



PacifiCan

Quarterly Financial Report 2024-2025

For the quarter ended September 30, 2024



Pacific Economic
Development Canada

Développement économique
Canada pour le Pacifique



Canada



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Pacific Economic Development Canada's Quarterly Financial Report for the quarter ended September 30, 2024

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

Introduction

This quarterly financial report should be read in conjunction with [Main Estimates](#) and [Supplementary Estimates \(A\)](#). It has been prepared by management as required by section 65.1 of the [Financial Administration Act](#) (FAA) and in the form and manner prescribed by the Treasury Board. This quarterly report has not been subject to an external audit or review.

Authority, Mandate and Program Activities

PacifiCan is the regional development agency focused on British Columbia's evolving economy. PacifiCan leads in building a strong, competitive Canadian economy by supporting business, innovation and community economic development unique to British Columbia. PacifiCan operates under the provision of the *Western Economic Diversification Act*.

PacifiCan is mandated to "support the growth and diversification of British Columbia's economy and advance the interests of the region in national economic policy, programs and projects."

The [Departmental Plan](#), Main Estimates and Supplementary Estimates provide further information on PacifiCan's authority, mandate and program activities.

Basis of Presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the department's spending authorities granted by Parliament and those used by the department, consistent with the Main Estimates and Supplementary Estimates (A) for the 2024-2025 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 Agency uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

Financial Structure

PacifiCan manages its expenditures under two votes:

- Vote 1 – Net operating expenditures include salary, and other operating costs (e.g., transportation and communications; professional and special services).
- Vote 5 – Grants and contributions include all transfer payments.

Budgetary statutory authorities represent payments made under legislation approved by Parliament and include items such as the Government of Canada's share of employee benefit plans (EBP).

Highlights of Fiscal Quarter and Fiscal Year-to-Date (YTD) Results

The following section highlights significant changes to fiscal quarter results as of September 30, 2024.

Statement of Authorities: Vote 1 – Net Operating Expenditures

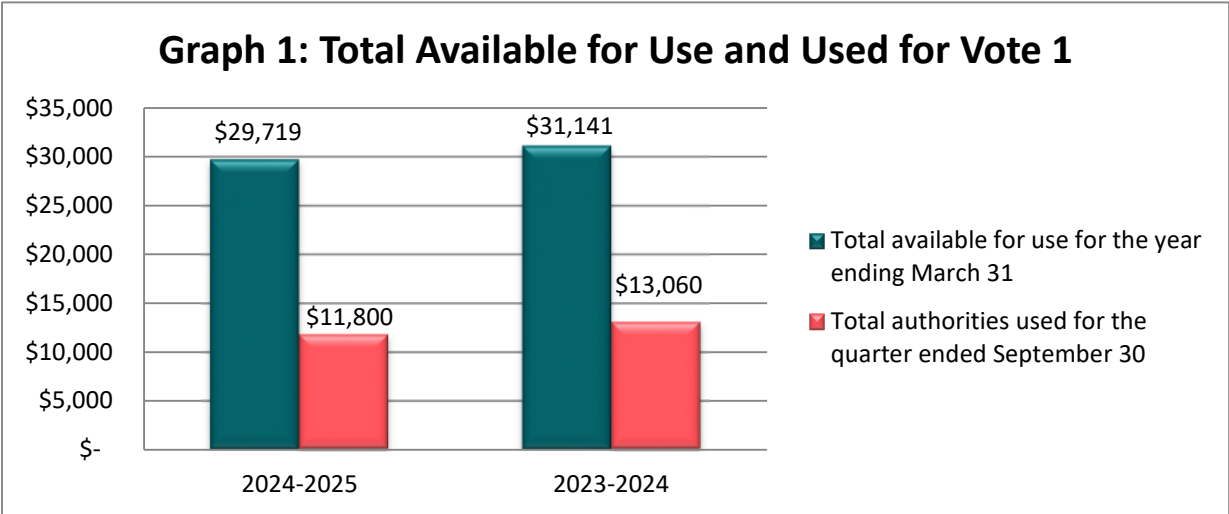
Total authorities available for use for fiscal year 2024-2025 are \$29.7 million, a net decrease of \$1.4 million compared to the \$31.1 million for 2023-2024. The net decrease is explained by:

- \$0.8 million increase in funding for Federal Tourism Growth Strategy; and
- \$2.2 million net decrease in funding for the sun-setting of the time-limited programs announced in Budget 2021.

