

Statement Outlining Results, Risks and Significant Changes in Operations, Personnel and Programs

1. Introduction

This quarterly report has been prepared by management as required by section 65.1 of the *Financial Administration Act* and in the form and manner prescribed by the Treasury Board. It should be read in conjunction with the [2021-22 Main Estimates](#) and the Directive on Accounting Standards, GC 4400 Departmental Quarterly Financial Report. This quarterly report has not been subject to an external audit or review.

The Administrative Tribunals Support Service of Canada (ATSSC) is responsible for providing support services and facilities to a number of federal administrative tribunals by way of a single, integrated organization. These services include the specialized services required by each tribunal (e.g., registry, research and analysis, legal and other mandate or case activities specific to each tribunal), as well as internal services (e.g., human resources, financial services, information management and technology, accommodations, security, planning and communications).

Further information on the mandate, roles, responsibilities and programs of the ATSSC can be found in the organization's [2021-22 Departmental Plan](#).

1.1. Basis of Presentation

This quarterly report has been prepared using an expenditure basis of accounting. The accompanying Statement of Authorities (Annex A) includes the ATSSC's spending authorities granted by Parliament and those used by the ATSSC, consistent with the Main Estimates for the 2021-22 fiscal year. This quarterly report has been prepared using a special purpose financial reporting framework designed to meet financial information needs with respect to the use of spending authorities.

The authority of Parliament is required before money can be spent by the Government. Approvals are given in the form of annually approved limits through appropriation acts or through legislation in the form of statutory spending authority for specific purposes.

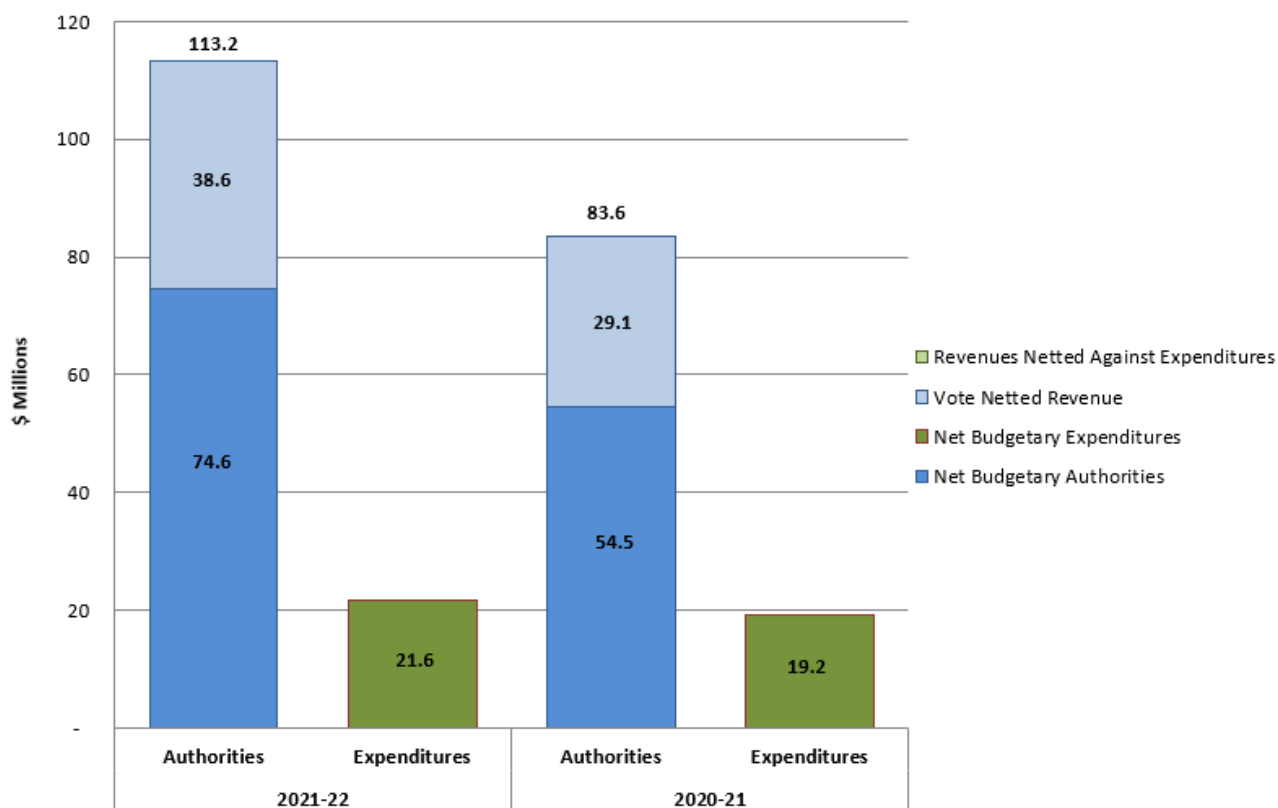
The ATSSC uses the full accrual method of accounting to prepare and present its annual departmental financial statements, which are part of the departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis. The main difference between the quarterly financial report and the departmental financial statements is the timing of when revenues and expenses are recognized.

