

# Shared Services Canada

2017–18

## **Departmental Results Report**

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The Honourable Carla Qualtrough, P.C., M.P.  
Minister of Public Services and Procurement and Accessibility,  
and Minister responsible for Shared Services Canada

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## Minister's message

As the Minister responsible for Shared Services Canada (SSC), I am proud to present SSC's 2017–18 Departmental Results Report. This report sets out the progress and accomplishments SSC achieved during 2017–18. As the information technology (IT) infrastructure service provider for the Government of Canada, SSC plays a key role in the government's ability to deliver programs and services that improve the lives of Canadians, their families and their communities.



We live in an increasingly connected digital world and Canadians rightfully expect easy access to secure and reliable services anytime and anywhere. SSC ensures that Canadians receive reliable digital technology and IT services from the Government of Canada. The digital services that the Government of Canada offers online are supported by an accessible, reliable, modern and secure IT digital platform.

The Government of Canada sees the ability to manage and use IT as an increasingly valuable asset. As it moves toward a digital-first approach, there is a growing need to adapt IT to provide digital programs and services for Canadians.

During 2017–18, SSC worked closely with federal customer organizations to ensure the success of various key initiatives. Highlights from this period include:

- [Enabling our customers to deliver innovative digital services that are timely, citizen-centered and easy to use through Budget 2018 investments;](#)
- [making public cloud computing available;](#)
- migration to refreshed high performance computing (HPC) solution to improve weather services; and
- [moving from data centres with an aging IT infrastructure to fewer modern, secure and reliable state-of-the-art facilities](#) and to cloud services. This will support federal government online program and service delivery to Canadians, provide greater physical and cyber security for Canadians' personal information, and offer a long-term IT solution for Government of Canada growth and Canadians' growing use of digital services.

SSC always works to support the Government of Canada's IT priorities. The Department will continue to move from aging data centres to enterprise data centres (EDC) to advance digital communications and workplace technologies, to improve telecommunications, cyber and IT security, and to help accelerate the adoption of public cloud services.

In the coming year, SSC will take on new challenges and priorities for the Government of Canada and Canadians. The Department will continue to play a crucial role in providing departments and agencies with the accessible, modern, reliable and secure IT infrastructure they need to serve Canadians. I encourage you to review this Departmental Results Report to see the steps SSC is taking to improve the delivery of government IT services to Canadians.

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The Honourable Carla Qualtrough, P.C., M.P.  
Minister of Public Services and Procurement and Accessibility,  
and Minister responsible for Shared Services Canada

## Results at a glance

SSC delivers standard and central email, data centre, network and workplace technology devices (WTD) services to its customer organizations. SSC also provides cyber security services for IT infrastructure and procures workplace software and hardware.

SSC Resources Used in 2017–18 to Achieve Results for Canadians	
Total actual spending	\$1,797,913,295
Total actual full-time equivalents	5,975

## Results highlights

- **Cloud Services:** In December 2017, SSC began offering public cloud computing services to the Government of Canada. These services offer Canadians greater access to unclassified government data, new digital services and programs such as geospatial systems.

### **Budget 2018**

SSC hosted the [Budget 2018](#) web page and its associated infrastructure. The Department placed the data in the cloud so all Canadians had electronic access to the budget document at the exact same moment. Within 41 seconds of the Minister of Finance standing up in the House of Commons, the site gave public access to the full website in both official languages.

- **HPC:** In September 2017, Environment and Climate Change Canada completed its migration to SSC's upgraded HPC environment with new, state-of-the-art supercomputers. The HPC solution includes four large-scale computing clusters, and makes it the fastest recorded computer platform in the Government of Canada. These HPCs can process massive amounts of data and complex simulation programs.
  - For example, Environment Climate Change Canada uses these supercomputers to issue more accurate and timely forecasts and weather warnings. Simulations generated in January 2018 played an important role in preparing Canadians for unusually cold temperatures.
- **Data Centre Migrations:** To modernize the Government of Canada's IT, SSC is consolidating existing and aging IT infrastructure in government data centres into fewer, modern, secure, and reliable facilities. In January 2018, in partnership with the Department of National Defence (DND), SSC opened the first data hall of the new EDC Borden, a Public Private Partnership (P3) project which was delivered on time and on budget.
- **Helping Asylum Seekers Enter Canada:** SSC provided IT infrastructure support in Saint-Bernard-de-Lacolle, Quebec, to help officials triage and process asylum seekers. SSC

increased the bandwidth and network connections for Immigration, Refugees and Citizenship Canada, the Canada Border Services Agency and the Royal Canadian Mounted Police.

- **Canada 150 Celebrations:** SSC helped make Parks Canada's events for Canada's 150th anniversary a huge success. To welcome people from throughout Canada and around the world, the Department upgraded the Parks Canada network at several locations to meet the large increase in traffic to their website. SSC also supported the installation of emergency telephone lines at some of the key locations throughout the country.
- **Amendments to the [Shared Services Canada Act](#):** Legislative amendments that received Royal Assent on June 22, 2017 directly supported the Minister's mandate to modernize procurement practices. The Minister can now:
  - delegate authority to departments for the direct purchase of low-value IT goods such as printers, scanners and keyboards; and
  - authorize, in exceptional situations, another Minister to obtain SSC's mandated services from another provider.
- **Protecting Government Systems Against Security Flaws:** In late 2017, the IT community became aware of two security flaws in computer processor chips worldwide. SSC immediately set up a project office to:
  - support, coordinate, track and report on all activities related to protecting government systems; and
  - work with Communications Security Establishment Canada, the Treasury Board of Canada Secretariat and customer organizations to develop strategies and mitigation plans.

SSC worked with vendors to develop and release software patches, and is testing new patches for hardware. To date, no government systems have been affected.

- **Customer Satisfaction Feedback Initiative:** SSC continues to improve service delivery to its customer organizations as reflected in responses to its customer satisfaction questionnaire results, which increased from 3.06 out of 5 in 2016–2017 to 3.4 out of 5 in 2017–2018.

These accomplishments were achieved at the same time as demand from federal organizations for SSC's services increased significantly. The number of business requests being handled by SSC has grown by 37 percent; from 4,988 in 2016–17 to 6,834 in 2017–18.

For more information on SSC's plans, priorities and achieved results, see the Results: what we achieved section of this report.



## Raison d'être, mandate and role: who we are and what we do

### Raison d'être

SSC was created on August 4, 2011 to transform how the Government of Canada manages its IT infrastructure. SSC is delivering email, data centre, network and WTD services to departments and agencies in a consolidated and standardized manner to support the delivery of Government of Canada programs and services. With a whole-of-government approach to IT infrastructure services, the Department is creating economies of scale to deliver more efficient, reliable and secure IT infrastructure services. SSC also provides certain optional technology services to other organizations on a cost-recovery basis.

### Mandate and role

SSC reports to Parliament through the Minister of Public Services and Procurement and Accessibility. By bringing together people, IT resources and assets from 43 federal departments and agencies, SSC works to manage and improve the efficiency, reliability, and security of the government's IT infrastructure. A more efficient use of technology will increase productivity across federal organizations and support the vision of a 21st century Public Service, as articulated in [Blueprint 2020](#).

In carrying out its mandate, SSC is working in partnership with key public-sector and private-sector stakeholders, implementing enterprise-wide approaches for managing IT infrastructure services, and employing effective and efficient business management processes.

A full explanation of SSC's main legislative authorities and responsibilities can be found in the [Shared Services Canada Act](#).

For more general information about the Department, see the Supplementary Information section of this report. For more information on the SSC's organizational mandate letter commitments, see the Minister's mandate letter on the [Prime Minister of Canada's website](#).<sup>i</sup>

## Operating context and key risks

### Operating context

The scale and scope of SSC's mandate to modernize the government's IT infrastructure and maintain existing IT operations is ambitious compared to modernization initiatives in other public sector jurisdictions around the world. Success depends on external and internal factors, such as:

- the industry's ability to supply the required solutions;
- SSC's capacity to deliver services and projects; and
- the Department's customers' readiness to transition to the new infrastructure while delivering on their own mandates and departmental priorities.

Since 2015, SSC conducted a comprehensive, multi-year Customer Satisfaction Feedback Initiative to better gauge service delivery through the eyes of its customers. While more remains to be done, customer satisfaction questionnaire scores have steadily improved across all areas. This improvement is in part due to SSC introducing:

- a Service Delivery and Management branch to oversee the Department's service first approach;
- a Project Management and Delivery branch responsible for the entire project management life cycle of all projects; and
- a new change initiative to adopt a service excellence culture across all aspects of SSC's work.

