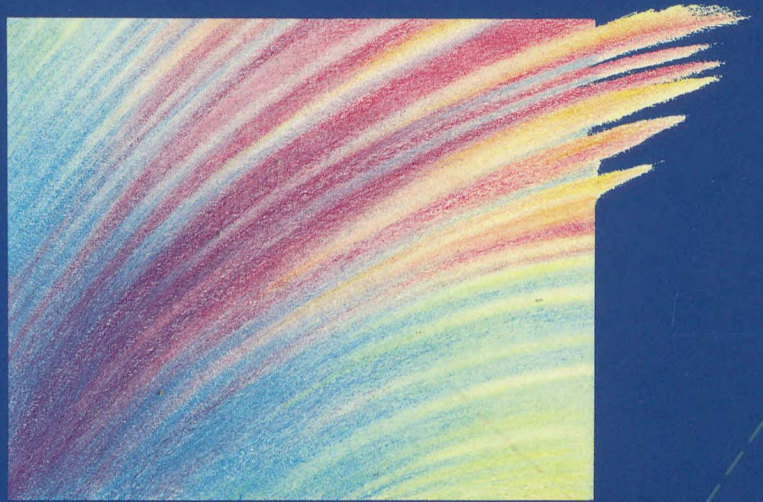# GOVERNMENT TELECOMMUNICATIONS AGENCY

ANNUAL REPORT 1990-91

Canadä

Our Mission

To bring information and telecommunications products and services to government for effective delivery of services to Canadians.

Contents

Explanation of Cover Page Design

The drawing represents GTA's new beginning, as Special Operating Agency, as well as its new and more dynamic competitive orientation.

To succeed, the Agency relies on its personnel, its government clients, its strategic alliances and the support of its five regional offices.

GTA's technical side is represented by the network architecture and the conversion to a digital network which is now taking place.

A Message from the Deputy Minister of the Department of Communications

I t gives me great pleasure to release the first Annual Report of the Government Telecommunications Agency (GTA) as a Special Operating Agency. The GTA Annual Report reflects the Agency's major activities throughout the past year. In my view, it is absolutely clear that the nature and scope of GTA's mandate alone make it unique.

The results that it proudly reports in this document are the outcome of a sustained collegial effort with the government community. I believe that this augurs well for the future, especially in connection with the service optimization, savings effected and the Government Architect Program.

GTA is definitely on the right track!

Alain Gourd

Letter from the President of GTA

To begin with, allow me to say how pleased I am at the release of the first *Annual Report* by the Government Telecommunications Agency as a Special Operating Agency. Our report is a public account of our activities and, more specifically, our achievements. I can assure *each and every one of you* that you can be proud of *the ground covered to date*.

When I say "each and every one of you", I mean first of all GTA personnel, both at headquarters and in the regions. The effort they have made to adapt to changes in traditional values and in the organization itself, which has become more "business-oriented", combined with the tireless dedication they have shown on a daily basis, has made it possible for the Agency to take pride in its initial accomplishments.

I also include our customers, who have supported GTA in its endeavour to refashion itself, and who tangibly continue to do so. And of course, there are our suppliers and strategic partners, who were able to observe the many changes in routine operation effected at the Agency over the past year. In fact, these three groups are in the best position to gain a firsthand appreciation of GTA's new way of doing business.

And finally, I am pleased to include our colleagues at the Government Telecommunications Council and the Telecommunications Advisory Panel who, through their esteemed advice, regularly help GTA to maintain an extremely productive collegial approach to integrated management for the government's telecommunications and information network.

But what, in terms of activities, does the "ground covered" involve?

Broadly speaking, there have been changes in the architecture of the government network and its gradual conversion to digital, the establishment of the above-mentioned government committees, and the savings we have been able to effect for our customers as a result of GTA's sound and collegial conduct of its affairs.

The GTA Business Plan, the Agency's road map, is also at the top of its list of new orientations, as is its increased emphasis on becoming customer-driven and forming strategic alliances with various partners with a view to better meeting their respective needs. In doing all of this, GTA is clearly signalling to its customers that it is capable of finding innovative ways to constantly improve the standard of its products and services, and at the same time effect significant savings.

In addition to these activities are those that specifically led to the definition of GTA's status and mandate as a Special Operating Agency, to the way in which it would function under its host department, the Department of Communications, and hence to the formulation of a specific mission statement for GTA consistent with that of the Department.

Throughout our Annual Report, we have made an effort to illustrate the above activities through the use of detailed descriptions or concrete examples. The financial statements included are intended to provide you with the information you need to determine how well GTA has performed.

You will also note that GTA's consolidated balance sheet for 1990-91 shows gross revenues of $213.5 million, which does not include the approximately $81.5 million from direct local network billing to departments or the $8.5 million returned to customers in the form of credits.

I believe that these revenue figures clearly reflect the commitment by client departments to GTA, and that they are in keeping with the effort we have expended to make the government telecommunications and information infrastructure much more effective and affordable.

In my first paragraph, I referred to our achievements "to date", which implies that GTA does not intend to rest on its laurels. Let us not forget that, as a Special Operating Agency, GTA is only at the beginning of what promises to be a very bright future.

We shall continue with network optimization along the lines that you have requested, to be sensitive to the needs of our colleagues-customers, and to serve you as effectively as possible, both by making your work easier and by negotiating on your behalf to obtain the best possible discounts for the government. This will all only be possible thanks to GTA's greatest asset, its personnel.

The French philosopher Gaston Berger wrote that, "tomorrow will not be the same as yesterday. It will be something new and will be dependent upon us. It is not so much to be discovered as to be invented." Not only does GTA intend to meet the challenge with pride, but it plans to do so with your collaboration.

René Guindon

Message from the Vice President, Marketing

The evolution of the marketing department from concept to reality is now complete, and I want to share with you information about our organization, direction and objectives. It is important to say that we would not have progressed so rapidly without the dedication of our marketing personnel and the support of Agency management and staff.
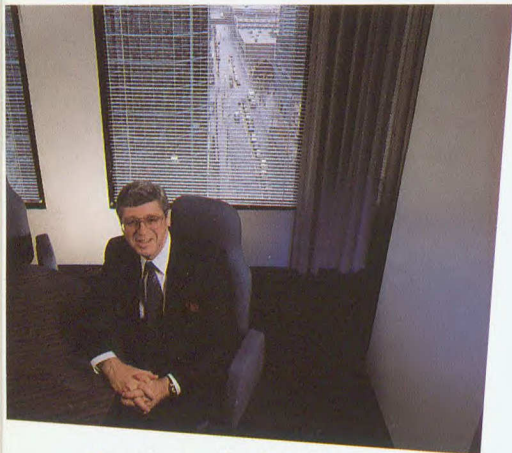
Roger Bason, Vice President, Marketing

Our objective in creating the marketing function was to get closer to our customers and to better understand their operations and requirements. We have therefore organized our sales force into national account teams with the mandate to develop linkages with our customers to facilitate the best possible customer support and service.

Our product managers provide leadership in the evolution of our four service portfolios — data, telematic, integrated network and local services. These managers focus on quality of service of existing products and interact with our engineering and technical staff to develop new products.

The marketing support group provides the sales teams and product managers with strategic intelligence about our customers, our markets, our competitors and industry developments which impact on our ability to provide customer service. This group also provides sales, training and technical support to our sales teams and GTA regional staff, and is responsible for the distribution of all marketing material.
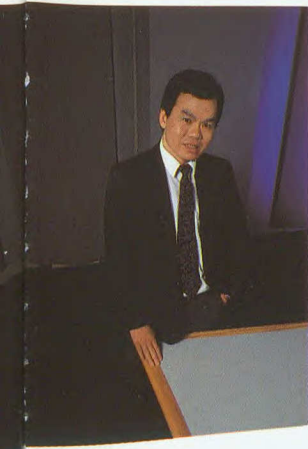
We have the marketing resources, the product portfolio, the dedicated staff and the advantage of solid relationships with both our large and small customers — all the ingredients required for success.

Message from the Director, Development and Engineering

The Development and Engineering Division has two roles: to manage the Government Telecommunications Architect Program and to plan and develop GTA-provided common networks and services.

The Telecommunications Architect Program is a new government initiative and a major component of the new collegial approach to managing telecommunications in the government. This approach recognizes the economic and strategic advantages of providing common support to departmental planning and operations and of establishing an enterprise-wide architecture for the development of government networks. A common network architecture will also permit better sharing of information systems assets. The benefits will be more efficient use of departmental and common telecommunications services and facilities through sharing and standardization; lower costs; better management; and the opportunity to consider government-wide business planning, as well as new ways of doing business.

The prime objective of the service planning and development

section is to establish common telecommunications facilities and services that respond to user needs and meet sound business criteria. Service development is based on the architecture approach defined under the Telecommunications Architect Program. The challenge we face is clearly enormous: satisfying the widely-varying needs of departments, excelling in a very competitive marketplace and accommodating the different network architectures that are already in place.

However, I am confident that, with the support of the government user community, we are finding the right solutions. The partnership between GTA and departments ensures that users participate fully in the evolution of the government telecommunications architecture and common services. Our task together is to ensure that communication is managed at optimum cost, effectively and coherently.

Dan Sum, Director, Development and Engineering

Message from the Director, Corporate Policy and Public Affairs

have been asked to give you details in this Report about the mandate of GTA's Corporate Policy and Public Affairs Directorate, which consists of two distinct entities.

