairness, openness and transparency in the federal procurement process.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date*	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
4,103,650	4,103,650	4,220,905	3,889,948	(213,702)

Totals may not add up due to rounding.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
30	25.02	(4.98)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Increased awareness of fairness, openness and transparency in federal procurement practices.	Percentage of formal complaints, requests for alternative dispute resolution services and procurement practice reviews addressed within the timelines stipulated in the Procurement Ombudsman Regulations	100%	100%
	Percentage of all inquiries and complaints addressed by the provision of information, referrals to appropriate authorities and facilitation	100%	100%

Performance Analysis and Lessons Learned

The 2014–15 Annual Report of the Procurement Ombudsman provided Parliamentarians and Canadians with information on the Office of the Procurement Ombudsman's (OPO) mandate and services, as well as the results of OPO's activities in 2014–15.

OPO continued to provide an independent and neutral avenue to address complaints from suppliers regarding the award and administration of federal contracts. While all Canadian suppliers benefited, small and medium-sized enterprises, in particular, found an avenue to address their concerns and complaints.

In 2014–15, OPO continued efforts to raise awareness of the office's services and exchange information with Canadian suppliers and federal officials. This included town hall discussions

across Canada with Canadian suppliers and procurement stakeholders such as federal depart-ments, Parliamentarians and both procurement and business associations. These awareness activities appear to be paying dividends as the office registered a 15% increase in total contacts in 2014–15 compared to 2013–14, as well as a 33% increase in procurement related inquiries in the same timeframe.

There is no significant variance as the difference does not exceed $3.0 million or 5% of the Procurement Ombudsman's planned spending.

The difference between planned and actual FTEs is mainly due to employees being away on assignments, parental leave and delayed staffing actions.

Sub-Program 1.8.1: Review of Procurement Practices

This sub-program allows for an independent third party review of systemic issues in government-wide procurement practices, and makes recommendations in support of fairness, openness and transparency in federal procurement. This sub-program helps promote the integrity, transparency and accountability of the government's procurement activities.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
2,149,220	1,866,628	(282,592)

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
15	12.51	(2.49)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Federal organizations receive impartial, relevant and achievable recommendations.	Percentage of departments, whose practices were reviewed, that have taken action in response to recommendations	100%	100%

Performance Analysis and Lessons Learned

OPO continued to review the procurement practices of departments and agencies to assess their fairness, openness and transparency, and made recommendations for improvement of those practices.

The Office undertook a practice review to determine whether the procurement practices used by ESDC to acquire IT services were consistent with relevant policies and procedures, the *Financial Administration Act* and regulations made under it, and the principles of fairness, openness and transparency. While the review found that a procurement management framework was in place

and that it was consistent with relevant policies and legislation, the Ombudsman made recommendations to further strengthen the Department's procurement practices.

The Office also undertook a review to determine whether NRCan's procurement management framework ensures the Department's procurement practices are consistent with applicable procurement laws, regulations and policies and allows NRCan to respect the principles of fairness, openness, and transparency. The review found that NRCan's procurement management framework is aligned with procurement related legislation and policy requirements and no major gaps were found. The Ombudsman made recommendations for the Department to continue to strengthen its monitoring, oversight, and quality control of contracts.

In addition, the Office undertook a review of Standing Offers/Supply Arrangements (SO/SAs). The objective of the review was to determine whether departmental contracts issued against SOs and SAs were consistent with applicable sections of the Treasury Board (TB) *Contracting Policy*, the *Financial Administration Act* and regulations made under it, and the principles of fairness, openness and transparency. The review found that as no central repository of all SOs and SAs in use by federal organizations is available, the actual number of tools and the associated total spending is unknown. The review also found a lack of monitoring of contracts issued against SOs and SAs in most departments reviewed. While the review was substantially completed in 2014–15, the results were published in summer 2015.

In 2014–15, OPO assessed recommendations contained in procurement practice reviews conducted in 2011–12 involving the Public Service Commission (PSC) and PWGSC. The Office was encouraged by the fact that PSC and PWGSC took action on all recommendations made in OPO's 2011–12 reviews. The report highlights the actions being taken by PSC and PWGSC to improve fairness, openness and transparency in their assessed procurement practices.

In other instances, where an issue may fall outside the typical scope of a departmental procurement practice review or where additional information is needed, OPO undertakes exploratory research or analysis. This year, one topic fell within this category: an analysis of the results of all requests for alternative dispute resolution made to the Office. The 2014–15 Annual Report provides more details on the reviews and the analysis, as well as other activities undertaken by the office. All reports can be found on the OPO website.

The decrease in actual spending over planned spending is mainly due to lower staffing levels.

The difference between planned and actual FTEs is mainly due to delayed staffing actions.

Sub-Program 1.8.2: Supplier Complaints

This sub-program helps ensure that complaints regarding the award and administration of contracts are addressed in a helpful and timely manner by a knowledgeable and independent third-party. It also ensures the provision of facilitation and dispute resolution services which can provide a timely and cost-effective process for the resolution of contract disputes.

