



Parks
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Quarterly financial report

For the quarter ended June 30, 2024

Parks Canada Agency





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. This report should be read in conjunction with the Main Estimates, the Supplementary Estimates and the previous Quarterly Financial Reports.

A summary description of the Parks Canada's programs can be found in [Part II of the Main Estimates](#), and a detailed description in [Part III – Departmental Plans](#).

This quarterly report has not been subject to an external audit. However, it has been reviewed by the Parks Canada's Audit Committee.

Basis of presentation

This quarterly report has been prepared using an expenditure basis of accounting (modified cash accounting). The accompanying Statement of Authorities includes the Parks Canada's spending authorities granted by Parliament and those used by the Agency consistent with the Main Estimates for the 2024-25 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.

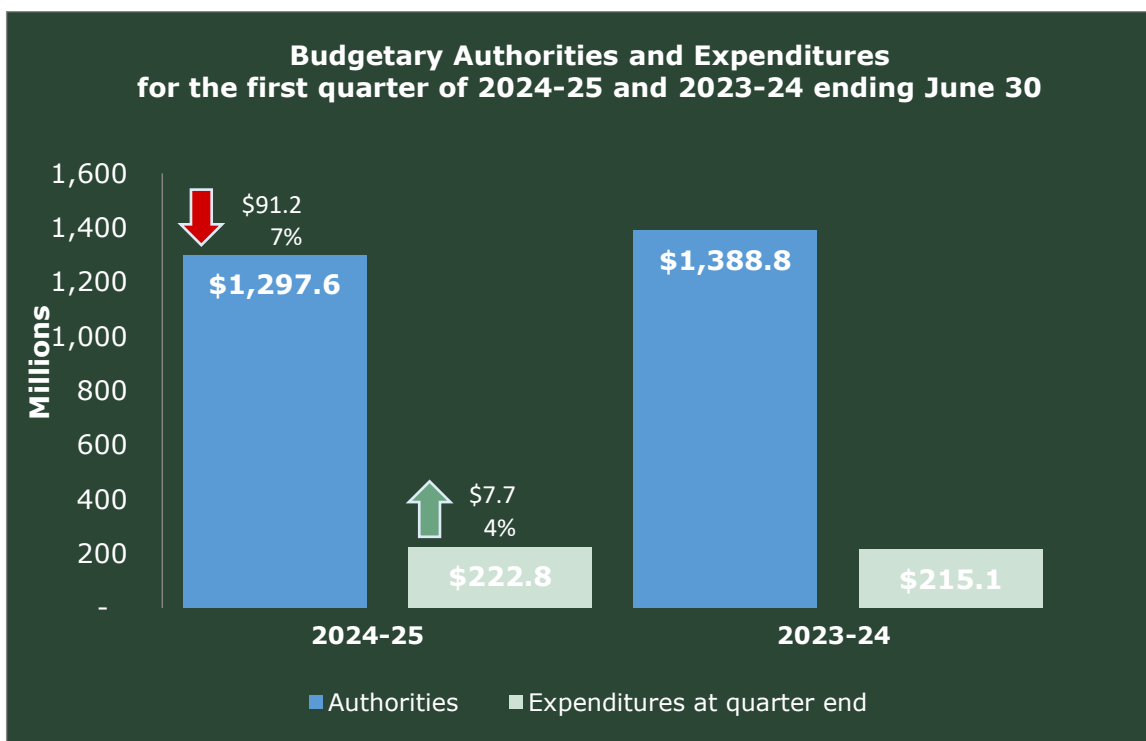
Parks Canada uses the full accrual method of accounting to prepare and present its annual departmental financial statements that are part of the department performance reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.



Highlights of fiscal quarter and fiscal year-to-date results

This section:

- highlights the financial results for the quarter and fiscal year-to-date ended June 30, 2024; and
- provides explanations of significant variances compared with the same period last year.





Statement of authorities (Table 1)

Authorities available for use

This quarterly report reflects the funding available for use from the 2024-25 Main Estimates and the 2023-24 Carry forward of Revenues. The authorities at the same time last year consisted of 2023-24 Main Estimates and the 2022-23 Carry forward of Revenues.

At June 30, 2024, Parks Canada's total authorities available for use for the year ending March 31, 2025, are \$91.2 million (or 7%) lower when compared to the same quarter of the previous year (from \$1,388.8 million to \$1,297.6 million). The variance is primarily due to the following decreases:

- \$59.3 million related to time-limited funding for Assets Investment program;
- \$26.4 million in the carry forward funds from 2023-24 that is included in the 2024-25 authorities;
- \$23.7 million related to Refocusing Government Spending;
- \$15.4 million related to Tallurutiup Imanga National Marine Conservation Area Establishment and Inuit Impact and Benefit Agreement;
- \$15.3 million related to the Hurricane Fiona Recovery Fund;
- \$4.4 million related to Implementation of Rights and Reconciliation Agreements in Atlantic Canada;
- \$3.9 million related to Wildfire preparedness and response capacity;
- \$3.7 million related to the Enhanced Nature Legacy;
- \$2.7 million related to Wood Buffalo National Park Action Plan & Wood Bison;

Offset by the following increases:

- \$52.7 million related to compensation allocations resulting from collective agreements; and
- \$10.0 million related to Revenue.