To begin with, the Corporate Policy, or corporate affairs function, involves ensuring that the Agency as a whole is acting consistently with its mandate, mission and Business Plan. The Corporate Policy Division is responsible for carefully analyzing the potential impact of standards, policies and procedures being considered by GTA; in other words, it strives to shed light on Agency decisions. It also assures the indispensable harmony between technical matters on the one hand, and broad political considerations on the other. Lastly, its responsibilities include monitoring GTA's effectiveness to ensure integrated management, and adequately supporting the Agency's strategic growth, through policy recommendations to the President.

Public Affairs' role differs from the marketing function; it includes both internal and external communications, public relations and advertising. It adds a necessary dimension to the Directorate by ensuring that the corporate image conceived by the Corporate Policy Division is aesthetically appealing and projected properly, as well as understood by everyone and a faithful reflection of the thinking of the Agency as a corporate entity. By performing this function, the Public Affairs Division helps GTA to maintain healthy relations with its customers and employees alike through communiqués, circular letters, publications and effective communication strategies.

The current Annual Report is a concrete example of the synergy that already exists between the two divisions within the Directorate. But it is also, above all else, the result of the teamwork that now prevails within GTA.
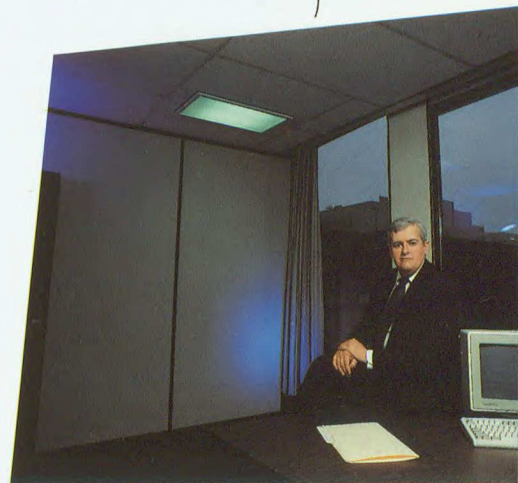
Jean-Pierre Couillard, Director, Corporate Policy and Public Affairs

GTA : A New Way of Doing

Becoming a Special Operating Agency (SOA)

In December 1989, the President of the Treasury Board announced that the Government Telecommunications Agency, along with four other federal service units, would become a Special Operating Agency, in order to attain higher levels of performance through increased management flexibility and more direct responsibility for results. It meant that delegated authorities could be tailored quite precisely and practically to the operating conditions of each service unit.

The Process

For GTA, one of the first tasks was to design a new working arrangement with the Department of Communications. A Framework Document, drawn up and signed jointly by the Deputy Minister of Communications, the Assistant Deputy Minister, Research and Spectrum and the President of GTA, reiterated GTA's responsibility for planning, providing, coordinating and managing common telecommunications services. In addition, it defined a close liaison with the Department in fulfilling DOC's overall objectives for telecommunications, technology and research, including the development of Canadian industry, and regional development. Moreover, certain financial authorizations were delegated to the President of GTA.

At the same time, a transitional Business Plan was developed to meet the immediate requirements of the federal community. The transitional Business Plan and the Framework Document formed the basis for a Treasury Board Submission seeking the establishment of GTA as a Special Operating Agency, with related authorities. This submission was approved, effective April 1, 1990.

GTA's Mandate

The mandate of GTA is to act as *the focal point for the Government Telecommunications Architect Function and the delivery of common telecommunications services within Canada.* In executing its mandate, the Agency provides common telecommunications services to the government and a planning, design and development service (the Telecommunications Architect Program) that provides the strategy for government networks and services evolution.

Working in a competitive environment, GTA must increase the economy, efficiency and effectiveness of its services while demonstrating overall savings to the government as a whole.

Operating Principles

GTA's *1991-1995 Business Plan*, which describes the strategy that the Agency is following in fulfilling its mandate as a Special Operating Agency, places a special emphasis on the development of operating principles. These reflect GTA's major orientations and are based on the objectives the Agency has set for itself and on its new corporate image.

For the Agency's efforts to be successful, it must address the following key factors:

Improve Customer Service

If the Agency is to meet its customer commitments, it has to provide outstanding service. To this end, a more dynamic and more experienced marketing team is enabling the Agency to maximize its potential and to forge closer links with users.

Business

Develop its Business Portfolio

If GTA is to be in a position to compete, it must provide excellent services at attractive prices to permit customers to effect savings and to meet their objectives.

Existing networks and services are being examined from the standpoints of effectiveness and cost-efficiency, to determine whether they still meet user requirements or have long-term potential for growth or cost savings.

When the need arises, the Agency proposes innovative solutions and develops new services designed to meet the specific requirements of the government, taking into account the activities of the private sector in the field of telecommunications.

Improve Effectiveness by Focusing on our Human Resources

It is important that customers, in their dealings with GTA, trust the technical advice they are given and feel that they are dealing with experts who are knowledgeable about the field and up-to-date on technological change.

One of GTA's great strengths is its personnel, who are qualified and competent in the fields of information technology and telecommunications.

To deal with the new competitive environment, GTA is emphasizing customer service, entrepreneurial spirit, teamwork and a results-oriented approach, where our bywords are quality and excellence.

Form Strategic Alliances

We are in the era of partnership. Many businesses feel the need to form strategic alliances to broaden their skills and overcome any weaknesses. GTA is no exception.

As GTA is taking a more proactive approach to its markets and is planning to eventually broaden its

GTA's Quarterly Marketing Meetings provide a forum in which members of the Branch are briefed on the progress of marketing activities, and encouraged to share ideas, concerns and solutions.

range of services, strategic alliances would be a most interesting solution.

Economic conditions, as well as market trends and growth rates, led GTA to develop sound operating principles designed to make it a dynamic and forward-looking Agency, capable of meeting all of its challenges.

GTA's Structure

The new status of GTA and the operating principles it has adopted have made it necessary to restructure the Agency. GTA's broad objectives in restructuring itself were to encourage regional initiatives, to support an aggressive marketing strategy, to establish the Telecommunications Architect function, and to ensure concordance of all Agency activities through effective communications and coherent corporate policy.

GTA's 11 regional and district offices located across Canada enable it to stay in close touch with its customers and keep up to date on local tariffs, conditions and requirements. This is an historical strength upon which the Agency fully intends to

build, since regional offices are assuming increased responsibilities consistent with the growing customer activity outside the National Capital Region.

To ensure fast and flexible response to customer needs, the Marketing Branch was created. Comprising sales, product management and marketing support elements, it ensures a close match between customers' plans and GTA's product plans. This realignment also provides the sales force with ready access to the Agency's resources.

The Development and Engineering Branch, in addition to planning and developing GTA's common networks and services, has assumed the responsibility for the Government Telecommunications Architect Program. It is now responsible for developing the enterprise-wide architecture for the development of government networks. The Branch was therefore reorganized and continues to be augmented.

The Corporate Policy and Public Affairs Directorate ensures that the Agency as a whole is acting within its mandate and mission, and that a balance between technical and political factors is maintained in Agency undertakings. It is also responsible for both external and internal communications, public relations and advertising, and ensures that healthy relations are maintained both with GTA's clients and its employees.

The Telecommunications Systems Management Branch manages and provides operational support to the Agency's common, enhanced and customized national networks and services. It plans and manages GTA's automation and management information systems, and provides procurement services to all sections of GTA. It also manages the production and distribution of telephone and other directories for the government.

The Finance and Administration Branch is responsible for all aspects of financial and general administration, both for headquarters and regional offices. It comprises three sections: financial planning and accounting; cost allocation and recovery; and administration.

Services Offerings

GTA now provides three broad groups of services: common services shared and used by client departments and agencies; customized services unique to particular organizations; and the Telecommunications Architect function under which the operational needs of the government are considered as a whole and the strategy for an integrated system is provided for all users. New services and pricing strategies are being developed as a result of the review of GTA's business portfolio.

Benefits to the Client

GTA continues to bring to government high-quality telecommunications and information products and services at an economical cost. And, as a key component of the government's new telecommunications management infrastructure, GTA remains best placed to understand the constraints which departments face, and the tools they require to deliver their services as efficiently as possible. In short, what GTA aims to bring to its partners in the government telecommunications community is, indeed, a whole new way of doing business.

GTA remains best placed to understand the tools departments require to deliver their services.

Partnerships : Designing the Future Together

Collegial Approach

In 1989, the Auditor General's Annual Report suggested that a central focus was required for government-wide administration of both voice and data communications and recommended that one body be accountable to achieve an efficient and cost-effective telecommunications service in the federal government.

Coincidentally, a task force sponsored by the Advisory Committee on Information Management (ACIM) recognized a similar need and favoured the development of a government-wide integrated telecommunications architecture. It affirmed that GTA would be the most suitable choice to assume the Telecommunications Architect role, within its existing mandate for planning and coordinating government telecommunications.

A new management infrastructure was therefore put in place for departments to collegially plan and manage telecommunications. Thus, the Government Telecommunications Council was established to undertake overall management of telecommunications, while the Telecommunications Advisory Panel was formed to deal with the more detailed technical matters.

These initiatives have generated a dynamic infrastructure in which departments actively contribute to the design of the networks and services which GTA develops and sells.

