



Quarterly Financial Report

For the quarter ended September 30, 2023



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1. Introduction

This quarterly financial report should be read in conjunction with the Main Estimates and Supplementary Estimates for fiscal year 2023–24. It 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 Directive on Accounting Standards, GC 4400 Departmental Quarterly Financial Report. It has been reviewed by the Internal Audit Committee of the Public Service Commission of Canada.

This quarterly report has not been subject to an external audit or review.

1.1 Authority and objectives

The Public Service Commission of Canada (the agency) is an independent agency established under the *Public Service Employment Act* and listed in schedules I.1 and IV of the *Financial Administration Act*.

A summary description of the agency's programs can be found in its [2023–24 Departmental Plan](#).

1.2 Basis of presentation

This quarterly report has been prepared by management using an expenditure basis of accounting. The accompanying Statement of Authorities includes the agency's spending authorities granted by Parliament and those used by the agency consistent with the Main Estimates for the 2023–24 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 departmental results reporting process. However, the spending authorities voted by Parliament remain on an expenditure basis.

1.3 Financial structure

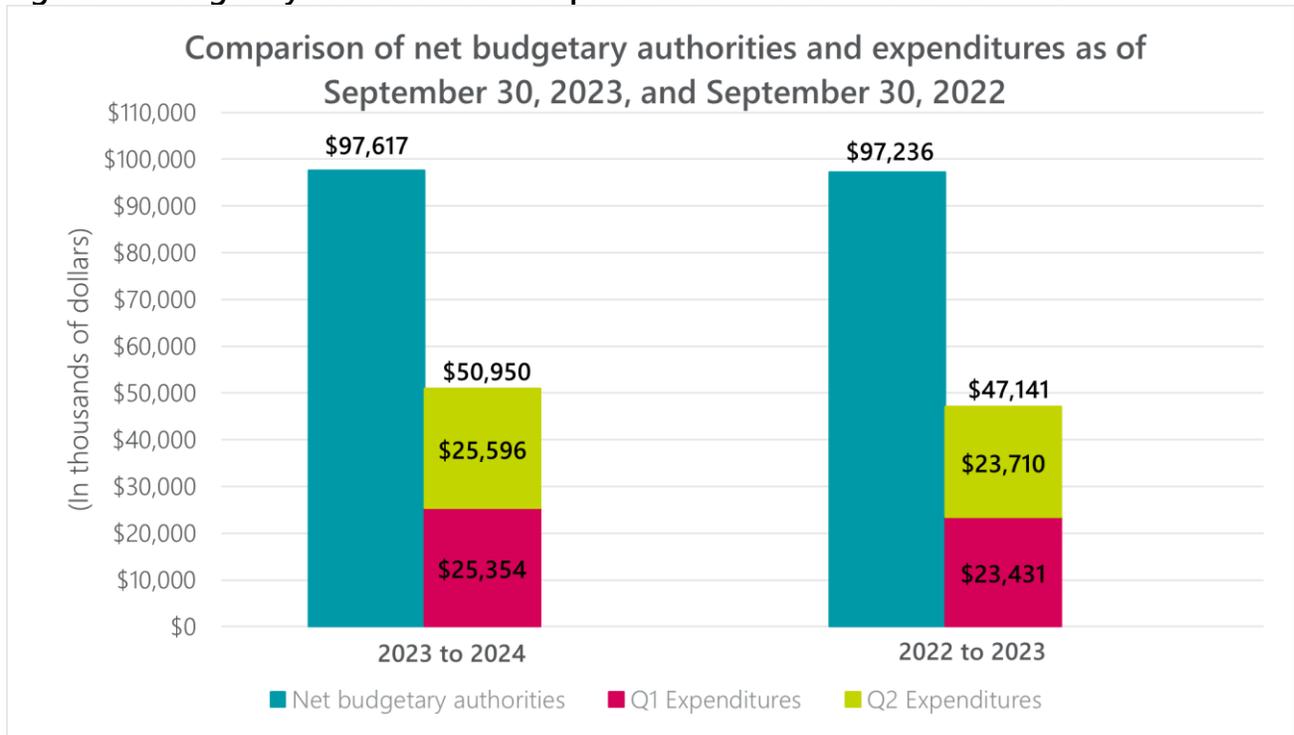
The agency has a financial structure comprised of voted budgetary authorities for program expenditures and statutory authorities for contributions to employee benefit plans.