Budgetary Financial Resources (dollars)

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
1,954,430	2,023,320	68,890

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
15	12.51	(2.49)

Performance Results

Expected Results	Performance Indicators	Targets	Actual Results
Complaints and contacts addressed in a timely manner.	Percentage of complaints addressed within the timelines stipulated in the Regulations	100%	100%

Performance Analysis and Lessons Learned

OPO provided an independent and neutral avenue to address complaints from suppliers regarding the award or administration of federal contracts. In 2014–15, OPO processed 577 contacts, representing a 15% increase from the previous year.

In 2014–15, OPO undertook 3 reviews of complaints. Of the three reviews, two were completed within 2014–15 and one carried over to 2015–16. An additional two reviews, which were initiated in 2013–14, were completed in 2014–15. All reviews were completed and reported within the legislated timelines, and summaries are available on the OPO website and in the 2014–15 Annual Report.

OPO continued to strengthen its operations by focusing on service delivery and ensuring that each complaint and inquiry made to the office was responded to in a professional and helpful manner within 12 business hours. OPO also continued its efforts to help de-escalate federal procurement issues brought to the Office's attention in 2014–15, including by providing information to suppliers and acting as an informal facilitator between the departments and suppliers.

OPO also continued to offer dispute resolution services to suppliers and departments, and provided a timely, neutral and cost-effective alternative to potentially lengthy and expensive litigation. In 2014–15, OPO received four requests from suppliers for dispute resolution services, of which:

- one did not fall within the Procurement Ombudsman's jurisdiction; and

- three were declined by the implicated department.

While the number of requests for dispute resolution is consistent with the number received in previous years, 2014–15 is the first year where OPO has not received agreement from both parties to proceed with at least one alternative dispute resolution process.

There is no significant variance as the difference does not exceed $3.0 million or 5% of the Supplier Complaints' planned spending.

The difference between planned and actual FTEs is mainly due to employees being away on assignments.

Program 1.9: Internal Services

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other corporate obligations of an organization. These groups are Management and Oversight Services, Communications Services, Legal Services, Human Resources Management Services, Financial Management Services, Information Management Services, Information Technology Services, Real Property Services, Materiel Services, Acquisition Services, and Travel and Other Administrative Services. Internal Services include only those activities and resources that apply across an organization and not those provided to a specific program.

Budgetary Financial Resources (dollars)

2014–15 Main Estimates	2014–15 Planned Spending	2014–15 Total Authorities To Date*	2014–15 Actual Spending (authorities used)	2014–15 Difference (actual minus planned)
201,126,547	201,126,547	244,446,623	226,820,291	25,693,744

Totals may not add up due to rounding.

* Internal Services' 2014–15 Total Authorities To Date include $6 million that was set aside by Central Agencies mainly for projects and initiatives to be carried in future years.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned	2014–15 Actual	2014–15 Difference (actual minus planned)
2,536.97**	2,469.33	(67.64)

** In the 2014–15 RPP, the PWGSC Internal Services Program planned FTE number was 2,527. However, based on the TBS current Internal Services list, the 2014–15 DPR planned FTE number comes up with a total of 2,536.97.

Performance Analysis and Lessons Learned

Through its **Governance and Management Support** sub-program, PWGSC:

- Continued to provide the Minister and the Deputy Minister with assurance that departmental operations were being carried out with prudence, due diligence and transparency, in accordance with established legislation, regulations, policies and practices.

- Continued to provide external and internal communications strategic advice, support and services to the Department's business lines and the senior executive offices.

- Continued to provide operational, administrative and paralegal support to Counsels and the Senior General Counsel.

Through its **Resources Management Services sub-program,** *PWGSC:*

- Remained focused on strengthening workforce capacity to meet departmental needs and creating a sustainable, healthy workplace to position the Department for the future.

- Continued to implement sound financial management through strengthened financial accountability to ensure optimal use of departmental resources.

- Enhanced IM practices to support effective decision making, facilitated knowledge retention and enabled better delivery of PWGSC services and programs.

- Provided better advice to clients in the use of technology, and, in turn, improved services to departmental clients.

- Focused on providing high-quality travel services to its employees, within value for money principles such as guaranteed lowest cost fares on-line and lowest transaction fees.

Through its **Asset Management Services sub-program,** *PWGSC:*

- Strengthened the departmental management of accommodations initiatives, enhanced the financial management of accommodations services to the Department, and supported innovative accommodations services.

- Strengthened and enhanced the departmental material management processes, leveraged the departmental recycling programs to reduce the environmental footprint, and continued to update the Material Management policy suites.

- Strengthened and implemented its internal procurement management framework, strengthened oversight and monitoring of procurement, and provided leadership in enhanced procurement innovation, by leveraging new supply arrangements to save money for the Crown.