At the 1991 Government Telecommunications Forum held in Québec City, GTA's Québec Region was commended on numerous occasions by participating clients and suppliers.

Government Insider

GTA has well-established business relationships with over 140 federal government departments and agencies. It has a presence in every region of Canada, which permits it to stay close to its customers and understand the local environments in which they operate.

Moreover, the Agency has one of the largest pools of expertise in the country as the provider of value-added telecommunications services and customized solutions.

These strengths, coupled with GTA's position within the government's telecommunications management infrastructure, make GTA *the* government insider. In this capacity, our colleagues are our clients. As a result, not only do we serve them better, but our suppliers benefit as well, since we are their window into the collective activities of the government.

Government Telecommunications Council

The overall objective of the Government Telecommunications Council (GTC) is to ensure that telecommunications are managed properly in the government. It does this by providing advice and guidance on the strategies that should be followed in order to achieve government-wide efficiencies and enhance program delivery.

The manner of operation, in practice, centres on the review of the plans and activities of GTA, in its roles as the Telecommunications Architect and the common services delivery agent. The GTC also serves to coordinate and harmonize the plans and strategies of GTA, the Government Telecommunications Architect function, and departments and agencies to ensure that they are well balanced between departmental requirements and overall government needs.

Membership of the GTC, generally at the Assistant Deputy Minister and Director General levels, includes a large proportion of permanent members of ACIM. A strong linkage is thus maintained between telecommunications activities and developments in the other information technology areas.

Telecommunications Advisory Panel

Since the GTC meets twice a year, it is the Telecommunications Advisory Panel (TAP) that follows the developments in government telecommunications on a more frequent basis. Furthermore, by structuring its membership at the Director-General level, it benefits from the more direct experience of telecommunications issues that the members bring to the committee.

TAP serves the management process by deliberating on all telecommunications matters that, for best results, require participation by the telecommunications and information technology communities. One of its objectives is to provide support to the GTC. By being intimately involved in the implementation of the Telecommunications Architect Program, and by receiving frequent reports on the development of GTA services, TAP can provide accurate and objective feedback to the GTC on compliance with approved plans.

TAP also serves as an invaluable partner in enhancing the specification of departmental needs, as implementation of common telecommunications services plans progresses from the conceptual through the delivery stages.

Telecommunications Architect

The Government Telecommunications Architect function, which GTA was asked to undertake, represents the focal point of the government-wide strategic planning and development process. This function is key in formulating issues and solutions for realizing the strategic objectives of the government telecommunications and information technology communities, as expressed through the combined activities of the GTC and TAP.

The Telecommunications Architect is responsible for planning and developing a government-wide telecommunications architecture and related policy recommendations. It also fosters the optimum use of departmental and common telecommunications, and serves as the technical and planning focal point on Open Systems Interconnection (OSI).

GTA and IBM are planning, under the Vision 2000 initiative, a trial OSI-to-TCP/IP gateway service allowing participating departments' electronic mail (X.400) users and Internet users to communicate.

Major achievements in the past year have been in the development of an interim strategy for the evolution of the physical network and the reorganization of GTA to accommodate the Telecommunications Architect function. The migration strategy toward the contemplated network architecture has already had a significant impact: the introduction of the Government Digital Channel Service (GDCS) in conjunction with GTA's conversion of its voice network to digital facilities offers substantial cost savings to GTA's clients.

Common Services Manager

The Common Services Manager is the traditional function of GTA. As an SOA, however, GTA's manner of execution is more business-like. The relationship of this function to that of the Telecommunications Architect is well illustrated in the migration to the new digital network, where the strategy has been developed by the Telecommunications Architect, while the digital services are delivered by the Common Services Manager under very competitive rate structures.

In this role, GTA's objective is to deliver the best possible service to its clients, at the lowest possible price. Its ability to do this is linked to the volume of government business that GTA handles, the special knowledge of government needs that, as an insider, it possesses, and the hard bargaining that it is pre-pared to conduct to get the best possible deal from its suppliers.

Network Architecture Update

The activities of the Architect Program are driven by depart-ments through TAP. To deal with network interconnection and operational issues, two working groups have been estab-lished to date.

Core OSI Ad Hoc Working Group

This Working Group is address-ing the logical (network) framework within the Government Enterprise Network Architecture (GENA) for in-terconnection and interoperability of dissimilar departmental systems. The framework is composed of many elements including voice and data networks; value-added ser-vices; and OSI and non-OSI net-works and their interoperability.

In cooperation with the mem-bers of the Working Group, the Architect Program has already initiated projects to address priority areas, such as the following:

• Government-wide Message Handling Service (MHS) naming and addressing: guidelines to assist inter-connection of diverse electronic messaging systems in the govern-ment.

• Network security: a special focus group comprising members from the Communications Security Establishment, RCMP, GTA and others to develop a workplan to address the issue.

• MHS router: specifications to allow message interchange between diverse departmental electronic mail systems.

• X.400 gateways: guidelines to assist departments in implementing X.400 gateways on their electronic mail systems.

• Network interoperability at both local area network (LAN) to LAN, and LAN to wide area network (WAN) levels.

• Transmission Control Protocol/Internet Protocol (TCP/IP) — OSI gateway.

• Directory services, govern-ment registration procedures and file transfer and management proce-dures: potential pilots to be planned.

Government Physical Network Ad Hoc Working Group

This working group deals pri-marily with the two major issues of the transmission layer of the govern-ment physical network: network top-ology and network management.

The Annual GTA/Telco West Meeting reinforces the comfortable relationship GTA's western regional offices enjoy with their carrier counterparts.

A major component of the GENA is the common physical network, *GTN-2000*, which provides networking and physical connectivity for transport of information, and is based on digital common or departmental transmission facilities.

Following TAP's approval of a policy recommendation on the use of a government-wide consolidated network, GTA began converting its existing analog intercity voice network to digital service. GTA now also offers the Government Digital Channel Service (GDCS) on this digital network, which provides dedicated end-to-end transmission facilities.

As well, the Government Physical Network Ad Hoc Working Group is seeking resolution of the requirement for route diversity, which will impact on the overall network topology and economy of the network.

The above initiatives and the adoption of the GENA approach will benefit the government in various ways. These benefits, identified in previous studies of interdepartmental committees, should form the measuring stick for progress of the Architect Program. They will increase interoperability and reduce government costs; improve planning, design, implementation and operation of telecommunications facilities, services and applications; simplify the procurement process; permit the development of shared networks and services and shared solutions to problems; permit the use of common applications as well as improved access to departmental databases; and provide practical guidelines on implementation of the Treasury Board OSI standards and profiles.

Partnerships and Strategic Alliances

Rapid technological change continues to erode traditional boundaries between industries. Like other companies which are facing increasing competition, GTA is building strategic alliances within its own field and with organizations in other industries, to enrich its skills and exploit new kinds of opportunities, and to achieve its objectives on behalf of the government. This philosophy enables us to turn potential competitors into partners, to open up new service opportunities and new markets, and to gain access to new skills and knowledge which are vital to our success.

Indeed, GTA's Business Plan explicitly identified the creation of strategic alliances as one of GTA's Critical Success Factors for carrying the Agency successfully into the '90s. GTA has already entered into various types of partnerships with industry, supplementing its own expertise by seconding specialists from a variety of vendors and service suppliers, to address areas of new and evolving technologies and services.

Cooperative Research and Development

GTA has also formally established several research and development undertakings across Canada, such as a joint project with Keyword Office Technologies Ltd. of Alberta for the integration of its Document Conversion Technology into GTA's national Government Electronic Messaging and Document Exchange Service (GEMDES). We are also cooperating with Carota Communications Inc. of New Brunswick in a video teleconferencing field trial,
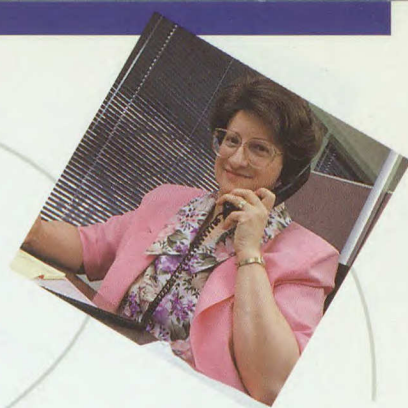
which is crucial to the development of a cost-effective shared video tele-conferencing service.

GTA is participating with several organizations, including DOC's Canadian Workplace Automation Research Centre (CWARC) and Prima Télématic of Montréal, in the recently-launched Hyperkiosk Research and Development Club. This limited-membership consortium is a partnership between the private and public sectors. Its aim is to provide better service to clients through local and national networks of multi-service kiosks. Membership includes several major private sector companies, such as Air Canada, General Motors, Sears and Provigo, and three levels of government.

Hyperkiosk is a one-stop information and shopping concept that will provide public access to a number of services. Preliminary activities include the development of business strategies, consumer research and the integration of technologies such as video, audio and ticket printout. Through GTA's participation, the telecommunications and information technology communities will gain access to extensive research and development on the integration of various technologies, as well as applications development work and

consumer research on multiservice kiosks. This will facilitate the identification and development of government applications.

Through the initiation of other agreements, we are addressing such issues as network interconnect, advanced "frame delay" fibre optics technologies and access to the Government Intercity Network, at GTA rates, from cellular telephone suppliers' networks. These agreements are of mutual benefit to all parties concerned.