Total authorities used year-to-date has decreased to \$11.8 million for the quarter ended September 30, 2024 compared to \$13.1 million at September 30, 2023. The decrease of \$1.3 million is mainly caused by decrease in various operating and maintenance costs.

Graph 1 illustrates total authorities available for use for the fiscal year, and authorities used at quarter-end.

(in thousands of dollars)



Statement of Authorities: Vote 5 – Grants and Contributions

Total authorities available for use for fiscal year 2024-2025 are \$91.2 million, a net decrease of \$70.6 million compared to the \$161.8 million for 2023-2024. The net decrease is mainly due to:

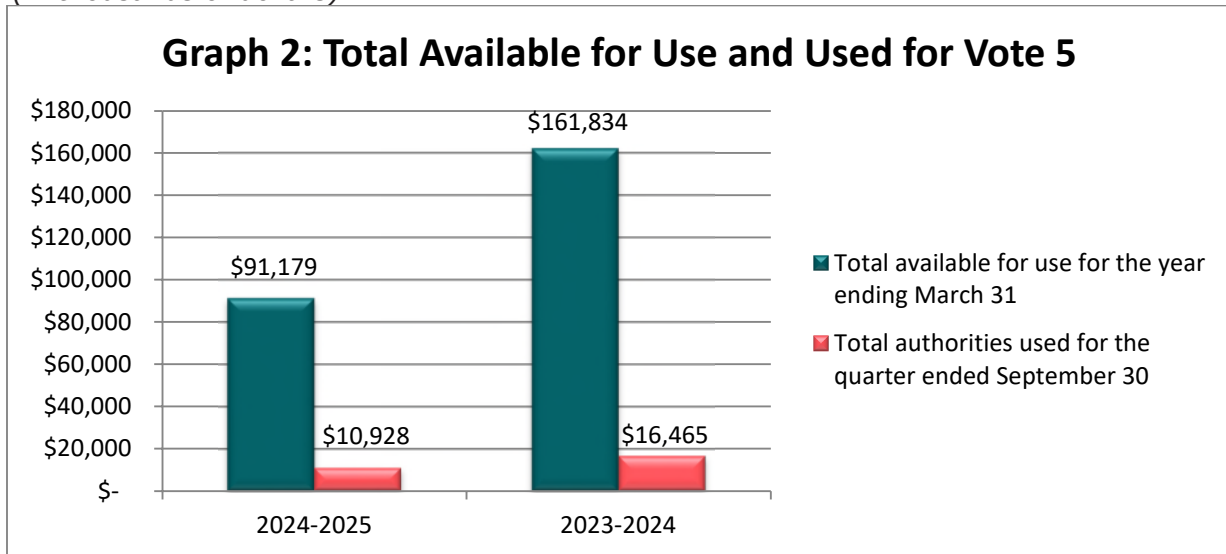
- \$4.7 million increase in funding for Federal Tourism Growth Strategy;
- \$0.1 million increase in reprofile funding for the Regional Quantum Initiative;
- \$66.4 million net decrease in funding for the sun-setting of the time-limited programs announced in Budget 2021; and
- \$9.0 million decrease in funding for the Lytton Home and Business Rebuild Programs.

Total authorities used year-to-date for the quarter ended September 30, 2024 decrease to \$10.9 million, compared to \$16.5 million at September 30, 2023. The \$5.6 million decrease is mainly explained by:

- \$1.2 million net increase in payments made under the Western Diversification Program (WDP);
- \$5.6 million decrease in payments made under the sunsetting, time-limited programs announced in Budget 2021:
 - \$3.3 million decrease for Job and Growth Fund
 - \$1.1 million decrease for Aerospace Regional Recovery Initiative
 - \$0.8 million decrease for Tourism Relief Fund
 - \$0.4 million decrease for Canada Community Revitalization Fund
- \$0.8 million net decrease in payment timing differences made to support network partners; and
- \$0.4 million net decrease in payments made under the Regional Economic Growth through Innovation (REGI) program.

Graph 2 illustrates total authorities available for use for the fiscal year, and authorities used at quarter-end.