In 2017, SSC completed an extensive review to ensure its plan to consolidate and modernize federal government IT infrastructure is sustainable, practical and aligned with industry best practices and capacity. The review included broad-based consultations with government employees, the IT industry, the Department's customer organizations, Canadians and all independent external review commissioned by the Treasury Board of Canada Secretariat. The review reconfirmed shared services is the right delivery method for Government of Canada IT, and the scale, scope and complexity of SSC's transformation mandate is unprecedented among public sector organizations.

Despite recent increases in hiring (379 additional full-time equivalents in 2017–18 compared to 2016–17), SSC will continue to face challenges in recruiting and retaining staff due to a very competitive labour market, especially in domains such as cyber and IT security, project management and cloud computing. In response, the Department adopted a People Strategy with targeted initiatives in recruitment and staffing, learning and development, employee engagement and feedback, and workplace well-being and mental health.

In February 2018, [Budget 2018](#) announced \$2.1 billion in new funding for SSC over the next six years. The Department will invest this funding to support the Government of Canada’s vision for digital services by:

- helping accelerate the adoption of cloud computing;
- increasing IT system security;
- replacing aging IT assets; and
- supporting other specific government priorities.

## Key risks

Risks to SSC’s IT infrastructure are risks to the delivery of federal government services to Canadians. These services depend on an IT platform that is accessible, modern, secure and reliable.

Ensuring adequate resource capacity to provide email, data centre and network services across government represents a key risk for both SSC and the Government of Canada in the years ahead. Maintaining government IT infrastructure services while undertaking IT modernization initiatives will require both an engaged employee base with specialized skills, and sustainable and reliable funding.

As IT systems age, issues emerge with technological compatibility, obsolescence and reliability. Older IT systems may fail and disrupt services to customer organizations and Canadians. It may present unforeseen or increased costs. SSC may also lose the confidence of its customer organizations and Canadians.

The magnitude of Government of Canada IT modernization, rapid organizational and cultural changes, and the current workload present challenges to SSC and its dispersed workforce. Organizational and cultural change management, and conflict resolution strategies and initiatives are essential to lower the risk of failure and to address employees’ change fatigue and resistance.

The following table provides more detail on the key risks SSC faced in 2017–18, and the Department’s associated risk responses. In addition to linking to SSC’s programs, the table also links each departmental risk to pertinent ministerial mandate letter commitments.

## Key risks

Risks	Mitigating strategy and effectiveness	Link to the Department's programs	Link to mandate letter commitments and any government-wide or departmental priorities
<p><b>Resource Capacity</b></p> <p>There is a risk SSC will not have adequate financial and human resources in place to improve the delivery of services to partner organizations.</p>	<ul style="list-style-type: none"> <li>• Develop recruitment and retention strategies that focus on learning, re-training, re-skilling, alternate and flexible work arrangements, and proactive classification and staffing resourcing strategies (<b>status: in development</b>).</li> <li>• Finalize the organizational design and classification of all positions within SSC (<b>status: In development</b>).</li> <li>• Prioritize all transformation activities for funding precedence <b>Replaced in-year by:</b> Develop a proposal to the government for an increase in financial and human resources. (<b>status: completed</b>).</li> <li>• Explore streamlining organizational structure and costs, adding resource capacity, and reinforcing clearer lines of accountability through scheduled regular financial reviews (<b>status: in development</b>).</li> </ul>	<p>Email and Workplace Technology, Data Centres, Telecommunications, Cyber and IT Security, Program Management, Brokered Public Cloud Services, and Internal Services.</p>	<p>Departmental Priority #4: Increase the efficiency and effectiveness of internal services.</p> <p>From the Minister's October 2017 ministerial mandate letter, "As Minister of Public Services and Procurement, work with the President of the Treasury Board to improve the delivery of IT within the Government of Canada, including the renewal of SSC so that it is properly resourced and aligned to deliver common IT infrastructure that is reliable and secure, while at the same time providing departments what they need in order to deliver services that are timely, citizen-centred, and easy to use. This work should build on and complement recent reviews of SSC and the government's IT strategic plan, securing the Government of Canada data and technology assets."</p> <p>From the ministerial mandate letter of the President of the Treasury Board of Canada, "Strengthen the oversight of taxpayer dollars and the clarity and consistency of financial reporting."</p>

Risks	Mitigating strategy and effectiveness	Link to the Department's programs	Link to mandate letter commitments and any government-wide or departmental priorities
<p><b>Aging IT Systems</b></p> <p>There is a risk older IT systems will fail and interrupt services to partner organizations.</p>	<ul style="list-style-type: none"> <li>Consider new financial models to fund the renewal of mission-critical IT infrastructure <b>(status: in development)</b>.</li> <li>Require data centre suppliers to modernize the services on an ongoing basis throughout the term of their contract <b>(status: completed)</b>.</li> <li>Measure and report to Parliament and partners on key areas of IT system health performance (such as security, availability, reliability, and capacity) and on partner satisfaction <b>(status: completed)</b>.</li> <li>Develop a permanent office responsible for overseeing the refresh of aging IT systems <b>(status: completed)</b>.</li> </ul>	<p>Email and Workplace Technology, Data Centres, Telecommunications, Program Management, and Internal Services.</p>	<p>Departmental Priority #2: Consolidate and modernize the Government of Canada's IT infrastructure.</p> <p>From Budget 2018, the objectives under Enabling Digital Services to Canadians "... proposes significant investments in SSC and Communications Security Establishment Canada to ensure that these organizations are properly resourced to address evolving IT needs ...", including the migration of applications from older data centres into "... more secure modern data centres or cloud solutions."</p>

Risks	Mitigating strategy and effectiveness	Link to the Department's programs	Link to mandate letter commitments and any government-wide or departmental priorities
<p><b>Cyber and IT Security</b></p> <p>There is a risk SSC will be unable to effectively respond to IT security and cyber security threats, resulting in government-held information being compromised and/or impeding disaster-recovery activities to restore services to partner organizations.</p>	<ul style="list-style-type: none"> <li>• Complete a cost and benefit analysis for exchanging sensitive data on enterprise services <b>(status: completed)</b>.</li> <li>• Consolidate federal access to the Canadian Network for the Advancement of Research, Industry and Education <b>(status: in development)</b>.</li> <li>• Establish an alternate security operations centre <b>(status: completed)</b>.</li> <li>• Implement an Enterprise Communication Security account <b>(status: completed)</b>.</li> <li>• Implement a third secure Government of Canada Internet access gateway <b>(status: in development)</b>.</li> <li>• Develop and/or implement policy instruments, processes, strategies, plans, and procedures <b>(status: in development)</b>.</li> <li>• Implement security programs <b>(status: removed due to duplication with other initiatives)</b>.</li> </ul>	<p>Cyber and IT Security.</p>	<p>Departmental Priority #3: Secure the Government of Canada's data and technology assets.</p> <p>From Budget 2018, the objectives under Cyber and IT Security, the "Government of Canada is implementing a plan for security and prosperity in the digital age to protect against cyber attacks. The National Cyber Security Strategy will focus on three principal goals, "... Ensure secure and resilient Canadian systems. Build an innovative and adaptive cyber ecosystem. Support effective leadership and collaboration between different levels of Canadian government, and partners around the world."</p>

Risks	Mitigating strategy and effectiveness	Link to the Department's programs	Link to mandate letter commitments and any government-wide or departmental priorities
<p><b>Service Delivery and Management</b></p> <p>There is a risk SSC's enterprise tools and processes will not support improvements in the delivery of services to partner organizations.</p>	<ul style="list-style-type: none"> <li>• Work with partners to establish single window communications <b>(status: completed)</b>.</li> <li>• Implement SSC's Service Management Strategy to deliver IT service improvements across the enterprise <b>(status: completed)</b>.</li> <li>• Update the existing business arrangements with partners, establishing service expectations for enterprise services that include roles and responsibilities, service targets and partner reporting commitments <b>(status: removed due to duplication with another initiative)</b>.</li> <li>• Leverage the Information Technology Service Management (ITSM) tool to support the maturing of enterprise-wide service management processes, with a customer-to-SSC contact method, in order to improve efficiency and effectiveness <b>(status: in development)</b>.</li> </ul>	<p>Program Management.</p>	<p>Departmental Priority #1: Improve the delivery of IT infrastructure services.</p> <p>Other commitments affected by this risk appear throughout ministerial mandate letters across government, including:</p> <ul style="list-style-type: none"> <li>• improving the use of IT to make the justice system more efficient;</li> <li>• supporting Canadians who wish to file taxes without using paper;</li> <li>• supporting better data collection and analysis;</li> <li>• improving the quality of publicly available data, and;</li> <li>• accelerating and expanding open-data initiatives and making government data available digitally.</li> </ul>