The ultimate objective of these strategic alliances is to enhance our ability to better serve our clients, who ultimately serve the Canadian public.

Benefits to Our Clients

Our new collegial telecommunications management infrastructure offers GTA's clients the opportunity to provide participative leadership in the development of common networks and services which reflect their needs.

By contributing to the design of the network architecture and the services which GTA develops, not only can departments ensure that the network architecture and services are conceived and designed from the beginning with their requirements in mind, but that the resulting services are available at very competitive rates, due to the pooling of the government's requirements, expertise and resources.

Our partnerships are founded on a common goal: to improve program delivery, while reducing costs. It is this partnership — designing the future together — which is GTA's competitive advantage, and is a totally new way of doing business.

GTA and Carota Communications Inc. of New Brunswick are cooperating in a video teleconferencing field trial. GTA's interest is in developing a cost-effective shared service.

The Key to Performance :

GTA's change of status to a Special Operating Agency is reflected in its new staff management policies based on performance and responsiveness to its clients. This new orientation mirrors GTA's results-oriented and business-like mandate. As GTA is a Special Operating Agency, so it considers its people to be "special". The harmonization of personnel, knowledge, skills and values with the Agency's new goals is a key factor.

GTA's employees have years of experience in the telecommunications and information management fields and have shown, in the past, great loyalty and dedication, often under severe person-year constraints. GTA is further motivating and stimulating its employees by realigning their functions to its new market orientation, broadening their responsibilities, setting performance objectives, providing professional development opportunities and training, recognizing initiatives, and encouraging participative leadership and intelligent risk taking.

With the ever-increasing importance of regional activities, the responsibilities of GTA's regional employees have greatly expanded. To improve service, regional employees are being further trained on the new

telecommunications and information-management technologies and in communications skills. And GTA will continue to offer and improve bilingual service across Canada.
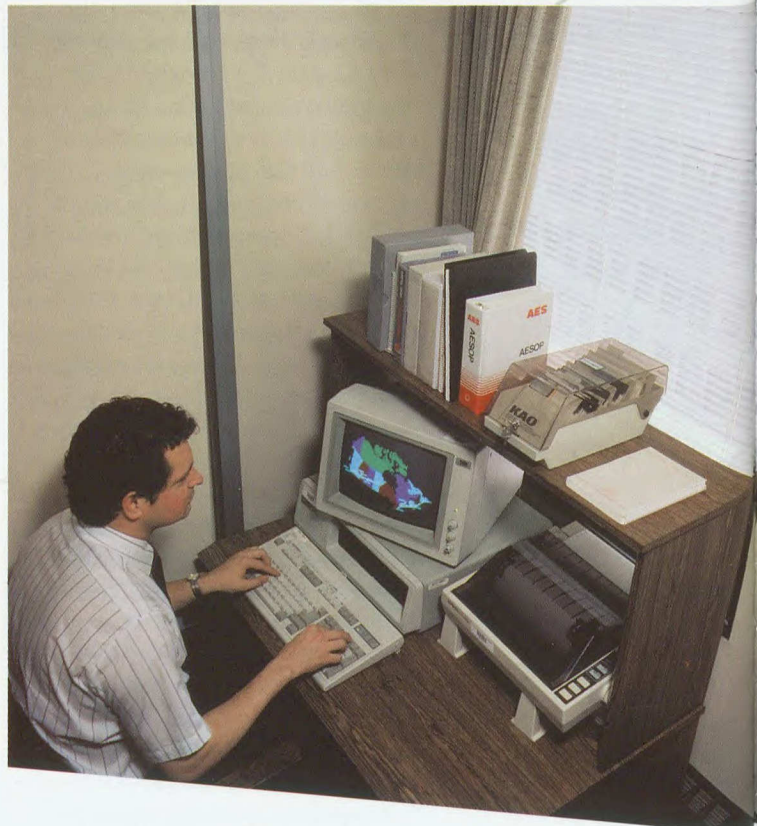
GTA's personnel use a variety of leading-edge technologies to perform a number of operational, production and information management tasks. Their personal computers are connected to local area networks (LANs) located in GTA's offices, which in turn, are interconnected using GTA's network services. Our employees also rely on GTA's full range of services and other information technology products in conducting their daily work.

Our in-house experts and those from private enterprise have been working as a team under GTA's expanded mandate to manage the Network Architect Program. Through an industrial exchange program, highly-qualified personnel continue to be

GTA's employees have the tools they need to do the job.
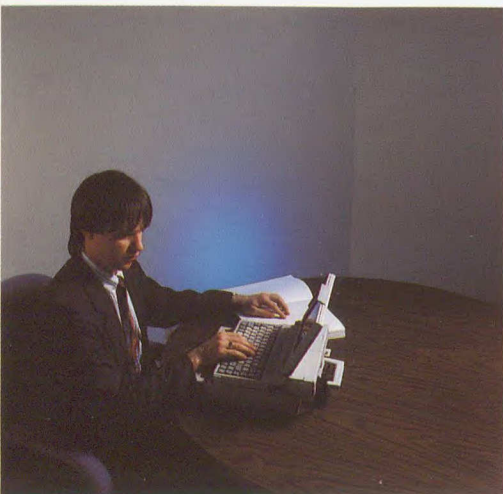
Richard Lavigne, whose services were retained by GTA to update its distribution lists, is shown here working on his Braille terminal.

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Our Work Force

brought into the Agency from major companies like IBM, DEC, Unisys, Gandalf, BNR, Mediatel, Unitel, Telecom Canada, and Telesat Canada to play a major role in developing and fine tuning the network architecture to meet the government's and individual departments' needs. Moreover, experts on secondment from client departments, such as Transport Canada, Employment and Immigration Canada and Energy Mines and Resources Canada, in

addition to contract specialists, are now working in the Network Architect Program, and in the Telecommunications Systems Management and Marketing Branches respectively.

By relying on our in-house expertise, and by supplementing it with that of client departments and the private sector, GTA has become a more dynamic, forward-looking organization, fully capable of competing on an equal basis in a marketplace environment.

As a Special Operating Agency, GTA has also moved to create better relations with its clients. There have been great advances in this area, as representatives from many departments are now working collectively with GTA's staff to profit from the increased benefits available through shared conception, development and procurement of telecommunications services.

Given its new market orientation, cooperation between GTA's personnel and members of client departments has assumed an even greater importance. GTA continues to develop its team to meet this new challenge.

Ron Bailey, District Manager - Manitoba, GTA Central Region
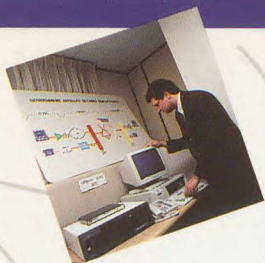
GTA Services Update

GTA's portfolio of services is subject to constant product development and evolution. Now, more than ever, our clients' needs are reflected in the services that we design and develop. GTA's dual role as Telecommunications Architect and Common Services Manager for the government, coupled with its new status as a Special Operating Agency, mean that its services development is client-driven. The following is a brief update of some of GTA's shared telecommunications services, which are managed by the Director, Telecommunications Systems Management.

Intercity Network Services

The Government Shared Intercity (IX) Network provides telephone, facsimile and voiceband data services to federal government offices across Canada. There are currently some 250,000 connections to the network. Users can also access the network from public telephones by using authorization codes.

During 1990/91, the IX Network carried approximately 64 million calls — 11 million more than the previous year — representing an increase of 21 percent. In the current environment of restraint, such significant growth indicates that our clients find the IX Network to be a key tool in making their program delivery more efficient.

GTA's IX Network coverage was expanded in 1990/91 to include direct dialling to Alaska, Hawaii, the Caribbean and Bermuda, augmenting existing access to the United States available in British Columbia, Ontario and Québec. GTA continuously monitors and updates the IX Network to ensure that it improves service and meets traffic demands as cost-effectively as possible.

In December 1990, GTA began converting the IX Network to all-digital facilities, which means higher-quality service at lower cost. The implementation of these facilities, coupled with the removal of the Federal Telecommunications Tax, permitted GTA to provide a rebate of $8.5 million to its IX Network clients. As a result, the IX Network was, on average, approximately 31 percent less expensive than commercial long distance, resulting in savings to the government of approximately $40 million.

GTA anticipates that its rate advantage will increase to approximately 37 percent below commercial long distance in 1991/92.