Authorities used during the quarter

In the first quarter of 2024-25, total net budgetary expenditures were \$222.8 million compared to \$215.1 million reported for the same period in 2023-24, resulting in an increase of \$7.7 million (or 4%).

Table 1 provides information on the authorities available for use and used during this quarter.



Budgetary expenditures by standard object (Table 2)

Planned by standard object

Total planned expenditures, for the year ending March 31, 2025, are \$91.2 million (or 7%) lower compared to the previous year. The decreases are mainly observed in Acquisition of lands, buildings and works, repair and maintenance planned expenditures, due to decrease in the Assets investment program funding and in Other subsidies and payments, due to decrease in funding to the New Parks and Historic Sites Account.

These decreases are partially offset by increases in Personnel planned expenditures, largely due to the ratification of new collective agreements.

Expended by standard object

As per Table 2 (Budgetary Expenditures by Standard Object), the \$7.7 million increase compared to the same quarter of the previous year is mainly due to the following increases:

- \$12.4 million in Personnel due to the revised salary rate, following the ratification of the collective agreement in 2023-24;
- \$1.6 million in Rentals due to the wildfires in the Alberta-Northwest Territories border, aircraft and machinery were rented to combat wildfires;

Offset by the following decreases:

- \$3.1 million in Professional and special services due to a mechanical failure on the Kirkfield lift lock in 2023-24; and
- \$2.8 million in Transfer payments compared to the same period last year. This is mainly due to the timing of payments submitted to Indigenous organizations.

New Parks and Historic Sites (Table 3)

The expenditures for New Parks and Historic Sites in the first quarter ending June 30, 2024, is \$1.6 million (or 35%) higher compared to the previous year. The total available at the beginning of the year is \$53.9 million (or 34%) higher compared to the previous year.

Table 3 provides information on the New Parks and Historic Sites account available for use and used during this quarter.

Risks and uncertainties

Parks Canada undertakes a corporate risk assessment every year to support programs, priority setting and resource allocation. The risk assessment identifies key corporate risks that have the greatest impact on the organization's ability to deliver its Core Responsibility and achieve Departmental Results. Parks Canada has identified the following key corporate risks for 2024-25.



Environmental forces adaptation and response

Due to the magnitude and rapid pace of environmental changes (for example, increased incidence of major weather events such as wildfires), there is a risk that the integrity of ecosystems, cultural resources and infrastructure, and the continuation of service to Canadians cannot be protected or maintained against these forces which may lead to Parks Canada being unable to deliver its mandate.

Relationships with Indigenous peoples

There is a risk that Parks Canada may not be able to fulfill its obligations to keep in step with evolving jurisprudence to support the Government of Canada's commitment to implement the United Nations Declaration on the Rights of Indigenous Peoples Act. Falling short of obligations and the inability to take actions in the spirit of the United Nations Declaration on the Rights of Indigenous Peoples will have a negative impact on relationships with Indigenous peoples, communities, and organizations. These relationships are integral to the management of protected heritage places and to supporting the connection that Indigenous peoples have to these places.

Visitation and relevance to Canadians

Socioeconomic conditions and other market influences are changing. To maintain its relevance to Canadians and visitors, Parks Canada must adapt its programs and services to meet their expectations.

Recruitment and retention

Canada's labour market is shrinking, with competitive demand for labour resources across the country. Parks Canada's ability to attract, retain, and develop employees while maintaining a flexible, high-performing work environment is at risk and could negatively affect operational capacities and the well-being of its employees.

Service and digital

With the rapid pace of changes in technology and the expectations of service users, there is a risk that Parks Canada may not be able to provide modern services and safeguard data and information without continual investment in aging information technology infrastructure, digital solutions, cybersecurity, and reviews of its information management and information technology services. This may impact the health and safety of visitors, result in the loss of revenue, and the inability of Parks Canada to adequately deliver on its mandate.

Built asset condition and long-term sustainability

There is a risk that portions of the asset portfolio will deteriorate and no longer be able to be maintained in a safe and functioning condition due to aging infrastructure, inadequate funding for recapitalization and maintenance, climate change impacts, and inflationary pressures. As a result, public safety may be compromised, cultural heritage may be lost, and public access may be impacted.