Risks	Mitigating strategy and effectiveness	Link to the Department's programs	Link to mandate letter commitments and any government-wide or departmental priorities
<b>Service Delivery and Management (continued)</b>	<ul style="list-style-type: none"> <li>Communicate and implement the new Account Operations Model <b>(Status: Completed)</b></li> </ul>		
<b>Availability and Quality of Information</b> There is a risk a lack of availability and integrity of information will impede effective planning and decision-making, impacting SSC's ability to improve the delivery of services to partner organizations.	<ul style="list-style-type: none"> <li>Increase the timeliness, integration and availability of high-quality information, research and business analytics <b>(status: in development)</b>.</li> <li>Develop formal documented disposition process for SSC electronic information holdings and input into GCdocs <b>(status: in development)</b>.</li> <li>Create an inventory of applications in support of mission-critical and essential services <b>(status: completed)</b>.</li> <li>Operationalize the benefits realization framework leading to effective IT Infrastructure Transformation Plan performance measurements <b>(status: completed)</b>.</li> </ul>	Internal Services.	Departmental Priority #4: Increase the efficiency and effectiveness of internal services.  From the ministerial mandate letter, the Minister responsible for Shared Services, "As Minister of Public Services and Procurement, your overarching goal will be to . . . ensure that the government's internal services are held to an equally high standard [of efficiency, that makes Canadians feel respected and valued]."



## Results: what we achieved

### Programs

#### Email and Workplace Technology

##### Description

This program supports partner and customer organizations with the procurement, configuration, management and protection of email services, including the Government-of-Canada-wide transition to a consolidated email system. It also provides access to software and hardware provisioning and support for program-specific and corporate applications. This includes workstation provisioning and technical support as well as local area network (physical or virtual) functionalities. Some of the services are provided on an optional basis to partner and customer organizations.

##### Results

SSC further consolidated and modernized the government email system while supporting existing email services and managing email solution transfers. As of March 31, 2018, there were 90,474 active email accounts on Your Email Service (YES). Two additional customer departments migrated to YES in the last fiscal year for a total of 17. SSC has received authorization to transition another 6 customer departments. SSC continues to provide email services to all departments that have fully or partially migrated to YES, and those still on legacy systems.

SSC's WTD initiative continued to improve the delivery of software and hardware to customer organizations. As part of this initiative, the Department introduced an improved software provisioning service process in 2017–18. Departments can now submit software requests online through the same Web portal they use for hardware requests. This more efficient service reduces the time to fulfill software requests with an existing procurement agreement, from an average of 13.46 days in 2016–17 to 2.52 in 2017–18.

The following indicators and actual results report on SSC's performance for the Email and Workplace Technology services program during the fiscal year 2017–18.

##### Workplace Technology Devices

- **Software** that delivers common office productivity functionality.
- **Personal workstations** (such as desktops, computers, laptops and tablets).
- **Printing products** (such as printers and scanners that connect directly to a computing device or a network).

## Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
Effective provisioning of email and workplace technology services to support partner and customer organizations in the delivery of programs and services to Canadians.	# of days to fulfill hardware requests using existing SSC methods of supply and catalogues.	≤10 days	March 31, 2018	26.30*	N/A	N/A
	# of days to fulfill software requests for procurement vehicle in place.	10 days	March 31, 2018	2.52	13.46	N/A
	% of time the email end-state service is available.	99.9%	March 31, 2018	100%	100%	99.84%

Note: Performance indicators with “N/A” (not applicable) were not used in previous performance measurement frameworks.

\*Over the past three years, the requests for hardware services have steadily increased. The target was initially set before SSC took over hardware provisioning. The service level standard is currently under review to reflect a more realistic target.

## Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
103,294,265	103,294,265	134,841,003	112,593,738	9,299,473

## Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
304	302	-2

## Data Centres

### Description

This program provides data centre services that support partner organizations' delivery of programs and services to Canadians. The program supports the data centre consolidation transformation initiative, which aims to consolidate existing legacy data centres, and to move operations to seven modern, secure and reliable centres. It provides full life cycle management (including the strategy, plan, build, test, deploy, operate, and decommission steps) of data centres for the Government of Canada IT infrastructure. It also includes the end-to-end management of physical complexes, the establishment of computing environments for partner organizations and for SSC's internal needs across all computing platforms, and the provision of technical support and certification for day-to-day operations, production applications, and database computing environments.

### Results

In fiscal year 2017–18, SSC completed the expansion of EDC Borden and successfully migrated customer departments to the new facility. We completed five other migrations to EDCs without disrupting government operations and services.

#### What is a data centre?

SSC defines a data centre as one or more servers in a room of 100 square feet or more with its own power or air conditioning.

SSC delivered a new HPC solution for Environment and Climate Change Canada. These supercomputers can process large-scale, numerically intense simulations, such as the modelling of complex weather systems. This will benefit families, industries, scientists and anyone who relies on timely and accurate weather forecasts and warnings. The SSC supercomputers benefit numerous federal organizations in the delivery of essential services and emergency management at multiple levels of government such as:

- Health Canada for air quality alerts, information on the spread of nuclear radiation, and air borne disease vectors;
- Fisheries and Oceans Canada for ocean modelling; and
- Public Safety Canada in support of environmental emergencies.

The supercomputers are also essential in the strategic planning of activities for weather sensitive economic sectors such as construction, transportation, natural resource extraction, water management, agricultural production, and energy production and consumption.

The following indicators and actual results report on SSC's performance for the Data Centres program during the fiscal year 2017–18.

## Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
Effective provisioning of EDC services to support partner and customer organizations in the delivery of programs and services to Canadians.	% of time the SSC EDC facilities are available.	100%	March 31, 2018	100%	100%	N/A
	% of time the hosting services are available in EDCs.	99.5%	March 31, 2018	99.98%	99.97%	N/A
	% of time the mission-critical infrastructure is available.	99.5%	March 31, 2018	99.99%	99%	N/A

Note: Performance indicators with “N/A” were not used in previous performance measurement frameworks.

## Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
602,376,779	602,376,779	602,241,216	602,241,216	-135,563

## Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
1,750	1,565	-184

## Telecommunications

### Description

This program delivers data, voice and conferencing services within and across the Government of Canada to partner and customer organizations, thereby improving service delivery and enhancing value to Canadians. Data network services include the provision and ongoing support of multi-platform, multi-protocol electronic data and communications networks. Voice communication services include the provision of local and long-distance services, and secure voice and other related services. Conferencing services include the provision of a suite of services—including video, Web and audioconferencing—to partner and customer organizations.

### Results

In 2017–18, SSC continued consolidating the wide area network (WAN) infrastructure through the Government of Canada Network Wide Area Network (GCNet WAN) project. This project will unite WANs into a network infrastructure supporting both domestic and international operations. This will provide more reliable, cost-effective and secure network connections for SSC's daily operations and improve service delivery to the Department's customer organizations and Canadians. As of March 2018, SSC has migrated 697 sites to the GCNet WAN contracts from legacy contracts, and plans to migrate 1,100 more sites during 2018–19.

**What is a WAN?**

A WAN is a telecommunications network or computer network that extends over a large geographical area.

More than 60 customer organizations receive WAN services through more than a dozen contracts with multiple vendors. In 2017–18, SSC reported the WAN services were available 94 percent of the time. At the time the target was set, the Department envisioned a methodology that took the average of the individual departmental availability results. However, as targets are defined in each individual contract and differ on the basis of individual site requirements, this methodology does not provide the most accurate measure of network availability. The 94 percent represents the percentage of specific contract and departmental availability targets met during 2017–18. As SSC completes the migration to the GCNet WAN contracts over the next few years, the Department will be able to report the total availability.

In October 2017, SSC awarded a contract to TELUS to provide modern, network-based workplace communication services. These services include Voice over Internet Protocol (VoIP) telephone, instant messaging, and desktop videoconferencing. This initiative is an important part of SSC's efforts to consolidate and modernize the government's telecommunications infrastructure. This contract will make the government's telecommunications systems more reliable and reduce the costs of supporting old infrastructure.