Total Intercity (IX) Network Calls
1984/85 - 1990/91
(millions of calls)

Year	Calls
-85	32.5
-86	41.2
-87	40
-88	42.6
-89	48.4
-90	53
-91	64

John Kealey and Frank Smith of GTA confer with Dale Theoret of Unitel at the GPN node in Ottawa.
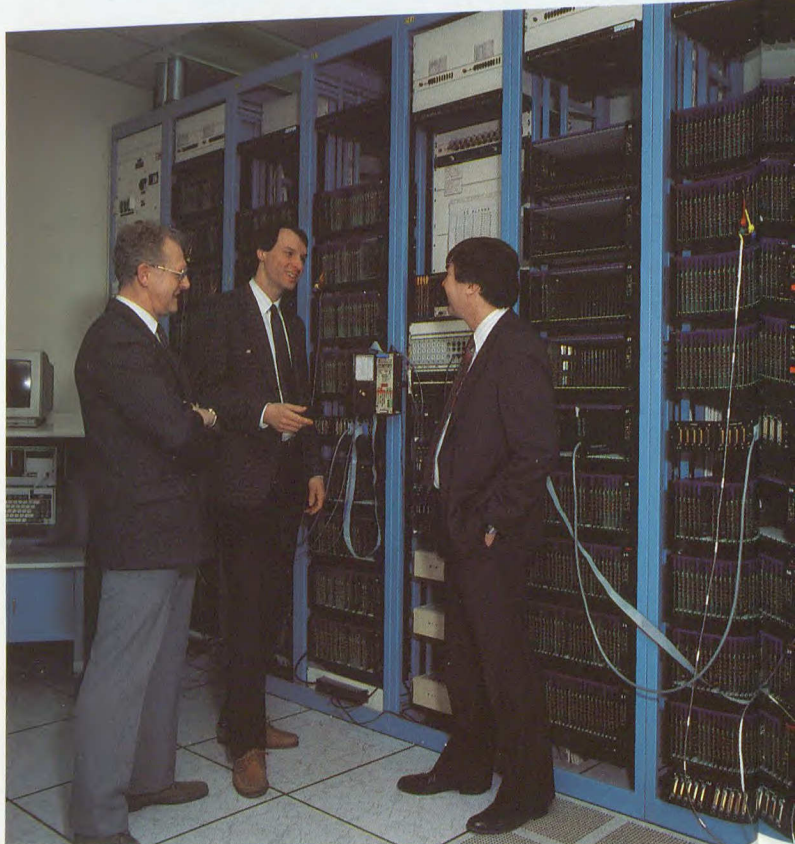
Local Shared Services

GTA successfully negotiated revisions to the Individual Exchange Tariff, which will result in new reduced rates for the Enhanced Exchange Wide Dial (EEWD) service in the National Capital Region (NCR). These rates will reduce GTA's already very competitive monthly EEWD main line rate by approximately 18 percent. The new rate represents potential savings to the government of $6.6 million per year, or approximately $20 million dollars over the three-year contract for the 110,000 subscribers in the NCR.

Our efforts to reduce the EEWD rates illustrate GTA's commitment to improve the cost-effectiveness of its Local Shared Services for over 250,000 subscribers in more than 40 consolidations across Canada.

GTA continues to enhance these services with features such as the Consolidation Management Service (CMS), a project spearheaded by GTA's Atlantic Region, which has been implemented on a trial basis in Vancouver, Calgary, Ottawa, Montréal and Moncton. The service provides customers with electronic service order entry, automated inventory, EEWD/Centrex III billing reconciliation and management report capabilities. It will reduce service intervals and improve management control of Local Shared Services. The service should begin in the fall of 1991.

Government Electronic Messaging and Document Exchange Service

Launched in 1989, the Government Electronic Messaging and Document Exchange Service (GEMDES) currently counts over 8,000 users, having experienced tremendous growth during its second year of operation.

GEMDES provides electronic messaging, and notice and bulletin boards; transparent binary file transfer; French character transmission; document conversion (for example, from Microsoft Word to Wordperfect); facsimile delivery; and access to other messaging and information networks.

Although users of other electronic mail systems currently can access and be accessed by GEMDES users via an X.400 gateway, work is being done to offer X.400 as an integral part of GEMDES. This will allow connection to GEMDES via the Government Packet Network (GPN) or Datapac at the choice of the user, and may provide additional cost savings. Similarly efforts are being made relative to Information Service Providers and Electronic Data Interchange (EDI) capabilities.

GTA has expended considerable effort to improve the GEMDES billing system as a direct response to customer feedback. GEMDES, which is provided exclusively to government users, is composed of Envoy 100, iNet, GPN and Datapac services, each with its own independent billing system. To simplify, speed up and improve the accuracy of the billing process, as well as to provide compatibility with the industry at large, the recipient is now paying to read all messages received, including the first reading.

Number of GEMDES Users
April 1990 - March 1991

8000	
7000	
6000	
5000	

A M J J A S O N D J F M
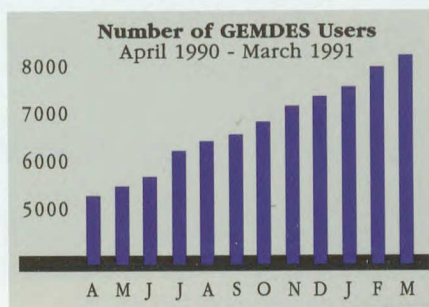
GTA Network Coverage

Government Digital Channel Service

GTA formally introduced the Government Digital Channel Service (GDCS) in February 1991. GDCS is a dedicated digital end-to-end service for data, image and integrated applications. Conversion to an all-digital network means higher quality service at lower cost. GDCS is fully compatible with standard computer and network protocols and architectures, and supports the entire range of transmission speeds from 1200 bps to 1.544 Mbps.

GDCS rates for the intercity portion of the service are a minimum of 35 percent and as much as 80 percent below commercial rates. Moreover, there are additional discounts of up to 20 percent for those departments that achieve certain volume thresholds. Whereas commercial rate structures call for a contract term of at least a year and generally a monthly dollar volume commitment, GTA requires neither a contract term nor a minimum monthly commitment before its

clients can reap the benefits of GDCS.

New digital services tariffs have allowed GTA to combine its analog-based intercity voice network and customized voice and data services, as well as its customized digital data services and departmental networks on a single digital network infrastructure for the government. This is a major step toward achieving the kind of cross-government efficiencies to which GTA and its partners are committed.

Government Packet Network

The Government Packet Network (GPN) is a shared, packet-switched, digital data network service supporting X.25, X.28 and Synchronous Data Link Control (SDLC) protocols. During the past year, GTA has expanded the network to more than 140 serving areas with the addition of nine new serving areas and added seventeen new GPN dial access points. GTA plans to continue this

Legend of Map:

IX Network

The GTA Shared Inter-city (IX) Network is shown in blue. Consolidations and Direct Access Intercity (DAIX) sites are shown as boxes; trunk groups and foreign exchange (FX) groups are shown as lines. Access to all dialable numbers in Canada is provided by GTA WATS. Access to the United States (including Alaska and Hawaii) and the Caribbean is provided by four WATS groups originating in the cities of Vancouver, Toronto, Ottawa and Montréal, shown as arrows. For calls originating anywhere in North America, the IX Network supports an 800-number service to Government of Canada operators in Ottawa.

Government Packet Network

Government Packet Network (GPN) serving areas are shown as red dots. At this time, there are over 140 serving areas.

Government Satellite Network

The broadcast footprint for the Ku band of the Government Satellite Network is represented by the lighter shades of grey and blue.

The GPN Network Management Centre in Toronto

expansion by establishing service in smaller and more remote areas. As well as coast-to-coast national coverage, GPN provides interconnection to over 100 international networks. GPN has also grown in terms of number of users; it now counts more than 70 federal clients, representing a user base of approximately 30,000.

GTA's rates offer savings of 20 percent or more over commercial packet-switched network services. Moreover, GPN reduces the costs of electronic messaging when used to access the Government Electronic Messaging and Document Exchange Service. But cost savings and full interoperability with other GTA services are not the only important benefits of GPN: flexibility is another. In 1990, for example, the implementation of a major hybrid network for over 2,000 users at Correctional Service Canada was completed, allowing the department to move to a distributed data processing environment which, in turn, permits better fulfilment of its mandate.

In order to stay close to its clients and provide a forum for GPN

users, GTA played a prominent role in establishing a user's group for this service.

Government Voice Messaging Service

The Government Voice Messaging Service (GVMS) provides users of GTA's Local Shared Services with 24-hour voice messaging, automatic telephone answering and information dissemination and collection functions. GVMS is currently available in Halifax, Montréal, Toronto, Vancouver and Ottawa/Hull. It will soon be available in St. John's, Sydney, Fredericton, Moncton, Saint John, and Winnipeg.

In October 1990, GTA reduced GVMS rates in only the second year of service operation. Rates and service charges across the country will continually be reassessed to ensure that GTA provides the most cost-effective service possible.
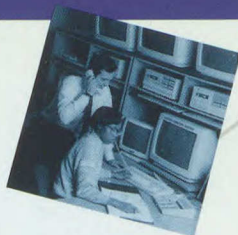
Fred Payne of Transport Canada (right) and Hartley Matthews of GTA test the Consolidation Management System in the Atlantic Region.

GTA Is the Answer : Solutions that Work

In this period of restraint, government departments and agencies are relying more than ever on information technology products and services to deliver their programs to Canadians efficiently. They also want economical and flexible solutions to their needs. Industry, Science and Technology Canada; the Federal Business Development Bank; Energy, Mines and Resources Canada; and Fitness and Amateur Sport all turned to GTA for an answer to their particular requirements. They all found that GTA provides solutions that work.

Fitness and Amateur Sport

JoAnne Stovel, Fitness and Amateur Sport

Voice Messaging Fits the Bill

It was simply a need to improve communications efficiency which brought Fitness and Amateur Sport (FAS) to GTA.

FAS is one of many departments enjoying the benefits of GTA's Government Voice Messaging Service (GVMS). And, says JoAnne Stovel, Telecommunications Services Officer with the department, things are going more smoothly now as a result. But it wasn't always the case.

FAS promotes, encourages and develops fitness and amateur sport in Canada primarily by providing financial contributions and policy leadership. It is a high-profile department that frequently deals with the press. Its role in supporting Canadian athletes at national and international competitions also means that employees receive calls from all around the world. Not getting messages or getting incorrect ones reflects badly on the department and is frustrating for everyone.