The increase in actual spending over the planned spending is mainly due to the centralization of Information Management and Information Technology activities to the Internal Services program to align expenditure with the new departmental structure and the implementation of MyGCHR (PeopleSoft). This project supports the government priority to modernize people management and achieve a productive, high-performing and affordable public service.

The difference between planned and actual FTEs is mainly due to:

- the reorganization and realignment of the departmental structure,

- the streamlining of the service delivery processes,

- delays in the anticipated staffing processes,

- the implementation of PeopleSoft (MyGCHR),

- the classification files cleanup project,

- the attrition process, and

- the FTEs remapping.

[Sub-Program 1.9.1: Governance and Management Support]

The Sub-Program 1.9.1: Governance and Management Support is comprised of the following three sub-sub-programs: 1.9.1.1 Management and Oversight; 1.9.1.2: Communications; and 1.9.1.3 Legal. We are providing below the FTE count and performance analysis for each of these sub-sub-programs

Sub-Sub-Program 1.9.1.1: Management and Oversight

Management and Oversight Services involve activities undertaken for determining strategic direction and governance, program planning and design; representing values and ethics; and allocating resources and taking investment decisions; as well as those activities related to analyzing exposure to risk and determining appropriate countermeasures. They ensure that the service operations and programs of the federal government comply with applicable laws, regulations, policies, and/or plans.

Service Groupings for Management and Oversight Services include: Strategic Policy and Planning and Government Relations (incl. Federal/Provincial/Territorial/International); Executive Services; Corporate Policy, Standards, Guidelines; Investment Planning; Project Management; Risk Management; Performance and Reporting; Internal Audit; Evaluation.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
271	266.60	(4.4)

Performance Analysis and Lessons Learned

PWGSC continued to uphold the responsibility for administering the *Public Servants Disclosure Protection Act (PSDPA),* by continually public servants to report wrongdoing in the workplace and by conducting awareness activities on protection from reprisal. These included publishing articles in the internal newsletter, meetings with management and liaising with unions. By responding to these reports, PWGSC continued to play a role in ensuring the well-being and integrity of the operations of the Department.

The Department conducted administrative investigations and reviewed procurement award practices through the Special Investigations Directorate in response to allegations of wrongdoing, impropriety, mismanagement and other irregularities in PWGSC.

PWGSC consolidated the Corporate Security and the Emergency Preparedness functions to leverage synergies between them. This improved the coordination of security operations within the Department. PWGSC provided services that ensured the protection of departmental personnel, information and assets.

The Department contributed to the integrity and effectiveness of departmental operations by delivering nine independent and credible internal audits that provided reasonable assurance on the effectiveness and adequacy of risk management, controls and governance processes.

PWGSC delivered three neutral evaluations on the relevance and performance of departmental programs, policies and initiatives and continued to play an important role in supporting the Deputy Minister's responsibilities as Accounting Officer.

PWGSC prepared several decision documents in support of the Department's business require-ments. All of these decision documents included consideration and/or analysis of the impacts of strategic environmental assessment, gender-based analysis and official languages.

The difference between planned and actual FTEs is mainly due to:

- branch reorganization for the Policy, Planning and Communications Branch, on the one hand; and
- streamlining service delivery processes and delays in anticipated staffing processes for the Departmental Oversight Branch, on the other hand.

Sub-Sub-Program 1.9.1.2: Communications

Communications Services involve activities undertaken to ensure that Government of Canada communications are effectively managed, well coordinated and responsive to the diverse information needs of the public. The communications management function ensures that the public—internal or external—receives government information, and that the views and concerns of the public are taken into account in the planning, management and evaluation of policies, programs, services and initiatives.

Service Groupings for Communications Services include: Public Opinion Research; Corporate Identity; Consultations; Media Relations; Advertising, Fairs, Exhibits; In-Person Service, Telephone, Facsimile, Mail, Internet; Translation; Publications.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
139	122	(17)

Performance Analysis and Lessons Learned

PWGSC continued to provide external and internal communications strategic advice, support and services to the Department's business lines and the senior executive offices (Deputies' and Minister's offices) and served as the focal point for the flow of strategic and operational communications to advance departmental and governmental priorities.

PWGSC also pursued the work of improving and leveraging the departmental web presence and social media tools to promote departmental priorities to its audiences and provided an informal human voice for the Department.

The Department strengthened its risk management practices by fully integrating risks into decision-making through improved risk identification and implementation of mitigation strategies.

The difference between planned and actual FTEs is mainly due to the realignment of the Communications Sector which is not yet complete.

Sub-Sub-Program 1.9.1.3: Legal

Legal Services involve activities undertaken to enable government departments and agencies to pursue policy, program and service delivery priorities and objectives within a legally sound framework. Services include the provision of: policy and program advice, direction in the development and drafting of the legal content of bills, regulations, and guidelines; assistance in the identification, mitigation and management of legal risks; legal support in ensuring compliance and enforcement of standards, regulations and guidelines; and representing the Crown's interests in litigation.

Service Groupings for Legal Services include: Legal Advice; Preparation of Legal Documents; Litigation Services; Legislative Drafting; Legal Oversight.