In addition, the agency has the authority to re-spend certain revenues received from other government departments and agencies in a fiscal year to offset expenditures incurred in that same year, for the provision of assessment and counselling products and services.

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

This section highlights the significant items that contributed to the change in resources available for the current year and in the actual expenditures for the quarter ended September 30, 2023.

The following graph provides a comparison of the net budgetary authorities available for spending and the expenditures for the quarters ended September 30, 2023, and September 30, 2022, for the agency's combined Vote 1 – Program Expenditures and Statutory Authorities.

Figure 1 – Budgetary authorities and expenditures - 2023–24 and 2022–23**Alternative Text**

Year	Net budgetary authorities	Q1 Expenditures	Q2 Expenditures
2023-24	\$97,617	\$25,354	\$25,596
2022-23	\$97,236	\$23,431	\$23,710

2.1 Significant changes to authorities

As shown in Section 6: Statement of Authorities, at September 30, 2023, there was a net increase of \$381,000 in authorities available for use in the current year, as compared to the previous year.

The variance mainly is due to the following:

- a \$705,000 increase in funding from the Treasury Board submission to cover expenses from the Public Service Employment Act initiative

- a \$460,000 increase in funding from the Treasury Board to cover salary increases following the implementation of collective agreements in previous years
- a \$330,000 increase in funding due to adjustments in employer contributions to employee benefit plans
- a \$850,000 decrease in carry-forward received in fiscal year 2023-24 due to smaller lapse compared to 2022 to 2023
- a \$264,000 decrease in funding related to frozen allotment for refocusing government spending

2.2 Significant variances in net expenditures from prior year

As shown in Section 7: Budgetary expenditures by standard object, total net budgetary expenditures during the quarter increased from \$23,710,000 in fiscal year 2022-23 to \$25,596,000 in fiscal year 2023-24, a variance of \$1,886,000 or 7.95%.

The variance is due mainly to the following:

- an increase of \$1,903,000 in personnel, resulting from:
 - a \$1,803,000 increase in spending, mainly due to an increased number of employees
 - a \$73,000 increase in payments to other government departments for employees transferred into the agency
 - a \$27,000 increase for the Employee Benefit Plan, superannuation, the Quebec Pension Plan, death benefits and employment insurance payments
- a decrease of \$214,000 in spending for operation and maintenance due to:
 - a decrease of \$295,000 in licence renewals paid in a different quarter compared to the previous fiscal year
 - an increase of \$236,000 in professional and special services, mainly due to an increase in legal services
 - a decrease of \$114,000 in acquisition of machinery and equipment, mainly due to a decrease in computer equipment purchases
 - a decrease of \$94,000 in other subsidies and payments, mainly due to a decreased amount in salary overpayments
 - an increase of \$65,000 in information costs, mainly resulting from an increase of communications professional services received from other government departments
 - a decrease of \$12,000 in various expenses

- a decrease of \$197,000 in revenues netted against expenditures, due to less services requested by the other departments

3. Risks and uncertainties

The agency is evolving in a dynamic and complex environment that requires it to be effective, adaptive and innovative to support staffing in federal departments and agencies across Canada. As part of its departmental planning and reporting cycle, the agency undertakes an annual review of its organizational risks, as well as quarterly monitoring. This monitoring includes strategic oversight of the changes in external risk factors and internal vulnerabilities that may have an impact on the agency's results.

The agency's risks can be found in its [2023–24 Departmental Plan](#), which also includes a link to the operating context.