SSC is ensuring voice, text and data services to the nearly 230,000 cellular devices currently used by employees in more than 100 departments and agencies. In 2017–18, SSC awarded new contracts for cellular services and mobile devices to Bell Mobility and Rogers Communications Inc. With these new contracts in place, public servants will continue to have access to modern, secure, and reliable technology with more flexible service plans and better rates.

In 2017–18, SSC supplied equipment and network links to make videoconferencing available in Nunavut in order for individuals in federal custody in correctional facilities in other parts of Canada to see their families in Nunavut, who otherwise could not visit them because of travel costs.

The following indicators and actual results report on SSC's performance for the Telecommunications program during the fiscal year 2017–18.

#### Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
Effective provisioning of telecommunications services to support partner and customer organizations in the delivery of programs and services to Canadians	% of time the WAN services are available.	99.99%	March 31, 2020	94%	N/A	N/A
	% of time the enterprise Internet services are available.	99.5%	March 31, 2018	100%	N/A	N/A
	% of time the audioconferencing services are available.	99.8%	March 31, 2018	100%	100%	N/A

Note: Performance indicators with "N/A" were not used in previous performance measurement frameworks.

#### Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
582,236,511	582,236,511	623,139,700	593,531,543	11,295,031

## Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
1,533	1,491	-42

**Cyber and IT Security****Description**

This program preserves the confidentiality, integrity, availability, intended use and value of electronically stored, processed or transmitted information by providing safety measures in accordance with the Policy on Government Security and the Operational Security Standard: Management of Information Technology Security. The services included in this program are provided to Government of Canada departments and agencies.

**Results**

SSC continued to perform supply chain integrity assessments with over 2,300 assessments performed in 2017–18. The Department continues to work toward process improvements to further increase efficiency. The Security Assessment and Authorization (SA&A) process, a key risk management activity, is used to assess the extent to which the IT security controls are:

- implemented correctly;
- operating as intended;
- producing the desired outcome; and
- meeting government security requirements.

Both the supply chain integrity and the SA&A are significant components in supporting the overall security posture of SSC.

SSC has continued to oversee the Government of Canada Secret Infrastructure initiative to provide secure digital communications to federal organizations. In 2017–18 the Department completed Phase I of the e-Cabinet initiative to replace a paper-based system with a Secret e-environment. All Cabinet meetings now use tablets instead of paper.

SSC established an enterprise vulnerability management service that allows the Department to scan, on a periodic basis, over 3,400 systems and devices in 43 customer environments. This has successfully increased the security level of SSC and customer organizations to better protect the Government of Canada infrastructure.

SSC has continued to improve IT infrastructure by replacing and upgrading over 500 units of unified threat management devices.

SSC has also upgraded critical security infrastructure as a result of more than 500 business security-related requirements processed for customer organizations. Timely and effective improvement of IT infrastructure strengthens the defence against cyber threats and ensures the safeguarding of the Department's systems.

SSC continues to consolidate and monitor access to the Canadian Network for the Advancement of Research Industry and Education for science-based departments. In 2017–18, SSC's first customer began using the network and the Department is preparing to migrate more customers in the near future.

The following indicators and actual results report on SSC's progress for the Cyber and IT Security program during the fiscal year 2017–18.

#### Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
Secure Government of Canada data and technology assets to support partner and customer organizations in the delivery of programs and services to Canadians.	% of IT security incidents responded to and actioned within the determined Service Level Agreement.	95%	March 31, 2018	N/A*	N/A	N/A
	% of enterprise systems that have completed SA&A prior to their deployment.	100%	March 31, 2018	100%	N/A	N/A

Note: Performance indicators with "N/A" were not used in previous performance measurement frameworks.

\*The implementation of the Case Management Tool required to measure this indicator was delayed, and SSC was not able to collect any data.



## Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
175,637,213	175,637,213	217,704,806	141,359,360	-34,277,854

## Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
556	597	41

## Program Management

### Description

This program is comprised of enabling functions that deliver services within SSC that are not considered internal services, as defined by the Treasury Board of Canada Secretariat, and that are common to all federal organizations. These functions support business needs that are specific and fundamental to the delivery of SSC's mandate. This includes strategic functions, such as account management, enterprise architecture, and monitoring progress on the Transformation Plan and related analytics activities. It also includes service management functions.

### Results

SSC has continued to improve its Service Catalogue and made some changes to increase process efficiency. Some updates include:

- a standardized look and feel for all 28 services;
- updated service standards and pricing; and
- new cloud brokering services.

The Service Management Strategy continues to identify efficiencies. SSC produces cost-recovery agreements that describe the services a customer organization will receive and the fee to pay SSC. The Department also reduced the time to produce a recovery agreement for the customer from 71.9 days in June 2016 to an average of 19.1 days as of March 31, 2018.

**Did you know?**  
SSC's Service Management Strategy outlines the Department's service improvement initiatives.

The impact of SSC's efforts to improve service delivery are reflected in organizations' increasing level of satisfaction with SSC's services. In response to SSC's customer satisfaction questionnaire, customer organizations reported an average satisfaction level of 3.06 on a five-point scale in 2016–17 and 3.4 in 2017–18.

In 2017–18, SSC worked with the Treasury Board of Canada Secretariat to prepare the Government of Canada Integrated IT Planning exercise for fiscal year 2018–19, which began in fall 2017. The Department will continue to work with the Treasury Board of Canada Secretariat to implement the Government of Canada IT infrastructure plan and to further strengthen the approach to Government of Canada integrated IT planning.

Continual service improvement (CSI) ensures services are aligned with changing business needs by identifying and implementing improvements that support business processes. This ensures that services are continually measured and improvements are made in order to increase efficiency, effectiveness and cost effectiveness. The CSI is documented through the monthly dashboard and the CSI Action Plan Register. Together with regular service reviews, they ensure ongoing service performance and improved action planning. Service reviews, including CSI, have been conducted for four priority services, and has been expanded across other services.

The number of critical incidents remained stable this fiscal year, at 350 compared to 359 in 2016–17. Some causes for the number of incidents include:

- adding 11 departments to the enterprise ITSM tool, which increased SSC's visibility on all critical priority incidents;
- using an updated priority matrix that includes new outage categories to determine priority by impact and urgency;
- granting service delivery managers the authority to escalate incidents to a critical priority when necessary; and
- allowing departments to determine the applications, services and designated sites to include on the Critical Business Applications and Services list. The list has doubled in size since 2015.

In October 2017, SSC awarded a contract to a vendor providing an ITSM process maturity solution. The vendor will support the Department's use of new enterprise service management processes to create a more effective service management function within SSC. The new processes will maximize efficiencies, simplify workflows and enhance the quality of services the Department delivers to customer organizations.

The following indicators and actual results report on SSC's progress in providing Program Management services during the fiscal year 2017–18.

## Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
Improved service delivery performance to anticipate and respond to partner and customer IT business requirements.	Average rating provided in response to the Customer Satisfaction Survey (five-point scale).	3	March 31, 2018	3.4	3.06	N/A
	Total # of critical incidents.	<257	March 31, 2018	350	359	257

Note: Performance indicators with "N/A" were not used in previous performance measurement frameworks.

## Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
102,460,709	102,460,709	171,827,369	168,830,597	66,369,889

## Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
903	940	37

## Brokered Public Cloud Services

### Description

This program provides public cloud brokering services that support SSC and partner organizations' delivery of programs and services to Canadians. Services include access to the public cloud service providers' catalogues across all cloud categories, including Infrastructure-as-a-Service, Platform-as-a-Service and Software-as-a-Service.

### Results

In December 2017, SSC began offering public cloud computing services for the Government of Canada. This benefits Canadians by increasing access to government data and services. It also enables access to computing and storage capacity and applications being offered through public cloud offerings.

As a cloud service broker, SSC works with federal organizations to help them select the right solution for their needs and budget from a wide range of cloud services and providers.

Privacy and security of information assets remain a top priority. Cloud services currently available support unclassified data only.

The following indicators and actual results report on SSC's progress for the Brokered Public Cloud Services program in the fiscal year 2017–18.

#### What are cloud services?

Cloud services provide access to shared IT resources through “pay for use” models similar to utilities such as water and electricity.

A public cloud is an environment shared by many tenants that are isolated from each other. In a private cloud, the services are for use by a single enterprise such as the Government of Canada.

## Results achieved

Expected results	Performance indicators	Target	Date to achieve target	2017–18 Actual results	2016–17 Actual results	2015–16 Actual results
Effective and timely provisioning of cloud services to support partner and customer organizations in the delivery of programs and services to Canadians	% of service level agreements met for cloud services.	100%	March 31, 2018	N/A*	N/A	N/A

Note: Performance indicators with “N/A” were not used in previous performance measurement frameworks.