Human Resources (FTEs) (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
24	23	(1)

Performance Analysis and Lessons Learned

PWGSC provided operational and administrative support to Counsels and the Senior General Counsel.

The Department also provided paralegal support to Counsels and the Senior General Counsel.

There is no significant variance between the planned and actual FTEs.

[Sub-Program 1.9.2: Resources Management Services]

The Sub-Program 1.9.2: Resources Management Services is comprised of the following sub-sub-programs: 1.9.2.1 Human Resources Management; 1.9.2.2 Financial Management; 1.9.2.3 Information Management; 1.9.2.4 Information Technology; and 1.9.2.5 Travel and Other Administrative Services. We are providing below the FTE count and performance analysis for each of these sub-sub-programs.

Sub-Sub-Program 1.9.2.1: Human Resources Management

Human Resources Management Services involve activities undertaken for determining strategic direction, allocating resources among services and processes, as well as activities relating to analyzing exposure to risk and determining appropriate countermeasures. They ensure that the service operations and programs of the federal government comply with applicable laws, regulations, policies, and/or plans.

Service Groupings for Human Resources Management Services include: HR Planning, Work, Organization Design and Reporting; Job and Position Management; Employee Acquisition and Orientation; Total Compensation; Employee Performance, Learning, Development and Recognition; Permanent and Temporary Separations; Workplace Management.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
477.97	498.73	20.76

Performance Analysis and Lessons Learned

In 2014–15, PWGSC provided Performance Management information sessions to help managers comply with the requirements of the new Directive on Performance Management and continued the modernization efforts of its human resources infrastructure through the launch of My GCHR and SABA.

The Department also continued, through the Blueprint 2020 initiative, to support active employee engagement by implementing various measures to address five priority areas previously identified by PWGSC employees: Service to Clients; Our Performance; a Collaborative Workplace; Process-busting; and Whole of Government Contribution. To reinforce employee behaviors that contribute to excellence in client service and the development of client service leaders at all levels, the Client Service Competency continued to be part of performance management and other HR management activities, including staffing and learning.

The difference between planned and actual FTEs is attributable to the implementation of PeopleSoft which created a backlog and to the classification files cleanup project.

Sub-Sub-Program 1.9.2.2: Financial Management

Financial Management Services involve activities undertaken to ensure the prudent use of public resources, including planning, budgeting, accounting, reporting, control and oversight, analysis, decision support and advice, and financial systems.

Service Groupings for Financial Management Services include: Financial Planning & Budgeting; Accounting Management; Expenditure Control; Payments Service; Collections and Receivables Service; Asset and Liability Management Service.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
650	526	(124)

Performance Analysis and Lessons Learned

PWGSC continued to implement sound financial management through strengthened financial accountability to ensure optimal use of departmental resources through initiatives such as the Budget Management Excellence, Internal Control over Financial Reporting, and the Departmental Integrated Investment Plan.

Furthermore, PWGSC expanded its departmental financial and procurement management system to include the real property component. This fully integrated departmental financial procurement and real property management system allows the department to reduce duplication of efforts and realize efficiencies through common operational support, training, and reporting. The Department also enhanced the reporting capabilities of its financial, procurement, and real property management system to meet the requirements of its business lines and those of Shared Services Canada, to whom system services are provided on a cost recovery basis.

The Department provided strong financial leadership and oversight over the implementation of approved budget savings measures.

PWGSC ensured sound stewardship and management excellence by remaining committed to effective resource planning and workforce management, while continuing to build on lessons learned and share best practices across the public service.

The difference between the planned and actual FTEs includes changes in priorities (SIGMA Center of Expertise), the attrition process and the FTEs remapping as per implementation of the Financial Management Framework.

Sub-Sub-Program 1.9.2.3: Information Management

Information Management Services involve activities undertaken to achieve efficient and effective information management to support program and service delivery; foster informed decision making; facilitate accountability, transparency, and collaboration; and preserve and ensure access to information and records for the benefit of present and future generations. Information management is the discipline that directs and supports effective and efficient management of information in an organization, from planning and systems development to disposal or long-term preservation.

Service Groupings for Information Management Services include: Enterprise Information Architecture Services; Data Management Services; Records and Document Management Services; Library Services; Content Management Services; Archival Services; Business Intelligence and Decision Support Services; Access to Information and Privacy Services.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
132	131	(1)

Performance Analysis and Lessons Learned

The Department enhanced IM practices to support effective decision making, facilitated knowledge retention and enabled better delivery of PWGSC services and programs. Under the Open Government Initiative, the Department produced 14 data sets for public use, 8 of which were the most frequently downloaded of all government data sets as of January 2015.

PWGSC implemented a new records management Service Delivery Model comprised of a Centre of Expertise and Branch Operations Model, to focus on record keeping obligations and internal promotion of good record keeping practices, and also implemented a new record management tool (GCDOCS) to maintain documents, thus ensuring that departmental employees had timely access to information resources with business value and clear guidelines and instructions with regards to the life cycle management of their information.