2. Highlights of Fiscal Quarter and Fiscal Year-to-Date Results

This section highlights the significant items that contributed to the net increase or decrease in authorities available for the year, and actual expenditures for the quarter ended June 30, 2021.

The ATSSC's financial structure is mainly composed of voted budgetary authorities, namely Vote 1—Program Expenditures and Vote Netted Revenue (VNR) authority, as well as statutory authorities for contributions to employee benefit plans. The VNR gives the ATSSC authority to make recoverable expenditures against the Canada Pension Plan (CPP) and the Employment Insurance (EI) operating accounts. Graph 1 below shows the ATSSC's gross and net budgetary authorities and expenditures for the first quarter of 2021-22. For more details, refer to the Statement of Authorities table presented in Annex A.

Graph 1: Comparison of budgetary authorities and expenditures for the first quarter ended June 30, 2021, and June 30, 2020.



The ATSSC expended \$21.6 million (19% of total authorities available for use), including Employee Benefit Plan (EBP), in the first quarter of 2021-22, compared to \$19.2 million (23% of total authorities available for use) in the same quarter of 2020-21. The majority of expenditures related to personnel and totaled \$19.4 million (90% of gross expenditures). The remaining \$2.2 million primarily included professional and special services (mainly informatics services, translation costs and consulting services), rental costs and informatic equipment costs.

2.1. Significant Changes to Authorities

(Please refer to the Statement of Authorities table presented in Annex A.)

As of June 30, 2021, the net authorities available for use (including EBP) totaled \$74.6 million, an increase of \$20.1 million compared to the prior year. This increase is due to receiving full supply of the Main Estimates in the first quarter of 2021-22 as opposed to partial supply in the first quarter of 2020-21 as a result of the extension into the Fall of the Parliamentary supply study period in 2020-21 because of the Covid-19 pandemic.

2.2. Significant Changes to Vote Netted Revenue

(Please refer to the Statement of Authorities table presented in Annex A.)

As of June 30, 2021, the VNR authorities increased from \$29.1 million in 2020-21 to \$38.7 million in 2021-22. As noted in the section above, this increase is due to receiving full supply of the Main Estimates in the first quarter of 2021-22 as opposed to partial supply in the first quarter of 2020-21 due to the extension of the supply study period.

2.3. Significant Changes to Expenditures

(Please refer to the Departmental Budgetary Expenditures by Standard Object table presented in Annex B.)

Expenditures for the First Quarter

First quarter gross budgetary expenditures increased from \$19.2 million in 2020-21 to \$21.6 million in 2021-22 mainly due to an increase in personnel expenditures (\$2.1 million) related to the increase in salary rates resulting from the signing of collective agreements, and an increase in professional and special services (\$0.2M) primarily related to informatics services, translation costs and consulting services.

3. Risks and Uncertainties

The ATSSC is exposed to a variety of risks in its operating environment that could have an impact on the achievement of its objectives. The ATSSC has an efficient risk management process that includes management participation at the organization's highest levels. This process allows management to identify, evaluate and mitigate key risks to achieving its mandate and organizational priorities, and drives resource allocation accordingly.