(in thousands of dollars)



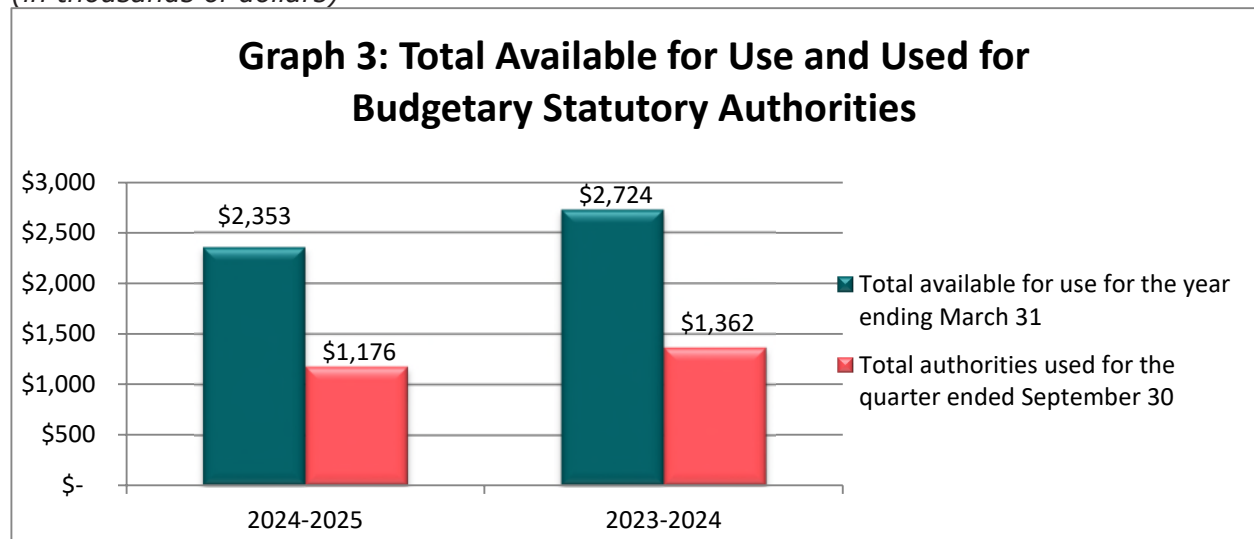
Statement of Authorities: Budgetary Statutory Authorities

Budgetary statutory authorities for use in fiscal year 2024-2025 are \$2.4 million, a decrease of \$0.3 million when compared to the \$2.7 million in 2023-2024. The variance is due to minor net adjustments in funding.

The total budgetary statutory authorities used for the quarter ended September 30, 2024 decreased to \$1.2 million, a decrease of \$0.2 million when compared to \$1.4 million at September 30, 2023.

Graph 3 illustrates total authorities available for use for the fiscal year, and authorities used at quarter-end.

(in thousands of dollars)



Statement of the Departmental Budgetary Expenditures by Standard Object

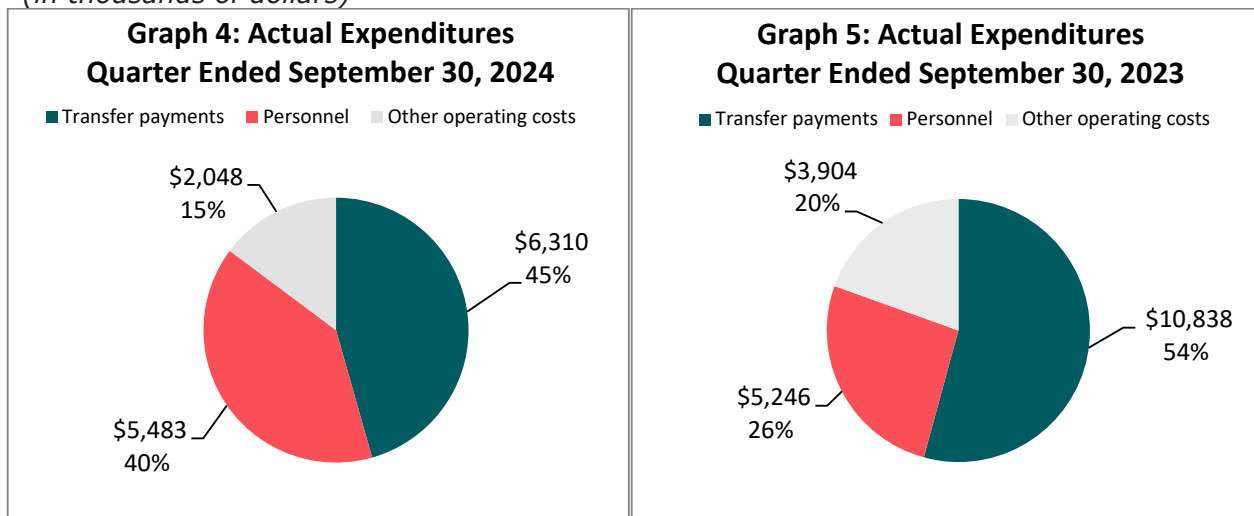
Expenditures by standard object for the quarter ended September 30, 2024 decreased to \$13.8 million, compared to \$20.0 million at September 30, 2023. The \$6.2 million decrease is mainly explained by:

- \$0.4 million net increase in Regional Economic Growth through Innovation (REGI) program.
- \$0.2 million net increase in salary and other personal expenses;
- \$4.9 million net decrease in payments for the successful completion of budget 2021 time-limited programing; and
- \$1.9 million net decrease in various operations and maintenance cost.

Additional information can be found in the Statement of Authorities, Vote 1 and Vote 5 sections above.

Graph 4 and 5 illustrate the actual baseline expenditures for the quarter-end.

(in thousands of dollars)



Risks and Uncertainties

The agency is managing the allocation of resources within a well-defined framework of accountabilities, policies and procedures including a system of budgets, reporting and other internal controls to manage within available resources and authorities from Treasury Board.

British Columbians continue to face economic challenges such as rising costs of living and doing business, higher interest rates, and supply chain disruptions. These and other such risks continue to pose difficulties for businesses, innovators, and communities in British Columbia. We are also winding down our temporary economic relief and recovery programs while simultaneously reducing our workforce. To mitigate risks, PacifiCan remains agile and responsive to its clients’ needs by effectively delivering on its mandates, pivoting available resources, and ensuring timely implementation of budget initiatives.

Significant Changes in Relation to Operations, Personnel and Programs

There are no significant changes in relation to operations and personnel for this reporting period.

Approval by Senior Officials

Approved by:

Naina Sloan
Acting President

Vancouver, Canada
Date:

Tom Switzer
Acting Chief Financial Officer

Statement of Authorities (unaudited)

Fiscal year 2024-2025 (in thousands of dollars)

Authorities	Total available for use for the year ending March 31, 2025*	Used during the quarter ended September 30, 2024	Year-to-date used at quarter-end
Vote 1 - Net operating expenditures	\$29,719	\$6,943	\$11,800
Vote 5 - Grants and contributions	91,179	6,310	10,928
Budgetary statutory authorities - Employee Benefit Plans	2,353	588	1,176
Total authorities	\$123,251	\$13,841	\$23,904

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

Fiscal year 2023-2024 (in thousands of dollars)

Authorities	Total available for use for the year ending March 31, 2024*	Used during the quarter ended September 30, 2023	Year-to-date used at quarter-end
Vote 1 - Net operating expenditures	\$31,141	\$8,469	\$13,060
Vote 5 - Grants and contributions	161,834	10,838	16,465
Budgetary statutory authorities - Employee Benefit Plans	2,724	681	1,362
Total authorities	\$195,699	\$19,988	\$30,887

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

Departmental budgetary expenditures by Standard Object (unaudited)

Fiscal Year 2024-2025 (in thousands of dollars)

Expenditures	Total available for use for the year ending March 31, 2025*	Expended during the quarter ended September 30, 2024	Year-to-date used at quarter-end
Personnel	\$19,912	\$5,483	\$10,396
Transportation and communications	1,216	164	383
Information	1,094	70	72
Professional and special services	8,391	1,761	2,028
Rentals	730	11	36
Repair and maintenance	0	0	0
Utilities, materials and supplies	121	7	8
Acquisition of machinery and equipment	608	34	52
Transfer payments	91,179	6,310	10,928
Other subsidies and payments	0	1	3
Total net budgetary expenditures	\$123,251	\$13,841	\$23,904

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

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Fiscal Year 2023-2024 (in thousands of dollars)

Expenditures	Total available for use for the year ending March 31, 2024*	Expended during the quarter ended September 30, 2023	Year-to-date used at quarter-end
Personnel	\$21,291	\$5,246	\$9,656
Transportation and communications	895	118	327
Information	780	77	81
Professional and special services	9,279	3,267	3,628
Rentals	1,118	250	531
Repair and maintenance	124	0	0
Utilities, materials and supplies	124	10	13
Acquisition of machinery and equipment	254	182	183
Transfer payments	161,834	10,838	16,465
Other subsidies and payments	0	0	3
Total net budgetary expenditures	\$195,699	\$19,988	\$30,887

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