PWGSC increased its compliance rate to respond to Access to Information (ATI) requests from 92.7% to 95.3% on time, and continued to provide training and support for ATIP liaison officers and employees in the Department.

The Department continued to increase awareness of departmental employees concerning the requirements to comply with the provisions of the *Privacy Act*.

PWGSC completed all requirements to participate in a pilot program called 'Buy-On line' which facilitates on-line payment of the filing fee for ATIP requests, and improves the quality of service. PWGSC will offer the service via the pilot program starting on June 1, 2015.

There is no significant variance between planned and actual FTEs

Sub-Sub-Program 1.9.2.4: Information Technology

Information Technology Services involve activities undertaken to achieve efficient and effective use of information technology to support government priorities and program delivery, to increase productivity, and to enhance services to the public. The management of information technology includes planning, building (or procuring), operating and measuring performance.

Service Groupings for Information Technology Services include: Distributed Computing; Application/Database Development & Maintenance; Production and Operations Computing; Telecommunications Network—(Data and Voice); IT Security.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
799	863	64

Performance Analysis and Lessons Learned

The Department provided better advice to clients in the use of technology, and, in turn, improved services to departmental clients, thus allowing PWGSC to more effectively develop plans and approaches to maximize the value of technology in support of the departmental client service strategy.

PWGSC pursued opportunities to leverage new and emerging IM/IT technologies and strategic sourcing for service improvement, collaboration and efficiencies, in support of the efforts to modernize how the operations were run and how the services were delivered.

PWGSC also established a standards-based, transparent, and departmental-wide approach to the management of IM/IT that ensured cost-effective and efficient IM/IT solutions, and IM/IT investment decisions that were aligned with departmental and Government of Canada priorities.

The Department also maintained progress in the rationalization of PWGSC's IT Application Portfolio, creating economies of scale, reducing operational costs and reducing aging IT-related risks to the operations of the Department, while at the same time providing for the necessary levels of process and information integration required in support of PWGSC Service Transformation.

The Department played a key role in supporting the Government of Canada IT modernization agenda with the implementation of two GC-wide Administrative Services in support of human resources management and records management.

The difference between planned and actual FTEs is mainly due to the integration of employees transferred from other areas of the Department.

Sub-Sub-Program 1.9.2.5: Travel and Other Administrative Services

Other Administrative Services include GC travel services, as well as those other internal services that do not smoothly fit with any of the internal services categories. Service Groupings for Other Administrative Services include: Travel; Other Administrative Services.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
0	2	2

Performance Analysis and Lessons Learned

PWGSC focused on providing high-quality travel services to its employees, within value for money principles such as guaranteed lowest cost fares on-line and lowest transaction fees.

The Department also focused on its commitment to reduce the environmental footprint associated with its business-related travel by encouraging business travel by train or car instead of plane, where possible.

[Sub-Program 1.9.3: Asset Management Services]

The Sub-Program 1.9.3: Asset Management Services is comprised of the following three sub-sub-programs: 1.9.3.1 Real Property; 1.9.3.2 Materiel; and 1.9.3.3 Acquisition. We are providing below the FTE count and performance analysis for each of these sub-sub-programs.

Sub-Sub-Program 1.9.3.1: Real Property

Real Property Services involve activities undertaken to ensure real property is managed in a sustainable and financially responsible manner, throughout its life cycle, to support the cost-effective and efficient delivery of government programs. Real property is defined as any right, interest or benefit in land, which includes mines, minerals and improvements on, above or below the surface of the land.

Service Groupings for Real Property Services include: Acquisition; Operations and Management; Disposal.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
12	12	0

Performance Analysis and Lessons Learned

PWGSC strengthened the departmental management of accommodations initiatives, by streamlining the regional and branch planning accommodation planning framework as it relates to inputs into the departmental accommodation plan.

PWGSC enhanced the financial management of accommodations services to the Department, by strengthening the budget and review process and enhancing financial reporting capacity within the accommodation services program.

The Department also supported innovative accommodations services, by continuing to enhance the feedback/survey process with employees and applying their innovative ideas, where feasible, to future projects.

Sub-Sub-Program 1.9.3.2: Materiel

Materiel Services involve activities undertaken to ensure that materiel can be managed by departments in a sustainable and financially responsible manner that supports the cost-effective and efficient delivery of government programs. Materiel is defined as all movable assets, excluding money and records, acquired by Her Majesty in right of Canada. Materiel management entails all activities necessary to acquire, hold, use and dispose of materiel, including the notion of achieving the greatest possible efficiency throughout the life cycle of materiel assets.

Service Groupings for Materiel Services include: Acquisition; Operations and Management; Disposal.

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
9	7	(2)

Performance Analysis and Lessons Learned

PWGSC strengthened and enhanced the departmental material management processes by applying a life cycle management approach.