Meeting the demanding and dynamic workloads of the tribunals it serves is central to the ATSSC's operating context. Tribunal legislative and policy mandates are highly sensitive to external demands and, as a result, tribunals can at times face fluctuations in their caseloads, which can create unpredictable workloads. The ATSSC continues to work closely with tribunals to identify factors that could impact caseloads, to allow the ATSSC to plan operations and investments accordingly.

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The COVID-19 pandemic continues to affect travel related to in-person hearings and mediations, and case-conferences, which may also result in a larger year-end financial surplus than usual for the ATSSC.

4. Significant Changes Related to Operations, Personnel and Programs

On March 13, 2020, in response to the COVID-19 pandemic, the Government of Canada's Office of the Chief Human Resources Officer announced the implementation of exceptional measures, which included the requirement for most public servants to work remotely when their functions allowed for it. Since then, almost all the ATSSC workforce and members of the tribunals it supports have been working remotely. The ATSSC is continuing to focus on supporting staff and member mental health while continuing development of a long-term work strategy.

Approval by Senior Officials

Approved by:

Orlando Da Silva, LSM
Chief Administrator

Annie Rémillard
A/Director General Corporate Services
and Chief Financial Officer

Ottawa, Canada.
August 30, 2021

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ANNEX A

5. Statement of Authorities (unaudited)

(in dollars)

	Fiscal year 2021-22			Fiscal year 2020-21		
	Total available for use for the year ending March 31, 2022 *	Used during the quarter ended June 30, 2021	Year to date used at quarter end	Total available for use for the year ending March 31, 2021 *	Used during the quarter ended June 30, 2020	Year to date used at quarter end
Vote 1— Program expenditures**	101,962,392	18,820,479	18,820,479	75,337,916	16,400,340	16,400,340
Less: Revenues netted against	(38,655,614)	-	-	(29,129,843)	-	-
Net Program expenditures	63,306,778	18,820,479	18,820,479	46,208,073	16,400,340	16,400,340
Budgetary statutory authorities	11,274,095	2,818,524	2,818,524	8,301,630	2,767,210	2,767,210
Total Budgetary authorities	74,580,873	21,639,003	21,639,003	54,509,703	19,167,550	19,167,550

*Includes only authorities available for use and granted by Parliament at quarter end.

**Employee Benefit Plan (EBP) is excluded from Program expenditures as it is included in the Budgetary statutory authorities.

ANNEX B

6. Departmental Budgetary Expenditures by Standard Object (unaudited)

(in dollars)

	Fiscal year 2021-22			Fiscal year 2020-21		
	Planned expenditures for the year ending March 31, 2022	Expended during the quarter ended June 30, 2021	Year to date used at quarter end	Planned expenditures for the year ending March 31, 2021	Expended during the quarter ended June 30, 2020	Year to date used at quarter end
Expenditures:						
Personnel*	87,450,413	19,438,268	19,438,268	64,393,726	17,339,511	17,339,511
Transportation and communications	3,852,061	220,573	220,573	3,460,408	143,657	143,657
Information	942,703	124,356	124,356	667,143	42,899	42,899
Professional and special services	9,346,995	1,073,196	1,073,196	7,276,922	894,534	894,534
Rentals	4,639,083	392,844	392,844	2,821,415	420,818	420,818
Repair and maintenance	2,731,815	41,722	41,722	1,597,760	77,392	77,392
Utilities, materials and supplies	701,284	70,110	70,110	596,252	45,781	45,781
Acquisition of land, building and works	0	-	-	508,932	-	-
Acquisition of machinery and equipment	3,562,613	269,934	269,934	2,225,179	202,957	202,957
Other subsidies and payments	9,520	8,000	8,000	91,809	1	1
Total gross budgetary expenditures	113,236,487	21,639,003	21,639,003	83,639,546	19,167,550	19,167,550
Less Revenues netted against expenditures:						
Revenues	(38,655,614)	-	-	(29,129,843)	-	-
Total Revenues netted against expenditures	(38,655,614)	-	-	(29,129,843)	-	-
Total net budgetary expenditures	74,580,873	21,639,003	21,639,003	54,509,703	19,167,550	19,167,550

*Employee Benefit Plan (EBP) is included.