\*As cloud services were only launched late in the fiscal year, SSC was not able to measure actual results.

## Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
787,384	787,384	1,630,812	1,627,615	840,231

## Human resources (full-time equivalents)

2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
9	7	-2

Information on SSC’s lower-level programs is available in the [GC InfoBase](#).<sup>ii</sup>

## **Internal Services**

### **Description**

Internal services are those groups of related activities and resources the federal government considers to be services in support of programs and/or are required to meet corporate obligations of an organization. Internal services refers to the activities and resources of the 10 distinct service categories that support program delivery in the organization, regardless of the internal services delivery model in a department. The 10 service categories are management and oversight service, communications services, legal services, human resources management services, financial management services, information management services, IT services, real property services, materiel services and acquisition services.

### **Results**

SSC has continued to revise and update its business planning process to ensure clearer governance and accountability. In fall 2017, the Department launched a Business Planning landing Web page that serves as an interactive and evergreen Integrated Business Plan for SSC.

SSC improved its IT procurement processes by delegating procurement authority to its customer organizations. The implementation is occurring in phases with Phase I being completed in 2017–18. In addition to accessories and parts, the Department’s customer organizations can now order printers, scanners and toner directly from SSC’s established procurement agreements.

SSC developed an enterprise price estimation tool to standardize and automate the process for determining prices to charge customer organizations. The Department began using it in 2017–18, which ensures transparent, consistent and defensible pricing for services. SSC updates the tool on a regular basis to improve functionality and ensure prices are up to date.

Since 2016, SSC has been applying gender-based analysis plus (GBA+) to all Treasury Board submissions and memoranda to Cabinet. The Department also integrated GBA+ requirements in its 2018 Budget submission. This allowed SSC to include accountability measures to ensure it applies GBA+ to departmental decision-making processes. Work continues to create SSC’s official GBA+ implementation plan with a planned 2018–19 roll-out.

In 2017–18, SSC began a multi-faceted recruitment effort to meet operational requirements. Extensive and innovative recruitment strategies have allowed the Department to grow and recruit additional employees (379 additional full-time equivalents in 2017–18 compared to 2016–17).

SSC opened the Skyline complex, its first building set-up with the new Government of Canada Workplace (GCworkplace) design. This space design helps:

- enable positive and productive experiences;
- foster a culture of innovation; and
- improve how SSC leverages digital technology.

The Enterprise Business Analytics Program completed its Business Case, and obtained approval of \$9.7 million in funding for fiscal year 2018–19 to support the program’s work plan.

In 2017–18, SSC focused on making its internal services more efficient, effective, and supporting efforts to improve the workplace culture across the Department. It also:

- held social media and marketing recruitment campaigns to meet SSC’s operational requirements;
- doubled its number of Twitter followers and added a LinkedIn page; and
- enhanced employee engagement and improved internal communications through:
  - regular Webinar and WebEx sessions connecting the President and senior managers directly with employees;
  - new internal communications tools (Connexion and Echo) and an improved MySSC intranet site;
  - co-creation days giving employees a strong voice in identifying improvements in their work environment; and
  - pulse check and internal leadership surveys followed by response strategies and advisory services.

Strategic investments in learning and development resources, tools and processes resulted in a revamped learning and academy website and governance, and the creation and promotion of new SSC-wide course offerings for employees. Learning advisors were assigned to branches to provide support and strategic advice. In addition, learning and development dashboards were developed and shared with branches on a quarterly basis. SSC has also been developing an orientation program for new employees.

To improve compliance with the Official Languages Act and to increase SSC’s bilingual capacity, additional service offerings were implemented in 2017–18. These include the revalidation of employees’ second language test results and the restructuring of the language training contract to offer an initial assessment of the language training investment required for employees to attain their goals. A new Language-of-Work E-Toolkit for employees and managers was also launched, including an automated Official Languages Analysis Grid to determine the language profile of positions.

A leadership program tailored to SSC’s context was launched in 2017–18. Several managers and executives (295 in total) completed the training to date. Information Technology Infrastructure Library training was implemented to provide the knowledge and understanding regarding IT service life cycle, processes and business drivers for service management. A total of 67 executives undertook this training.

Workplace relations information sessions were launched in 2017–2018 to strengthen SSC’s management knowledge and capacity. Over 20 sessions were delivered on managers’ roles and responsibilities, such as telework, performance management and duty to accommodate.

In support of a respectful and healthy workplace, SSC also launched a number of mandatory sessions, namely the Values and Ethics Dialogue (over 4,100 employees were trained) and Creating a Respectful Workplace session (over 2,300 employees were trained). SSC introduced its Mental Health Action Plan to support and promote mental health within the organization, and delivered 8 sessions of The Working Mind workshop for managers (140 in total) that focuses on how to observe changes in employees’ mental health and the appropriate actions to take.

Additionally, SSC invested in its Informal Conflict Management Services program in the past year. The program’s events (a total of 36), including training or awareness sessions and presentations, were delivered and reached approximately 820 employees. Of these 820 employees, 35 percent attended a session on Rumours and Gossip: The Impact on the Workplace, 22 percent attended the Virtual Management workshop, 20 percent participated in the Giving and Receiving Feedback session, 11 percent attended sessions on Conflict Resolution Improvisation, and 11 percent received a presentation on Informal Conflict Management Services.

#### Budgetary financial resources (dollars)

2017–18 Main Estimates	2017–18 Planned spending	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2017–18 Difference (Actual spending minus Planned spending)
158,752,179	158,752,179	177,729,227	177,729,226	18,977,048

#### Human resources (full-time equivalents)

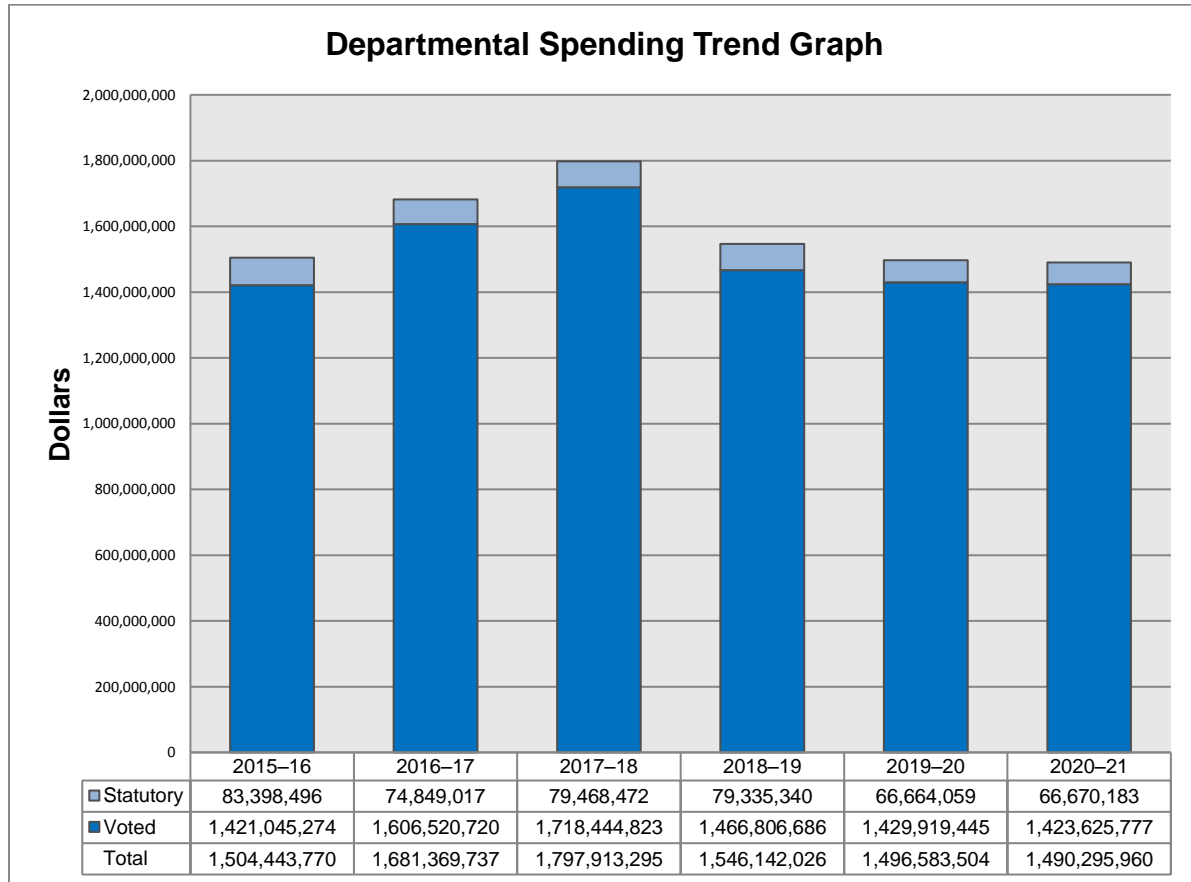
2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2017–18 Difference (Actual full-time equivalents minus Planned full-time equivalents)
945	1,073	128