For help in overcoming the problem, the department called GTA. As a result of a consultation with GTA staff, it was determined that the best solution was to implement the Agency's voice messaging service. A system customized to meet the special requirements of FAS was put in, and all 130 or so employees were trained in how to use it. GVMS provides users of GTA's local shared telephone service with automatic telephone answering, voice mail and a bulletin board function.

The improved communication is important not only to the media relations and international liaison activities of the department. Lucien Michon is Manager of Administrative Services. In a service environment, turn-around time is very important. "With GVMS, I don't have to rely on anyone else for my messages," says Michon. "People who do not have voice messaging are missing out on a good deal," he adds.

And the deal recently got better. At the beginning of the year, GTA reduced GVMS rates and adopted a regional pricing strategy, enabling it to better meet the unique needs of its clients across the country.

Jim Poupore, CARES project manager, 1990 United Way/Healthpartners Campaign and Morag Cavers, GTA

Industry, Science and Technology Canada, United Way / Healthpartners

GTA Cares About the Community

September and October are always busy months for the department hosting the federal service division of the United Way campaign. But for the 1990 host department, Industry, Science and Technology Canada (ISTC), there were two extra challenges. First, seventeen health-related organizations known as Healthpartners became part of the campaign on a trial basis. Second, Deputy Minister Harry Rogers wanted to leave a legacy for future campaigns. Canvassing 110,000 public service employees means a lot of paperwork. The Deputy Minister wanted to see a more efficient campaign using fewer resources. The result was CARES — the Campaign Automated Reporting and Evaluation System — a software package specially designed and developed by ISTC to facilitate the collection of pledge information.

"The United Way process was a very good paper process, but not necessarily efficient," explains Jim Poupore, CARES project manager of the 1990 United Way/Healthpartners campaign. A needs analysis was therefore carried out: the answer was a microcomputer-based system that could be moved around from year to year as different departments assumed responsibility for the campaign. They also needed a means of transmission.

Already familiar with GTA's Government Electronic Messaging and Document Exchange Service (GEMDES), Poupore decided to speak to Morag Cavers from GTA. Together they looked at a number of telecommunications options. GEMDES turned out to be ideal: it is inexpensive, can be installed anywhere there is a telephone and is easy to use.

Customized for the federal government, GEMDES offers bilingual electronic messaging and document exchange nation wide. The service is easily accessed from a variety of networks including the Government Telephone Network and the Government Packet Network.

To make it even easier for those unfamiliar with GEMDES, the communications software package "Rapport", one of two software packages recommended by GTA, was customized by the supplier.

With all the necessary elements in place, campaign treasurers in departments and agencies were able simply to upload pledge information to a GEMDES mailbox at campaign headquarters each day. Campaign staff then downloaded the data, and the system did the rest, producing all the necessary statistics.

"GEMDES worked well," Poupore says. "First of all, GTA was very committed to the campaign. Secondly, they did all the administration centrally. The departments just had to feed the data in and we went in and picked it up ... GTA made my job a lot easier."

And, with the campaign coming in 21 percent over the previous year's achievement, 122 social agencies and health organizations were the ultimate beneficiaries.

"GTA made my job a lot easier."

The Federal Business Development Bank

Developing Business

It was not only the personal service but also the economy which persuaded the Federal Business Development Bank (FBDB) to use GTA's Government Packet Network (GPN). The FBDB promotes the creation and development of businesses in Canada, paying particular attention to small and medium-sized businesses. The Bank's services are delivered through a network of 77 branches structured into three service levels, five regional offices and a head office in Montréal. Keeping bankers across the country on top of business information is not only vital, but also quite a challenge technically.

"It was around March 1989 that we received a request to hook up all the 'A' and 'B' level branches to the mainframe in Montréal," explains David Hardcastle, Manager of Technical Support for the Bank. "After looking around, we chose X.25 packet switching equipment." The FBDB then approached GTA's Montréal regional office for help with the task of putting together and installing a network of 64 dedicated X.25 circuits. A thorough cost comparison was carried out. In a meeting with the FBDB, Josée Allard and Tim Smith, from GTA's regional office and Headquarters respectively, were able to demonstrate that using GPN would save the FBDB 18 percent over the commercial rate with the initial network, and even more over the long term.

Significantly Cheaper

Hardcastle was impressed. "GPN was significantly cheaper than the other services available. The other aspect was the help that GTA provided in determining the technical requirements as well as the implementation schedule. With 64 installations right across the country from St. John's, Newfoundland to Whitehorse, Yukon Territory, they were a big help with the installation."

The Government Packet Network is a shared packet-switched digital data network. It links computers and terminals in over 140 serving areas across Canada and provides interconnection to more than 100 international networks.

The FBDB's GTA-supplied network provides the Bank's managers with immediate access to loan information that had previously taken five to seven days to reach them. The faster response time has been an important factor in the more effective management of loans. That saves the FBDB money in the long run.

And how does Hardcastle feel about GTA's network service? "You put it in and forget about it," he says, "because it just works."

How does FBDB's Hardcastle feel about GPN? "You put it in and forget about it, because it just works."

David Hardcastle, Federal Business Development Bank with Josée Allard, GTA Québec Region
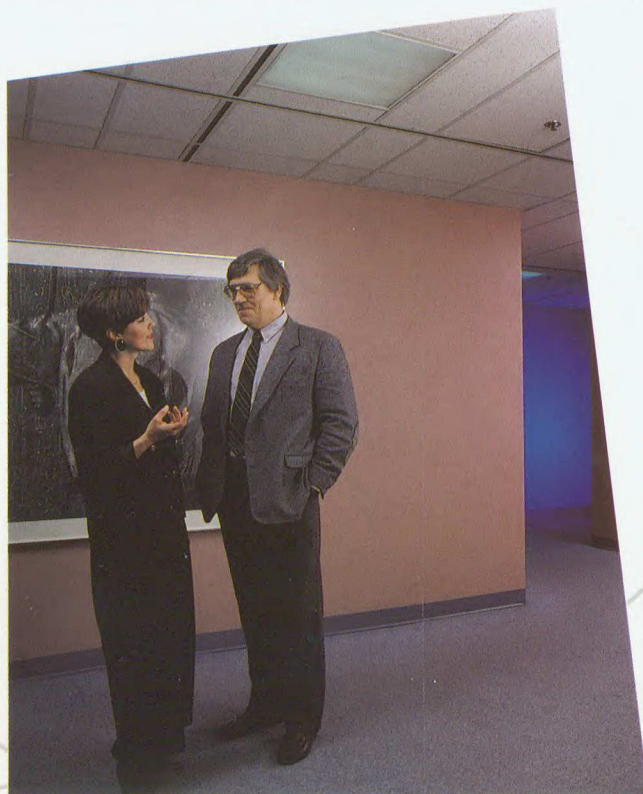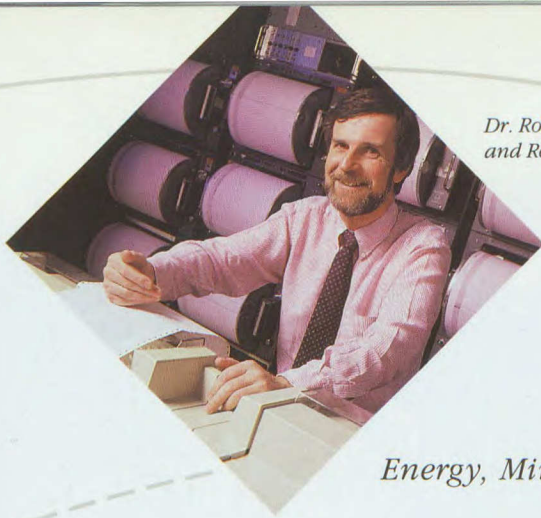
Energy, Mines and Resources Canada

A Natural Partnership

A need for rapid acquisition of data was what prompted the Energy, Mines and Resources Canada (EMR) Geological Survey of Canada to look into using GTA's Government Satellite Network (GSN). When it did, it discovered another department with needs very similar to its own. One of the benefits GSN offers is the opportunity for cost reduction through resource sharing. Monitoring the quirks of nature was what brought the Geological Survey of Canada and the Atmospheric Environment Service together. But it might not have happened without GTA.

Indeed, GTA's GSN has opened up a wide range of opportunities for communication across Canada and particularly with remote areas. Based on Very Small Aperture Terminal (VSAT) technology, GSN supports data, image and voice communications, and offers high-quality, low-cost communication to distant locations.

The Geological Survey's Canadian National Seismograph Network monitors seismic ground motion throughout Canada and conducts research into earthquake sources and hazards, deep earth structure, and the geoscience of nuclear explosions. These activities require the acquisition and analysis of data from 150 seismograph installations throughout the country. Earthquakes must be located and magnitude information acquired quickly in order to respond to enquiries from the public and, over the longer term, support the development of earthquake-resistant building codes.

The existing network consists primarily of stand-alone installations scattered throughout remote areas of Canada. Readings are sent by telex or mail, making it difficult sometimes to provide a quick response to the public if an earthquake is felt. What was needed was to have all the data come in at the same time. This called for a new approach.

Coordinating Government-wide Needs

At a meeting convened by GTA for departments interested in communications with remote areas, the point was well illustrated that a number of departments had a need for communications between the same places. Potential existed for savings if these departments could share facilities.