It leveraged the departmental recycling programs to reduce the environmental footprint and continued to strengthen departmental sustainable development strategies.

The Department also continued to update the Material Management policy suites resulting in better procurement and asset management.

Sub-Sub-Program 1.9.3.3: Acquisition

Acquisition Services involve activities undertaken to acquire a good or service to fulfill a properly completed request (including a complete and accurate definition of requirements and certification that funds are available) until entering into or amending a contract.

Service Groupings for Acquisition Services include: Goods Acquisitions; Services Acquisitions; Construction Acquisitions; Other Acquisitions (acquisitions that fall outside the definitions of goods or services).

Human Resources (Full-Time Equivalents [FTEs])

2014–15 Planned Spending	2014–15 Actual Spending	2014–15 Difference (actual minus planned)
23	18	(5)

Performance Analysis and Lessons Learned

PWGSC strengthened its internal procurement management framework and implemented it through enhanced communication, training and support to the employees.

PWGSC led the strengthening of oversight and monitoring of procurement, particularly for low-dollar value transactions through a robust quality assurance function.

The Department set the FSDS with regards to Green Procurement and Waste Management targets. It also contributed to reducing greenhouse gas emissions for departmental fleet vehicles.

PWGSC also provided leadership in enhanced procurement innovation, by leveraging new supply arrangements to save money for the Crown.

Section III: Supplementary Information

Financial Statements Highlights

The highlights presented in this section are intended to serve as a general overview of PWGSC's results. The following condensed financial statements are prepared on an accrual basis of accounting which aligns consumption of resources with the services provided, rather than reporting on the use of authorities as is done in Section I and II of this report. Note 3 of the *Consolidated Departmental Financial Statements* provides reconciliation between these two bases of accounting.

Public Works and Government Services Canada Condensed Consolidated Statement of Operations and Departmental Net Financial Position (Unaudited) For the Year Ended March 31, 2015 (in millions of dollars)					
Financial Information	**2014–15 Planned Results**	**2014–15 Actual**	**2013–14 Actual**	**Difference (2014–15 actual minus 2014–15 planned)**	**Difference (2014–15 actual minus 2013–14 actual)**
Total expenses	4,776.2	5,239.0	5,152.8	462.8	86.2
Total revenues	(2,492.2)	(2,578.7)	(2,698.2)	(86.5)	119.5
Net cost of operations before government funding and transfers	**2,284.0**	**2,660.3**	**2,454.6**	**376.3**	**205.7**

Overall, the actual Net Cost of Operations ($2,660.3 million) increased by $205.7 million compared to the prior year ($2,454.6 million). Key variances for both Expenses and Revenues are explained below.

Expenses

Actual over Planned

The **2014–15 expenses were $462.8 million higher than planned** (planned: $4,776.2 million; actual: $5,239.0 million). Key variance explanations for the program activities of **Accommodation and Real Property Services, Acquisitions and Specialized Programs and Services** can be found in Section II of this report.

Actual Year over Year

The **increase in expenses of $86.2 million** (2014–15: $5,239.0 million; 2013–14: $5,152.8 million) is mainly due to:

- An increase in the **Federal Pay and Pension Administration** Program of $69.2 million due to scheduled changes to the pay and pension modernization projects.

- An increase in the **Acquisitions** Program of $30.9 million primarily due to an increase in business volume in the Vaccine Program.

Offset by:

- A decrease in the **Receiver General for Canada** Program of $9.7 million due to efficiencies achieved as a result of increased use of electronic payments.

Revenues
Actual over Planned
The **2014–15 revenues were $86.5 million higher than planned** (planned: $2,492.2 million; actual: $2,578.7 million). Key variance explanations for **Acquisitions** and **Accommodation and Real Property Services** Program activities can be found in Section II of this report.

Actual Year over Year
The **decrease in revenues of $119.5 million** (2014–15: $2,578.7 million; 2013–14: $2,698.2 million) is mainly attributable to the **Accommodation and Real Property Services** Program and is due to a reduction in business volume associated with projects on behalf of Correctional Service Canada (CSC) to construct and upgrade prisons across Canada.

Public Works and Government Services Canada Condensed Consolidated Statement of Financial Position (Unaudited) As of March 31, 2015 (in millions of dollars)			
Financial Information	**2014–15**	**2013–14**	**Difference (2014–15 minus 2013–14)**
Total net liabilities	3,922.2	3,583.9	338.3
Total net financial assets	(833.9)	(801.1)	(32.8)
Departmental net debt[6]	**3,088.3**	**2,782.8**	**305.5**
Total non-financial assets	6,343.6	6,117.4	226.2
Departmental net financial position	**3,255.3**	**3,334.6**	**(79.3)**

The **Departmental net financial position**, calculated as the difference between Departmental net debt and total non-financial assets, **decreased by $79.3 million** (2014–15: $3,255.3 million; 2013–14: $3,334.6 million). The decrease can be explained by the following:

The **Departmental net debt,** calculated as the difference between total net liabilities and total net financial assets, **increased by $305.5 million** (2014–15: $3,088.3 million; 2013–14: $2,782.8 million). This variance is mainly due to an increase in environmental liabilities as a result of the transfer of Enterprise Cape Breton Corporation (ECBC) to PWGSC and an increase in lease obligations for tangible capital assets as a result of new leases, particularly 90 Elgin Street in Ottawa, Ontario.