## Analysis of trends in spending and human resources

### Actual expenditures

#### Departmental spending trend graph



## Budgetary performance summary for programs and internal services (dollars)

Programs and internal Services	2017–18 Main Estimates	2017–18 Planned spending	2018–19 Planned spending*	2019–20 Planned spending*	2017–18 Total authorities available for use	2017–18 Actual spending (authorities used)	2016–17 Actual spending (authorities used)	2015–16 Actual spending (authorities used)
Email and Workplace Technology	103,294,265	103,294,265	N/A	N/A	134,841,003	112,593,738	195,718,641	154,621,542
Data Centres	602,376,779	602,376,779	N/A	N/A	602,241,216	602,241,216	608,772,305	517,054,150
Telecommunications	582,236,511	582,236,511	N/A	N/A	623,139,700	593,531,543	588,136,450	581,300,713
Cyber and IT Security	175,637,213	175,637,213	N/A	N/A	217,704,806	141,359,360	137,987,362	112,889,830
Program Management	102,460,709	102,460,709	N/A	N/A	171,827,369	168,830,597	0	0
Brokered Public Cloud Services	787,384	787,384	N/A	N/A	1,630,812	1,627,615	0	0
<b>Subtotal</b>	<b>1,566,792,861</b>	<b>1,566,792,861</b>	N/A	N/A	<b>1,751,384,906</b>	<b>1,620,184,069</b>	<b>1,530,614,758</b>	<b>1,365,866,235</b>
Internal Services	158,752,179	158,752,179	N/A	N/A	177,729,227	177,729,226	150,754,979	138,577,535
<b>Total</b>	<b>1,725,545,040</b>	<b>1,725,545,040</b>	N/A	N/A	<b>1,929,114,133</b>	<b>1,797,913,295</b>	<b>1,681,369,737</b>	<b>1,504,443,770</b>

\*Planned spending for 2018–19 and 2019–20 is not applicable as reports will be based on the new Departmental Results Framework beginning in 2018–19.

The increase in actual spending of \$116.5 million from 2016–17 to 2017–18 is mainly due to an increase in salaries and employee benefits.

At the end of 2017–18, SSC's actual spending is lower than the total authorities available, reporting a surplus of \$131.2 million, of which \$40.7 million is in Special Purpose Allotments, and \$90.5 million is in the regular Operating and Capital Vote. A total of \$129.7 million will be available for SSC to spend in 2018–19.

SSC will continue to:

- take measures to improve its financial management;
- strengthen its revenue management and forecasting;
- improve monitoring and billing practices; and
- monitor against plans during the year.

## Actual human resources

Human resources summary for Programs and Internal Services  
(full-time equivalents)

Programs and Internal Services	2015–16 Actual full-time equivalents	2016–17 Actual full-time equivalents	2017–18 Planned full-time equivalents	2017–18 Actual full-time equivalents	2018–19 Planned full-time equivalents	2019–20 Planned full-time equivalents
Email and Workplace Technology	601	324	304	302	304	304
Data Centres	2,389	2,309	1,750	1,565	1,759	1,759
Telecommunications	1,413	1,500	1,533	1,491	1,533	1,533
Cyber and IT Security	400	556	556	597	556	556
Program Management	0	0	903	940	903	903
Brokered Public Cloud Services	0	0	9	7	0	0
<b>Subtotal</b>	<b>4,803</b>	<b>4,689</b>	<b>5,055</b>	<b>4,903</b>	<b>5,055</b>	<b>5,055</b>
Internal Services	865	907	945	1,073	945	945
<b>Total</b>	<b>5,668</b>	<b>5,596</b>	<b>6,000</b>	<b>5,975</b>	<b>6,000</b>	<b>6,000</b>

## Expenditures by vote

For information on SSC's organizational voted and statutory expenditures, consult the [Public Accounts of Canada 2017–2018](#).<sup>iii</sup>

## Government of Canada spending and activities

Information on the alignment of SSC's spending with the Government of Canada's spending and activities is available in the [GC InfoBase](#).<sup>ii</sup>

## Financial statements and financial statements highlights

### Financial statements

SSC's financial statements (unaudited) for the year ended March 31, 2018, are available on the [departmental website](#).

## Financial statements highlights

The financial highlights presented within this Departmental Results Report are intended to serve as a general overview of SSC's Statement of Operations and Departmental Net Financial Position and its Statement of Financial Position. More detailed information is provided in SSC's 2017–18 financial statements. These unaudited statements were prepared using Government of Canada accounting policies, which are based on Canadian public sector accounting standards.

The unaudited financial statements are prepared in accordance with accrual accounting principles, and are therefore different from the information published in the Public Accounts of Canada, which are prepared on an appropriation basis. Sections I and II of this report contain financial information based on parliamentary authorities, which reflect cash flow requirements. Items recognized in the Statement of Operations and Departmental Net Financial Position and in the Statement of Financial Position in one year may be funded through parliamentary authorities in prior, current or future years. A reconciliation of net cost of operations to current year authorities used is presented in Note 3 to SSC's 2017–18 financial statements on its website.

The tables below illustrate the March 31, 2018 ending balances for each major financial statement grouping, along with the corresponding change from the previous fiscal year.

Condensed Statement of Operations (unaudited) for the year ended March 31, 2018 (dollars)

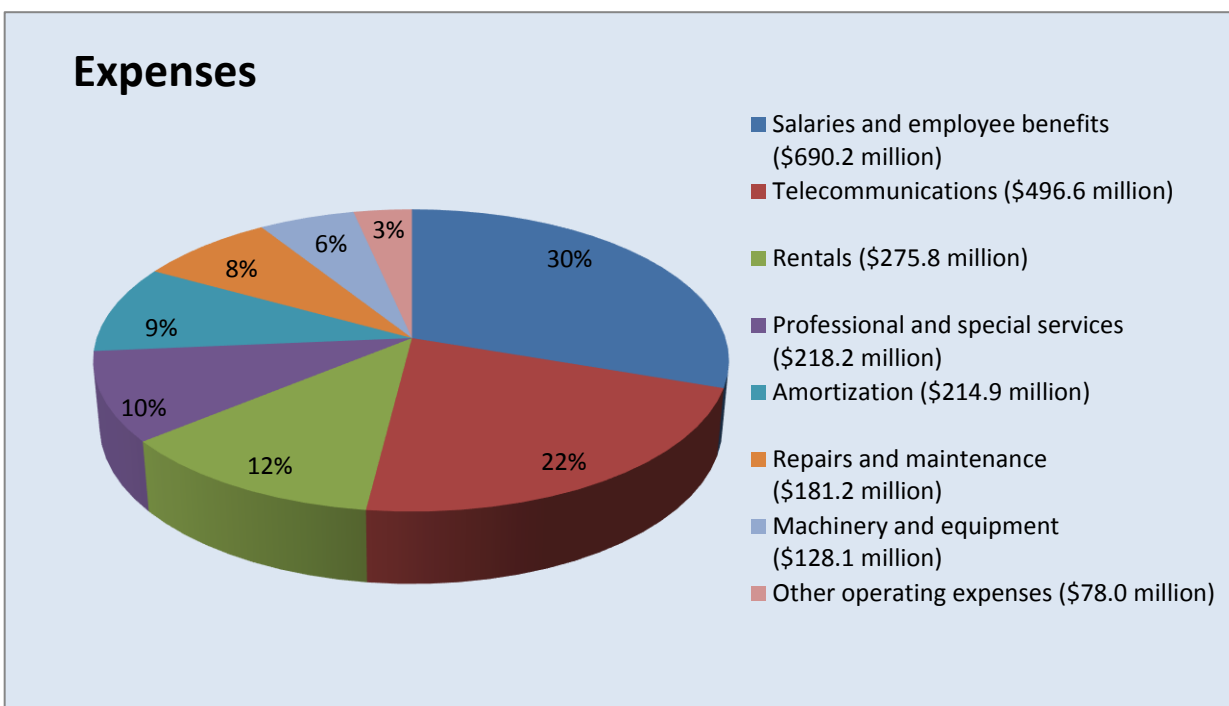
Financial information	2017–18 Planned results	2017–18 Actual results	2016–17 Actual results	Difference (2017–18 Actual results minus 2017–18 Planned results)	Difference (2017–18 Actual results minus 2016–17 Actual results)
Total expenses	1,981,078,080	2,282,998,363	2,126,937,468	301,920,283	156,060,895
Total revenues	407,534,483	621,048,265	554,134,661	213,513,782	66,913,604
Net cost of operations before government funding and transfers	1,573,543,597	1,661,950,098	1,572,802,807	88,406,501	89,147,291

\*Note: Refer to SSC's [2017–18 Future-Oriented Statement of Operations](#) for more information on planned results.