Business innovation

There is a risk that Parks Canada may not have the capacity, business processes, and tools to effectively and efficiently support service delivery and meet government management accountability expectations, including IM/IT requirements, if corporate and internal services are not modernized.

Workforce, equity, accessibility, inclusion and diversity, and well-being

If Parks Canada fails to foster an inclusive and barrier-free work environment that reflects Canada's diverse population, there is a risk that it will not have the cultural



competencies and perspectives needed to serve all Canadians, and will not be able to build and maintain a healthy workplace, which may result in impacts on programs and services, and damage its reputation.

Significant changes in relation to operations, personnel and programs

There are no significant changes in relation to operations, personnel and programs to report during this quarter.

Approval by senior officials

Approved by:

A handwritten signature in blue ink, appearing to read 'RHallman'.

Ron Hallman
President & Chief Executive Officer
Parks Canada
Gatineau, Canada
August 2024

A handwritten signature in black ink, appearing to read 'A Francis'.

Andrew Francis
Vice-President, Finance & Chief Financial Officer
Parks Canada
Gatineau, Canada
August 2024



**Parks Canada
Statement of authorities - Table 1
For the quarter ended June 30, 2024 (Unaudited)**

(in thousands of dollars)	Fiscal Year 2024-25			Fiscal Year 2023-24		
	Total available for use for the year ending March 31, 2025 ⁽¹⁾	Used during the quarter ended June 30, 2024	Year-to-date used at quarter-end	Total available for use for the year ending March 31, 2024 ⁽¹⁾	Used during the quarter ended June 30, 2023	Year-to-date used at quarter-end
Vote 1 - Operating expenditures, grants and contributions	657,875	136,246	136,246	663,383	128,690	128,690
Vote 5 - Capital expenditures	307,213	22,616	22,616	331,076	26,911	26,911
Vote 10 - Payments to the New Parks and Historic Sites Account	35,650	-	-	81,304	-	-
Statutory - Contributions to employee benefit plans	63,469	15,867	15,867	63,250	15,812	15,812
Statutory - Expenditures equivalent to revenues resulting from the conduct of operations pursuant to section 20 of the <i>Parks Canada Agency Act</i>	233,398	48,110	48,110	249,757	43,697	43,697
Total budgetary authorities	1,297,605	222,839	222,839	1,388,770	215,110	215,110

⁽¹⁾ Includes only Authorities available for use and granted by Parliament at quarter-end.



**Parks Canada
Budgetary expenditures by Standard Object - Table 2
For the quarter ended June 30, 2024 (Unaudited)**

(in thousands of dollars)	Fiscal Year 2024-25			Fiscal Year 2023-24		
	Planned expenditures for the year ending March 31, 2025 ⁽¹⁾	Expended during the quarter ended June 30, 2024	Year-to-date used at quarter-end	Planned expenditures for the year ending March 31, 2024 ⁽¹⁾	Expended during the quarter ended June 30, 2023	Year-to-date used at quarter-end
Expenditures:						
Personnel	523,386	149,069	149,069	479,366	136,650	136,650
Transportation and communications	16,054	3,398	3,398	12,981	4,314	4,314
Information	14,765	2,986	2,986	13,808	3,438	3,438
Professional and special services	149,244	16,626	16,626	155,260	19,678	19,678
Rentals	31,622	5,369	5,369	29,452	3,788	3,788
Repair and maintenance	28,171	2,386	2,386	60,724	2,899	2,899
Utilities, materials, and supplies	91,155	10,476	10,476	95,599	9,391	9,391
Acquisition of land, buildings and works	253,911	16,907	16,907	304,678	16,422	16,422
Acquisition of machinery and equipment	39,957	3,706	3,706	43,586	4,337	4,337
Transfer payments	89,498	11,075	11,075	88,777	13,849	13,849
Public debt charges	-	9	9	-	14	14
Other subsidies and payments	59,842	832	832	104,539	330	330
Total budgetary authorities	1,297,605	222,839	222,839	1,388,770	215,110	215,110

⁽¹⁾ Includes only Authorities available for use and granted by Parliament at quarter-end.



**Parks Canada
New Parks and Historic Sites - Table 3
For the quarter ended June 30, 2024 (Unaudited)**

	Fiscal Year 2024-25		Fiscal Year 2023-24	
	New Parks and Historic Sites Account for the quarter	New Parks and Historic Sites Account for the year	New Parks and Historic Sites Account for the quarter	New Parks and Historic Sites Account for the year
(in thousands of dollars)				
Available at beginning of year	211,253	211,253	157,324	157,324
Receipts:				
Parliamentary authorities	-	-	-	-
Proceeds on disposal of tangible capital asset	-	-	4	4
Donations	-	-	-	-
Expenditures	5,991	5,991	4,441	4,441
Available at end of June 30, 2024	205,262	205,262	152,887	152,887