The Atmospheric Environment Service (AES) shared many of the same needs as EMR's Seismology Program. Both organizations had to be in out-of-the-way places and both had a need to get information quickly. The problem was that, while AES already had facilities in remote areas, they had no capital funds available for ground stations.

The arrangement calls for the Geological Survey to purchase the ground stations and have them installed. In return, AES provides the power to operate them and shares the maintenance costs, as well as keeps an eye on the equipment in case of damage — by polar bears, for example! And GSN is the service that brings it all together. It was a natural partnership.

"It is a very beneficial operation," explains Dr. Robert North, Head of EMR's Seismology Program, "because it effectively halves the cost for each of us. And, without GTA, I would not have known where to start finding out who in the weather service to talk to."

The Telecommunications Advisory Panel

Telecommunications Advisory Panel (TAP)

Mr. P. Madigan
Canadian Security Intelligence Service

Mr. H. Bergen
Communications Security Establishment

Mr. F. Hörger
Correctional Service Canada

Mr. S. Connolly
Employment and Immigration Canada

Ms. D. Bradt
Energy, Mines & Resources Canada

Dr. D.M. Brown
Environment Canada

Mr. W.L. Hatt
External Affairs and International Trade

Mr. R. Guindon, Chairman
Government Telecommunications Agency

Mr. R. Paukstaitis, Secretary
Government Telecommunications Agency

Mr. D. Sum
Government Telecommunications Agency

Mr. I. Wilson, Regional Representative
Government Telecommunications Agency

Mr. P.D. Wallace
Health and Welfare Canada

Mr. C.A. Campbell
Industry, Science and Technology Canada

Col. N.W. Van Loan
National Defence

Mr. W. Newman
National Library of Canada

Mr. J. Curley
National Research Council Canada

Mr. D. Seth
Public Works Canada

C/Supt. D.H. Mumby
Royal Canadian Mounted Police

Mr. B. Abela
Secretary of State

Mr. M. Podehl
Statistics Canada

Mr. Don Orr
Supply and Services Canada

Mr. P. Sorensen
Supply and Services Canada
Office Automation, Services and Information Systems (OASIS)

Mr. M. Plouffe
Transport Canada

Mr. E. Acheson
Treasury Board of Canada Secretariat

Mr. M. Tardiff
Treasury Board of Canada Secretariat

Mr. H. Williams
Veterans Affairs Canada

Financial Review

Savings to the Government

As *the* representative of the federal government – the country's largest user of telecommunications services – GTA is a vital instrument in saving the public's money, while ensuring that services meet the government's needs and adhere to its standards.

Revenues billed by GTA for 1990/91 were approximately $213.5 million, or $1.5 million more than forecast. However, this revenue figure does not reflect $8.5 million in credits which GTA returned to its Intercity Network clients – nor does it include an additional $81.5 million in revenues for services that are managed by GTA, but billed directly to departments by the carriers. Had GTA not issued the credits, its 1990/91 revenues would have been $222 million, or *11 percent* higher than the previous year. This growth rate is approximately *83 percent higher than forecast.* These achievements reinforce our belief that the more business we do collectively, the greater the savings.

Total revenues generated by GTA's services, including those billed directly by the carriers, amounted to *$295 million,* equating to a healthy *62.6 percent* share of the government market.

As a result of the introduction of digital facilities by GTA's Telecommunications Systems Management Branch, GTA is able to point to savings in the order of *60 percent* over present rates, on the Intercity Network portion of the digital trunks. These savings result from more efficient digital services and the larger, more extensive contracts that this Branch has negotiated with the unanimous approval of the Telecommunications Advisory Panel, enabling GTA to realize maximum savings from suppliers. Our colleagues also recommended that departments and agencies obtain their digital services from GTA.

It is estimated that, through the provision of its full portfolio of services, GTA saved the government approximately $60 million during 1990/91, when comparing GTA's rates to commercial rates.

The conversion to digital facilities will result in future additional savings for the government of approximately $15 to $20 million per year on network costs. And, in the National Capital Region alone, our renegotiated contract for EEWD services, which is subject to CRTC approval, will save approximately $20 million over the three-year contract period. We plan to undertake similar initiatives in the regions. Working in a fully competitive environment, GTA plans to progressively increase these savings.

**GTA-billed Revenues
1984/85 — 1990/91**
(millions of dollars)

Total GTA services revenues
(GTA- and direct-billed)

Projected without credits
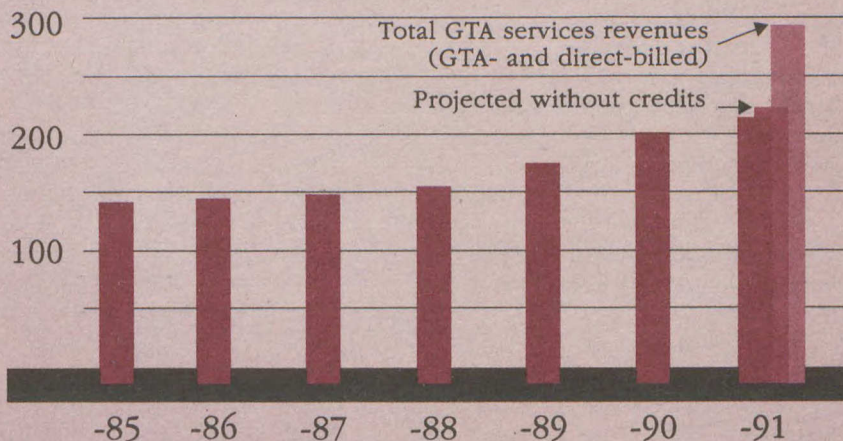
GTA Financial Statements

Management Report

The following financial statements were prepared by GTA management in accordance with Treasury Board policy and procedures for revolving funds and the reporting requirements and standards of the Receiver General for Canada.

The financial statements in the following pages were prepared in accordance with the accounting policies as set out in Note 2 (see page 29), on a basis consistent with that of the preceding year. Certain previous year's figures have been reclassified to conform to the current year's presenta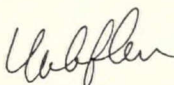tion. Some information is based on the best estimates and judgement of management, with due consideration given to materiality.

GTA's Finance and Administration Branch develops and implements systems and procedures to maintain standards of accounting and financial management. Internal controls are in place to ensure prudence, probity and value for money in the spending of public funds. Transactions are carried out under prescribed regulations and within parliamentary authorities, and are properly recorded. The above measures are augmented by internal audit.

Qualified accounting personnel, appropriate division of responsibility and high standards of internal communication ensure the objectivity and integrity of data.

The Agency uses a computerized financial information system designed to meet the unique needs of accounting for revolving fund transactions.

Michel Lafleur
Acting Director, Finance and Administration

Government Telecommunications Agency Revolving Fund

ASSETS	1990/91	1989/90
Current		
Accounts receivable		
Government of Canada	$ 38,082,289	$ 28,126,547
Outside parties	2,866,409	2,204,463
Prepaid expenses	13,691	--
	40,962,389	30,331,010
Fixed at cost (Note 4)	5,852,586	5,218,369
Less: accumulated depreciation	3,188,688	2,742,140
	2,663,898	2,476,229
Other		
Deferred charges	4,959	7,792
Accrued revenue	1,388	9,713
	6,347	17,505
	$ 43,632,634	$ 32,824,744
LIABILITIES		
Current		
Accounts payable		
Government of Canada	$ 288,025	$ 245,959
Outside parties	17,517,684	14,080,418
Current portion of the provision for		
employee termination benefits	78,976	82,265
Deferred revenue	--	135,310
	17,884,685	14,543,952
Long-term		
Provision for employee termination benefits	1,472,901	1,290,568
Deferred revenue – Service contracts	198,005	308,363
	1,670,906	1,598,931
EQUITY OF CANADA		
Accumulated net charge against the		
Fund's authority	17,391,908	10,263,619
Accumulated surplus	6,685,135	6,418,242
	24,077,043	16,681,861
	$ 43,632,634	$ 32,824,744

Balance Sheet as at 31 March 1991 (Preliminary Statement)

The accompanying notes are an integral part of the Financial Statements.