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[6] Departmental net debt represents all items for which PWGSC will require future appropriations to settle the liabilities.

Offset by:

An **increase of $226.2 million in non-financial assets** (2014–15: $6,343.6 million; 2013–14: $6,117.4 million) which can be explained as follows:

- Increase of **$588.2 million for the acquisition of tangible capital assets** mainly related to real property projects and initiatives:

  o Parliamentary Precinct restoration and rehabilitation ($240.8 million);

  o Pembroke Bridge Replacement ($20.9 million);

  o Development of new IT systems:

    ▪ PWGSC pay modernization system ($42.0 million);

    ▪ DND pension modernization system ($28.0 million); and

- Increase of **$285.0 million** for the acquisition of new buildings mainly under capital leases, particularly 90 Elgin Street in Ottawa, Ontario ($225.6 million).

Offset by:

- Decrease of **$647.9 million** mainly due to:

  o Amortization ($391.6 million); and

  o Disposals, write-offs and adjustments of assets ($256.3 million).

Financial Statements

The complete set of PWGSC's Consolidated Financial Statements can be found on [PWGSC Reports website](#)[xxv].

List of Supplementary Information Tables

The supplementary information tables listed in the *2014–15 Departmental Performance Report* are available on the [PWGSC Reports website](#)[xxvi].

- Departmental Sustainable Development Strategy;

- Details on Transfer Payment Programs of $5 Million or More;

- Internal Audits and Evaluations;

- Response to Parliamentary Committees and External Audits;

- Status Report on Transformational and Major Crown Projects;

- Status Report on Projects Operating With Specific Treasury Board Approval; and

- User Fees, Regulatory Charges and External Fees.

Tax Expenditures and Evaluations

The tax system can be used to achieve public policy objectives through the application of special measures such as low tax rates, exemptions, deductions, deferrals and credits. The Department of Finance Canada publishes cost estimates and projections for these measures annually in the [Tax Expenditures and Evaluations](#)[xxvii] publication. The tax measures presented in the Tax Expenditures and Evaluations publication are the responsibility of the Minister of Finance.

Section IV: Organizational Contact Information

For more information on programs and services of Public Works and Government Services Canada, please communicate with:

Public Works and Government Services Canada
11 Laurier Street, PDP III
Gatineau, Quebec
K1A 0S5
Canada

ATTN: General Enquiry Website[xxviii]

E-mail—General Inquiries[xxix]

Toll-free number for the hearing-impaired: 1-800-926-9105

Appendix: Definitions

appropriation (*crédit*): Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (*dépenses budgétaires*): Includes operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

Departmental Performance Report (*rapport ministériel sur le rendement*): Reports on an appropriated organization's actual accomplishments against the plans, priorities and expected results set out in the corresponding Report on Plans and Priorities. These reports are tabled in Parliament in the fall.

full-time equivalent (*équivalent temps plein*): Is a measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

Government of Canada outcomes (*résultats du gouvernement du Canada*): A set of 16 high-level objectives defined for the government as a whole, grouped in 4 spending areas: economic affairs, social affairs, international affairs and government affairs.

Management, Resources and Results Structure (*Structure de la gestion, des ressources et des résultats*): A comprehensive framework that consists of an organization's inventory of programs, resources, results, performance indicators and governance information. Programs and results are depicted in their hierarchical relationship to each other and to the Strategic Outcome(s) to which they contribute. The Management, Resources and Results Structure is developed from the Program Alignment Architecture.

non-budgetary expenditures (*dépenses non budgétaires*): Includes net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (*rendement*): What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve and how well lessons learned have been identified.

performance indicator (*indicateur de rendement*): A qualitative or quantitative means of measuring an output or outcome, with the intention of gauging the performance of an organization, program, policy or initiative respecting expected results.

performance reporting (*production de rapports sur le rendement*): The process of communicating evidence-based performance information. Performance reporting supports decision making, accountability and transparency.

planned spending (*dépenses prévues*): For Reports on Plans and Priorities (RPPs) and Departmental Performance Reports (DPRs), planned spending refers to those amounts that receive Treasury Board approval by February 1. Therefore, planned spending may include amounts incremental to planned expenditures presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their RPPs and DPRs.

plan (*plan*): The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

priorities (*priorité*): Plans or projects that an organization has chosen to focus and report on during the planning period. Priorities represent the things that are most important or what must be done first to support the achievement of the desired Strategic Outcome(s).

program (*programme*): A group of related resource inputs and activities that are managed to meet specific needs and to achieve intended results and that are treated as a budgetary unit.