SSC's total expenses for 2017–18 were \$2,283.0 million, an increase of \$156.1 million over the previous year's total expenses of \$2,126.9 million. In 2017–18, the salaries and employee benefits represented the largest portion of expenses (30 percent) at \$690.2 million (\$608.8 million and 29 percent in 2016–17), followed by the telecommunications expenses

(21 percent) at \$496.6 million (\$501.3 million and 23 percent in 2016–17) and the rentals expenses (12 percent) at \$275.8 million (\$377.2 million and 18 percent in 2016–17). The salaries and employee benefits increased by \$81.4 million in 2017–18, which is mainly explained by the increase in the number of SSC’s employees in 2017–18. The operating expenses (excluding salaries and employee benefits) increased by \$74.7 million in 2017–18, which is mostly explained by an increase of \$82.8 million in the amortization of tangible capital assets, an increase of \$54.3 million in repairs and maintenance, an increase of \$31.2 million in professional and special services, offset by a decrease of \$101.5 million in rentals.

The Financial Statements’ Note 13 segmented information provides detailed information by major object of expenses and by program.

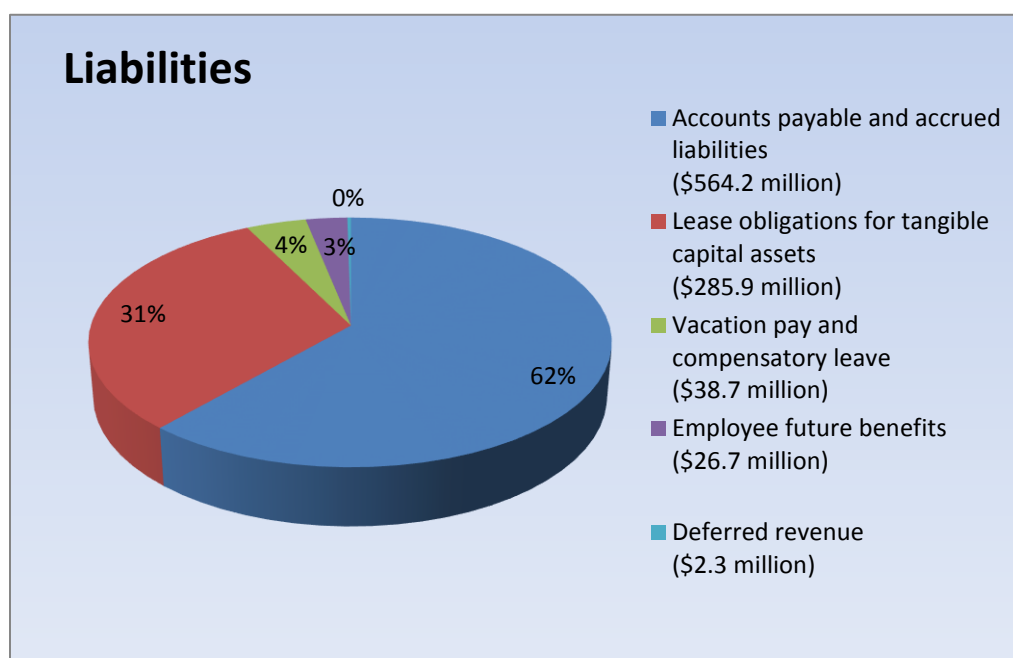


SSC’s total revenues for 2017–18 were \$621.0 million, an increase of \$66.9 million over the previous year’s total revenues of \$554.1 million. Of these revenues, the majority are responsible revenues related to IT infrastructure services provided to partner organizations and other Government of Canada departments and agencies on a cost-recoverable basis. SSC’s revenues, net of \$12.3 million in non-responsible revenues earned on behalf of government, consist of 99.7 percent in sale of goods and services, 0.2 percent in net gain on the termination of lease obligations for tangible capital assets, and 0.1 percent in miscellaneous revenues.

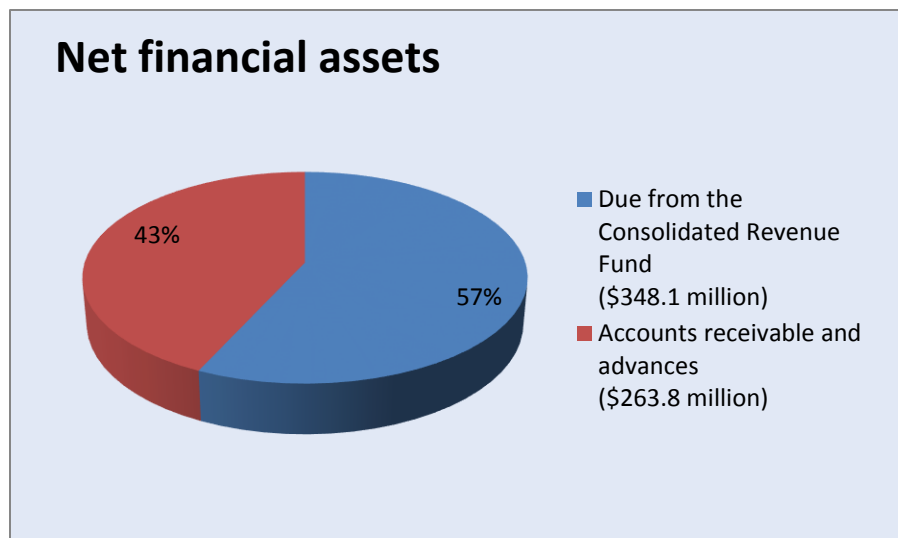
Condensed Statement of Financial Position (unaudited) as of March 31, 2018  
(dollars)

Financial information	2017–18	2016–17	Difference (2017–18 minus 2016–17)
Total net liabilities	917,759,496	664,876,207	252,883,289
Total net financial assets	611,870,703	593,977,096	17,893,607
Departmental net debt	305,888,793	70,899,111	234,989,682
Total non-financial assets	1,143,295,417	690,069,900	453,225,517
Departmental net financial position	837,406,624	619,170,789	218,235,835

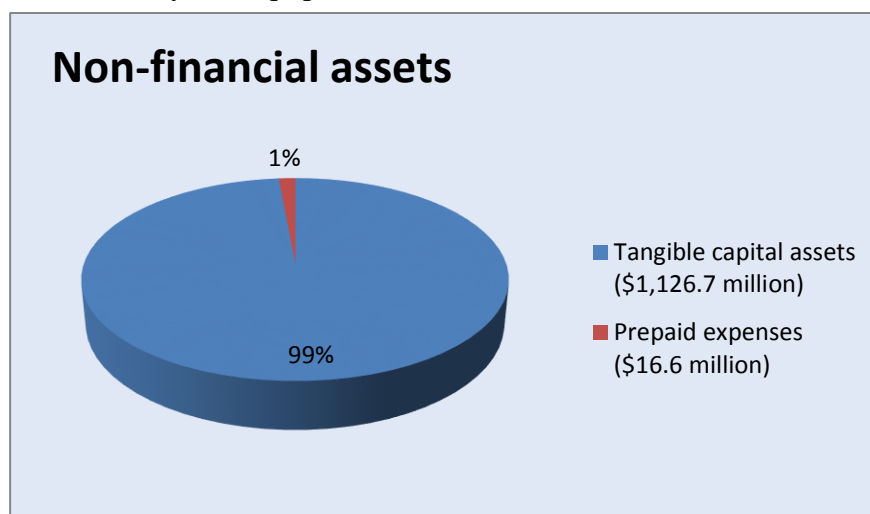
Total liabilities were \$917.8 million at the end of 2017–18, an increase of \$252.9 million (38 percent) over the previous year's total liabilities of \$664.9 million. In 2017–18, accounts payable and accrued liabilities represented the largest portion (62 percent) at \$564.2 million (\$548.9 million and 83 percent in 2016–17). Lease obligations for tangible capital assets represented 31 percent at \$285.9 million (\$56.7 million and 9 percent in 2016–17). The increase of \$229.2 million in the lease obligations for tangible capital assets is mainly explained by the renewal of two leases for IBM mainframes and the Supercomputer for Meteorological Service of Canada.