Government Telecommunications Agency Revolving Fund

Statement of Operations for the Year Ended 31 March 1991 (Preliminary Statement)	1990/91	1989/90
Revenue		
Telecommunications services:		
Customized	$ 115,563,607	$ 100,530,893
Intercity network	77,690,203	81,881,915
Shared data	11,005,420	8,846,897
Local shared	6,961,446	7,533,725
Directory	1,497,320	1,313,077
Pass-through	1,026,766	--
Other network	13,290	24,317
Telecommunications architecture	30,000	--
Other revenue	2,902	3,255
Total revenue	$ 213,790,954	$ 200,134,079
Expenses		
Operating:		
Customized services	116,217,938	99,084,798
Intercity network services	61,742,803	66,386,368
Shared data services	9,803,043	9,003,791
Local shared services	2,738,631	4,717,266
Pass-through	1,487,690	--
Directory services	897,987	707,105
Other network services	5,000	29,411
	192,893,092	179,928,739
Management services:		
Salaries	11,782,767	11,456,964
Termination benefits	178,864	263,035
Professional services	3,643,677	2,460,325
Rental building and equipment	1,473,603	1,230,568
Telephone and freight	766,303	643,589
Travel	463,442	394,428
Depreciation	314,194	251,934
Office materials and supplies	276,458	265,018
Repairs	268,596	175,341
Information	108,158	139,883
Loss on disposal of fixed assets	37,880	27,445
Other	2,967	2,306
	19,316,909	17,310,836
Telecommunications architecture:		
Salaries	61,072	--
Professional services	202,365	--
Travel	1,813	--
Other	168	--
	265,418	--
Interest charges on the Revolving Fund	1,048,642	1,092,162
Total expenses	$ 213,524,061	$ 198,331,737
Net profit	$ 266,893	$ 1,802,342

Government Telecommunications Agency Revolving Fund

	1990/91	1989/90	
Balance, beginning of year	$ 6,418,242	$ 4,615,900	**Statement of Accumulated Surplus for the Year Ended 31 March 1991 (Preliminary Statement)**
Net profit for the year	266,893	1,802,342	
Balance, end of year	$ 6,685,135	$ 6,418,242	

	1990/91	1989/90	
Operating activities			**Statement of Changes in Financial Position for the Year Ended 31 March 1991 (Preliminary Statement)**
Net profit for the year	$ 266,893	$ 1,802,342	
Add: Provision for termination benefits	266,464	263,035	
Depreciation	727,321	610,559	
Loss on disposal of fixed assets	37,880	27,445	
Amortization of deferred charges	2,834	2,834	
Less: Amortization of deferred revenue – Service contracts	(110,358)	(95,796)	
	1,191,034	2,610,419	
Changes in current assets and liabilities	(7,290,646)	(5,368,846)	
Changes in other assets and liabilities			
Payments on and change in provision for employee termination benefits	(84,131)	(97,044)	
Deferred revenue – Service contracts	--	193,462	
Accrued revenue	8,325	27,614	
	(75,806)	124,032	
Net financial resources (used) provided by operating activities	(6,175,418)	(2,634,395)	
Investing activities			
Fixed assets			
Purchased	(952,871)	(600,257)	
Net financial resources used by investing activities	(952,871)	(600,257)	
Net financial resources (used) provided and change in the accumulated net charge against the Fund's authority account, during the year	(7,128,289)	(3,234,652)	
Accumulated net charge against the Fund's authority account, beginning of year	(10,263,619)	(7,028,967)	
Accumulated net charge against the Fund's authority account, end of year	$ (17,391,908)	$ (10,263,619)	

Notes to Financial Statements for the Year Ended 31 March 1991 (Preliminary Notes)

1. Purpose and authority

The Government Telecommunications Agency Revolving Fund was originally established in 1963 to plan and provide telecommunications facilities and services at the request of federal departments and agencies. Section 4 of the *Revolving Funds Act* authorized the Minister to make payments out of the Consolidated Revenue Fund for working capital, capital equipment and temporary financing of operating requirements, the total of which was not to exceed $8,000,000 at any time. This authority was increased over time to $30,000,000 by *Appropriation Act. 3*, 1989/90.

2. Significant accounting policies

(a) Prepaid expenses

Some payments are made to suppliers for activity in the next fiscal year and are recorded as prepaid expenses on the balance sheet.

(b) Fixed assets

Fixed assets are carried at cost. In most cases, depreciation is calculated using the diminishing balance method at the following rates: automobiles (30 percent), office equipment (20 percent), furniture and fixtures (10 percent). Telecommunications equipment constitutes a special category of assets, depreciated on a straight-line basis, over the first five to seven years of utilization of the equipment.

(c) Deferred charges

Deferred charges are linked to acquisitions of telecommunications equipment by GTA and are amortized on a straight-line basis on the same life expectancy as the asset to which they relate. In 1990/91, the amortization relating to deferred charges amounted to $2,834.

(d) Deferred revenue – Service contracts

Advance payments from client departments and agencies for future telecommunications services are recorded as deferred revenue and are included in revenue on an equal basis over a five- to seven-year period. In 1990/91, $110,358 was recognized as revenue.

(e) Accrued revenue – Long-term

Monthly payment plans are offered to departments and agencies to cover implementation costs of telecommunications services. At the end of 1990/91, the amount outstanding is equal to $9,209. The short-term portion of the accrued revenue (due in 1990/91) represents $7,820 and is included in the balance sheet of the accounts receivable – Government of Canada.

(f) Employee termination benefits

Termination benefits accrue to employees over their years of service with the Government of Canada as provided for under collective agreements. The cost of these benefits is recorded in the accounts as the benefits accrue to the employees.

3. Changes in financial statements presentation

The allocation of expenditures between Operations, Management and Administration, and Planning and Coordination has been revised to more closely reflect the nature and accountability of the Special Operating Agency.

These financial statements include the following categories: Operations (unchanged), Management Services (formerly Management and Administration and Planning and Coordination) and Telecommunications Architecture.

The 1990 comparative figures have been restated to reflect the 1991 presentation.

4. Fixed assets and accumulated depreciation

Fixed assets	Balance at beginning of year	Acquisitions	Disposals	Balance at end of year
Office equipment	$ 1,806,600	$ 571,946	$ 141,654	$ 2,236,892
Furniture and fixtures	252,200	86,995	--	339,195
Automobiles	107,388	11,299	--	118,687
Telecommunications equipment	$ 2,875,181	282,631	--	3,157,812
	$ 5,041,369	$ 952,871	$ 141,654	$ 5,852,586

Accumulated depreciation	Balance at beginning of year	Depreciation	Decrease	Balance at end of year
Office equipment	$ 929,416	$ 282,250	$ 103,774	$ 1,107,892
Furniture and fixtures	155,053	18,414	--	173,467
Automobiles	73,588	13,530	--	87,118
Telecommunications equipment	1,407,084	413,127	--	1,820,211
	$ 2,565,141	$ 727,321	$ 103,774	$ 3,188,688

Number of Clients Using Specific GTA Services

Services	1984/85	1985/86	1986/87	1987/88	1988/89	1989/90	1990/91
Intercity network and Local shared	130	131	135	133	135	142	145
Shared data	57	63	65	67	65	66	89
Customized voice and data	72	87	85	92	102	100	110

Government Telecommunications Agency Revolving Fund

Total billable revenues by service	Forecast 1991/92 ($000)	Actual 1990/91 ($000)	Actual 1989/90 ($000)	Allocation of Total Revenue by GTA Service
Customized services	$ 94,016	$ 115,564	$ 100,531	
Intercity network services	94,754	77,690	81,882	
Shared data services	14,760	11,005	8,847	
Local shared services	7,006	6,961	7,534	
Directory Services	1,439	1,497	1,313	
Other network services	25	13	24	
Totals	$ 212,000	$ 212,730	$ 200,131	

|	($000)	Projected Use of GTA Revolving Fund Authority
Authority, 1 April 1991	$ 30,000	
Drawdown:		
Add: Projected Balance 1 April 1991	2,028	
Less: Projected Net Expenses charged to appropriation authority for 1991/92	(3,356)	
Projected Balance 31 March 1992	$ 28,672	

Government Telecommunications Agency Revolving Fund

Projected Statement of Operations – Summary		Estimates 1991/92 ($000)	Actual 1990/91 ($000)	Actual 1989/90 ($000)
Revenue		$ 212,000	$ 213,791	$ 200,134
Expenses				
Operating:				
Customized services		92,201	116,218	99,085
Intercity network services		74,910	61,743	66,387
Shared data services		13,440	9,803	9,004
Local shared services		2,231	2,739	4,717
Pass-through		1,400	1,487	0
Directory services		956	898	707
Other network services		25	5	29
Total operating expenses		185,163	192,893	179,929
Management services		24,537	20,366	18,403
Telecommunications architecture		2,300	265	--
Total expenses		$ 212,000	$ 213,524	$ 198,332
(Profit) Loss		$ 0	$ (267)	$ (1,802)

Projected Statement of Changes in Financial Position – Partial Summary		Estimates 1991/92 ($000)	Actual 1990/91 ($000)	Actual 1989/90 ($000)
Working capital required (provided)				
Operations				
Net (profit) or loss for the year		--	(267)	(1,802)
Add: Depreciation and other items not requiring use of funds		(1,460)	(924)	(808)
		(1,460)	(1,191)	(2,610)
Working capital requirements		3,366	362	225
Capital requirements		1,450	953	600
Net expenditures charged to appropriation authority		$ 3,356	$ 124	$ (1,785)

Note: The above statements are similar to the Statement of Changes in Financial Position and the Statement of Operations for the year ended 31 March 1991, except that they are summarized comparative versions spanning a three-year period.
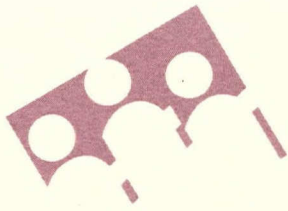
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Notre mission

Notre mission consiste à offrir des produits et services de télécommunications et d'information au gouvernement pour qu'il puisse desservir efficacement les Canadiens.

Table des matières

Explication de la page couverture

L'illustration montre ici le n
veau départ de l'ATG, à titre d'or
nisme de service spécial, ainsi qu
nouvelles orientations plus dynar
et concurrentielles.

Pour réussir, l'Agence comp
son personnel, sa clientèle gouve
mentale, ses alliances tactiques e
soutien de ses cinq bureaux régie

L'aspect technique de l'ATC
souligné par l'architecture du rés
la numérisation présentement en