Changes to the agency's enabling legislation, the *Public Service Employment Act*, are being implemented as they come into force, and the agency has developed tools to guide departments and agencies to address biases and barriers that disadvantage members of equity-seeking groups in the hiring process. The 2 remaining amendments came into effect on July 1, 2023. The agency will continue to work with departments and agencies, looking beyond the 4 employment equity groups and geographic and official language representation, at a wider range of socio-demographic and intersecting identity factors, to remove or reduce barriers and biases in the staffing system.

4. Significant changes in relation to operations, personnel and programs

In response to Budget 2023, which plans to refocus government spending, the agency has undertaken an analysis of its activities, including planning for some reductions in revenue and a spending review.

5. Approved by senior officials

Approved by:

Stan Lee
Interim President

Emile Wandji, for
Farhat Khan, CPA, CMA
Chief Financial Officer and Vice President Corporate Affairs Sector

Gatineau, Canada
November 29, 2023

6. Statement of authorities (unaudited)

Fiscal year 2023–24 (in thousands of dollars)			
-	Total available for use for the year ending March 31, 2024 ¹	Used during the quarter ended September 30, 2023	Year-to-date used at quarter-end
Vote 1 – Program Expenditures	85,361	22,518	44,808
Statutory – Refund of Previous Year Revenue	0	15	15
Statutory – Employer Contributions to Employee Benefit Plans	12,256	3,063	6,127
Total Budgetary Authorities	97,617	25,596	50,950

¹ Includes only authorities available for use and granted by Parliament at quarter-end.
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6. Statement of authorities (unaudited)

(continued)

Fiscal year 2022–23 (in thousands of dollars)			
-	Total available for use for the year ending March 31, 2023 ²	Used during the quarter ended September 30, 2022	Year-to-date used at quarter-end
Vote 1 – Program Expenditures	85,311	20,729	41,173
Statutory – Refund of Previous Year Revenue	0	0	6
Statutory – Employer Contributions to Employee Benefit Plans	11,925	2,981	5,962
Total Budgetary Authorities	97,236	23,710	47,141

² Includes only authorities available for use and granted by Parliament at quarter-end.
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7. Budgetary expenditures by standard object (unaudited)

Fiscal year 2023–24 (in thousands of dollars)			
-	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended September 30, 2023	Year-to-date used at quarter-end
Personnel	94,518	24,503	48,058
Transportation and telecommunications	111	45	88
Information	223	87	105
Professional and special services	14,105	2,125	2,811
Rentals	1,399	221	1,334
Repair and maintenance	61	10	13
Utilities, materials and supplies	122	55	85
Acquisition of machinery and equipment	1,209	73	194



Fiscal year 2023–24 (in thousands of dollars)			
-	Planned expenditures for the year ending March 31, 2024	Expended during the quarter ended September 30, 2023	Year-to-date used at quarter-end
Other subsidies and payments	121	46	163
Total gross budgetary expenditures	111,869	27,165	52,851
Less: Revenues netted against expenditures	(14,252)	(1,569)	(1,901)
Total net budgetary expenditures	97,617	25,596	50,950



7. Budgetary expenditures by standard object (unaudited)(continued)

Fiscal year 2022–23 (in thousands of dollars)			
-	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended September 30, 2022	Year-to-date used at quarter-end
Personnel	93,980	22,600	44,452
Transportation and telecommunications	333	28	40
Information	237	22	47
Professional and special services	14,220	1,889	2,710
Rentals	1,483	516	1,009
Repair and maintenance	62	4	8
Utilities, materials and supplies	150	90	116
Acquisition of machinery and equipment	873	187	749



Fiscal year 2022–23 (in thousands of dollars)			
-	Planned expenditures for the year ending March 31, 2023	Expended during the quarter ended September 30, 2022	Year-to-date used at quarter-end
Other subsidies and payments	150	140	326
Total gross budgetary expenditures	111,488	25,476	49,457
Less: Revenues netted against expenditures	(14,252)	(1,766)	(2,316)
Total net budgetary expenditures	97,236	23,710	47,141