Total net financial assets were \$611.9 million at the end of 2017–18, an increase of \$17.9 million (3 percent) over the previous year's total net financial assets of \$594.0 million. In 2017–18, the amount due from the Consolidated Revenue Fund represented the largest portion (57 percent) of the net financial assets at \$348.1 million (\$388.7 million and 65 percent in 2016–17).



Total non-financial assets were \$1,143.3 million at the end of 2017–18, an increase of \$453.2 million (66 percent) over the previous year's total non-financial assets of \$690.1 million. This increase is explained by an increase of \$465.0 million in tangible capital assets (from \$661.7 million in 2016–17 to \$1,126.7 million in 2017–18) and a decrease of \$11.8 million in prepaid expenses (from \$28.4 million in 2016–17 to \$16.6 million in 2017–18). The increase in tangible capital assets is mainly due to new acquisitions for leased tangible capital assets, computer hardware, assets under construction, leasehold improvements, computer software, vehicles, and machinery and equipment.



## Supplementary information

### Corporate information

#### **Organizational profile**

**Appropriate Minister:** The Honourable Carla Qualtrough, P.C., M.P.

**Institutional Head:** Ron Parker, President of Shared Services Canada

**Ministerial portfolio:** Public Services and Procurement Canada and Accessibility, and Shared Services Canada

**Enabling instrument:** [Shared Services Canada Act](#)<sup>iv</sup>

**Year of incorporation/commencement:** 2011

**Other:** Associated Orders in Council include Privy Council Numbers [2011-0877](#); [2011-1297](#); [2012-0958](#); [2012-0960](#); [2013-0366](#); [2013-0367](#); [2013-0368](#); [2015-1071](#) and [2016-0003](#)<sup>v</sup>

#### **Reporting framework**

Shared Services Canada's Strategic Outcome and Program Alignment Architecture of record for 2017–18 are shown below.



**1. Strategic Outcome:** Modern, reliable, secure, timely and cost-effective IT infrastructure services to support government priorities and program delivery.

**1.1 Program: Email and Workplace Technology**

**1.1.1 Sub-Program:** Hardware Provisioning

**1.1.2 Sub-Program:** Software Provisioning

**1.1.3 Sub-Program:** Email

**1.2 Program: Data Centres**

**1.2.1 Sub-Program:** Bulk Print

**1.2.2 Sub-Program:** Data Centre Facility

**1.2.3 Sub-Program:** Application Hosting

**1.2.4 Sub-Program:** Compute

**1.3 Program: Telecommunications**

**1.3.1 Sub-Program:** Local Area Network

**1.3.2 Sub-Program:** Wide Area Network

**1.3.3 Sub-Program:** Internet

**1.3.4 Sub-Program:** Satellite

**1.3.5 Sub-Program:** Mobile Devices and Fixed-Line Phones

**1.3.6 Sub-Program:** Videoconferencing

**1.3.7 Sub-Program:** Webconferencing

**1.3.8 Sub-Program:** Teleconferencing (audio)

**1.3.9 Sub-Program:** Contact Centre Infrastructure

**1.3.10 Sub-Program:** Toll-Free Voice

**1.4 Program: Cyber and IT Security**

**1.4.1 Sub-Program:** Identity and Access Management

**1.4.2 Sub-Program:** Secret Infrastructure

**1.4.3 Sub-Program:** Infrastructure Security

**1.4.4 Sub-Program:** Cyber and IT Security Operations

**1.4.5 Sub-Program:** Security Management

**1.4.6 Sub-Program:** Secure Remote Access

**1.5. Program: Program Management**

**1.5.1 Sub-Program:** Strategic Direction

**1.5.2 Sub-Program:** Service Management

**1.5.3 Sub-Program:** Account Management

**1.6 Program: Brokered Public Cloud Services**

**1.6.1 Sub-Program:** Cloud Application Hosting

**1.6.2 Sub-Program:** Cloud Compute

**Internal Services**

## Supporting information on lower-level programs

Supporting information on lower-level programs is available on the [GC InfoBase](#).<sup>ii</sup>

## Supplementary information tables

The following supplementary information tables are available on [Shared Services Canada's website](#):

- ▶ Departmental Sustainable Development Strategy
- ▶ Evaluations
- ▶ Internal audits
- ▶ Status report on transformational and major Crown projects

## Federal tax expenditures

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 each year in the [Report on Federal Tax Expenditures](#).<sup>vi</sup> This report also provides detailed background information on tax expenditures, including descriptions, objectives, historical information and references to related federal spending programs. The tax measures presented in this report are the responsibility of the Minister of Finance.

## Organizational contact information

### General inquiries

Please direct your inquiries to the following email address:  
[SSC.information-information.SPC@canada.ca](mailto:SSC.information-information.SPC@canada.ca).

### Media inquiries

Please direct your inquiries via email to [SSC.media-medias.SPC@canada.ca](mailto:SSC.media-medias.SPC@canada.ca) or to the Media Relations Office by telephone at 613-670-1626.

## Appendix: definitions

### **appropriation (crédit)**

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

### **budgetary expenditures (dépenses budgétaires)**

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

### **Departmental Plan (plan ministériel)**

A report on the plans and expected performance of an appropriated department over a three-year period. Departmental plans are tabled in Parliament each spring.

### **Departmental Results Report (rapport sur les résultats ministériels)**

A report on an appropriated department's actual accomplishments against the plans, priorities and expected results set out in the corresponding Departmental Plan.

### **evaluation (évaluation)**

In the Government of Canada, the systematic and neutral collection and analysis of evidence to judge merit, worth or value. Evaluation informs decision-making, improvements, innovation and accountability. Evaluations typically focus on programs, policies and priorities and examine questions related to relevance, effectiveness and efficiency. Depending on user needs, however, evaluations can also examine other units, themes and issues, including alternatives to existing interventions. Evaluations generally employ social science research methods.

### **experimentation (expérimentation)**

Activities that seek to explore, test and compare the effects and impacts of policies, interventions and approaches, to inform evidence-based decision-making, by learning what works and what does not.

### **full-time equivalent (équivalent temps plein)**

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.

### **gender-based analysis plus (GBA+) (analyse comparative entre les sexes plus [ACS+])**

An analytical approach used to assess how diverse groups of women, men and gender-diverse people may experience policies, programs and initiatives. The “plus” in GBA+ acknowledges that the gender-based analysis goes beyond biological (sex) and socio-cultural (gender) differences. We all have multiple identity factors that intersect to make us who we are; GBA+ considers many other identity factors, such as race, ethnicity, religion, age, and mental or

physical disability. Examples of GBA+ processes include using data disaggregated by sex, gender and other intersecting identity factors in performance analysis, and identifying any impacts of the program on diverse groups of people with a view to adjusting these initiatives to make them more inclusive.

**government-wide priorities (priorités pangouvernementales)**

For the purpose of the 2017–18 Departmental Results Report, those high-level themes outlining the government’s agenda in the 2015 Speech from the Throne, namely Growth for the Middle Class, Open and Transparent Government, A Clean Environment and a Strong Economy, Diversity is Canada’s Strength, and Security and Opportunity.

**horizontal initiative (initiative horizontale)**

An initiative where two or more departments are given funding to pursue a shared outcome, often linked to a government priority.

**Management, Resources and Results Structure (structure de 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)**

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.

**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.

**planned spending (dépenses prévues)**

For departmental plans and departmental results reports, 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 departmental plans and departmental results reports.

**priority (priorité)**

A plan or project 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) or departmental results.

**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.

**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.

## Endnotes

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- i. Prime Minister of Canada's website, <http://pm.gc.ca/eng/mandate-letters>
- ii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- iii. Public Accounts of Canada 2017–2018, <http://www.tpsgc-pwgsc.gc.ca/recgen/cpc-pac/index-eng.html>
- iv. Shared Services Canada Act, <http://laws-lois.justice.gc.ca/eng/acts/S-8.9/>
- v. Order-in-Council, <http://www.pco-bcp.gc.ca/oic-ddc.asp?lang=eng&page=secretariats>
- vi. Report on Federal Tax Expenditures, <http://www.fin.gc.ca/purl/taxexp-eng.asp>