Program Alignment Architecture (*architecture d'alignement des programmes*)**:** A structured inventory of an organization's programs depicting the hierarchical relationship between programs and the Strategic Outcome(s) to which they contribute.

Report on Plans and Priorities (*rapport sur les plans et les priorités*): Provides information on the plans and expected performance of appropriated organizations over a three-year period. These reports are tabled in Parliament each spring.

result (*résultat*): An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead they are within the area of the organization's influence.

statutory expenditures (*dépenses législatives*): Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

Strategic Outcome (*résultat stratégique*): A long-term and enduring benefit to Canadians that is linked to the organization's mandate, vision and core functions.

sunset program (*programme temporisé*): A time-limited program that does not have an ongoing funding and policy authority. When the program is set to expire, a decision must be made whether to continue the program. In the case of a renewal, the decision specifies the scope, funding level and duration.

target (*cible*): A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (*dépenses votées*): Expenditures that Parliament approves annually through an Appropriation Act. The Vote wording becomes the governing conditions under which these expenditures may be made.

whole-of-government framework (*cadre pangouvernemental*): Maps the financial contributions of federal organizations receiving appropriations by aligning their Programs to a set of 16 government-wide, high-level outcome areas, grouped under 4 spending areas.

Endnotes

i   *Department of Public Works and Government Services Act,*
http://laws-lois.justice.gc.ca/eng/acts/P-38.2/

ii   *Shared Services Canada Act,* http://laws-lois.justice.gc.ca/eng/acts/S-8.9/

iii   *Expropriation Act,* http://laws-lois.justice.gc.ca/eng/acts/E-21/

iv   *Defence Production Act,* http://laws-lois.justice.gc.ca/eng/acts/D-1/

v   *Seized Property Management Act,* http://laws-lois.justice.gc.ca/eng/acts/S-8.3/

vi   *Surplus Crown Assets Act,* http://laws-lois.justice.gc.ca/eng/acts/S-27/

vii   *Financial Administration Act,* http://laws-lois.justice.gc.ca/eng/acts/f-11/

viii   Based on the Directory of Federal Real Property reporting on Top Organizations by Floor Area (sq. m.), http://www.tbs-sct.gc.ca/dfrp-rbif/home-accueil-eng.aspx).

ix   Although it is a program of PWGSC, the Office of the Procurement Ombudsman is required to operate in an impartial and independent manner. The details of its operations and performance results are provided in the Procurement Ombudsman's annual report, which is tabled in each House of Parliament by the Minister of PWGS following the fiscal year in accordance with legislative requirements.

x   PWGSC @ Your Service: Our Services, Standards and Results 2014-2015, http://www.tpsgc-pwgsc.gc.ca/sc-cs/nsnnnr-ossr/2014-2015/tdm-toc-eng.html

xi   *Public Accounts of Canada,*
http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html

xii   *Estimates Publications and Appropriation Acts – RPP*,
http://www.tbs-sct.gc.ca/rpp/index-eng.asp

xiii   Whole-of-Government Framework, http://www.tbs-sct.gc.ca/ppg-cpr/frame-cadre-eng.aspx

xiv   *Public Accounts of Canada 2015,*
http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html

xv   Public Works and Government Services Canada website,
http://www.tpsgc-pwgsc.gc.ca/comm/index-eng.html

xvi   Departmental website, www.pwgsc-tpsgc.gc.ca

xvii   Buyandsell.gc.ca, https://buyandsell.gc.ca/initiatives-and-programs/smart-procurement

xviii   Internal Audit and Evaluation Reports - 2014/2015,
        http://www.tpsgc-pwgsc.gc.ca/bve-oae/rapports-reports/2014-2015-eng.html

xix   West Block, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-parliamenthill/batir-
        building/ouest- west/eo-wb-eng.html

xx   Sir John A. Macdonald Building, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-
        parliamenthill/batir-building/mod-sjam-eng.html

xxi   Wellington Building, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-
        parliamenthill/batir-building/mod-wellington-eng.html

xxii   East Block, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-parliamenthill/batir-
        building/est-east/dfcest-eastblck-eng.html

xxiii   Centre Block, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-parliamenthill/batir-
        building/centre/mod-dfccntr-cntrblck-eng.html

xxiv   Confederation Building, http://www.tpsgc-pwgsc.gc.ca/collineduparlement-
        parliamenthill/batir-building/confederation-eng.html#rehab

xxv   PWGSC Reports website, http://www.tpsgc-pwgsc.gc.ca/rapports-reports/index-eng.html

xxvi   PWGSC Reports website (Supplementary information tables)
        http://www.tpsgc-pwgsc.gc.ca/rapports-reports/index-eng.html

xxvii   Government of Canada Tax Expenditures, http://www.fin.gc.ca/purl/taxexp-eng.asp

xxviii General Enquiry Website, http://www.tpsgc-pwgsc.gc.ca/comm/cn-cu-eng.html

xxix   General Inquiries, questions@tpsgc-pwgsc.gc.ca